AMCOMRI

Initial Public Offering on AIM

Cavendish

Nominated Adviser and Broker

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended), who specialises in advising on the acquisition of shares and other securities if you are resident in the UK or, if not, from another appropriately authorised independent adviser.

This document, which comprises an AIM admission document prepared in accordance with the AIM Rules, has been issued in connection with the application for admission of the entire issued, and to be issued, ordinary share capital of the Company to trading on AIM. This document contains no offer or any part of an offer of transferable securities to the public within the meaning of sections 85 and 102B of the FSMA, the Act or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Regulation Rules or approved by, or filed with, the FCA or any other competent authority.

Application will be made for the Enlarged Share Capital to be admitted to trading on AIM. No application has been, or is currently intended to be, made for the Enlarged Share Capital to be admitted to listing or trading on any other stock exchange. It is expected that Admission will become effective and that dealings will commence in the Enlarged Share Capital on 20 December 2024.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on Admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this document.

Prospective investors should read this document in its entirety. An investment in the Company includes a significant degree of risk and prospective investors should consider carefully the Risk Factors set out in Part III of this document.

Amcomri Group plc

(a company incorporated in England and Wales under the Companies Act 2006 with registered number 14390325)

Placing of 21,818,182 new Ordinary Shares at 55 pence per share

and

Admission to trading on AIM

Nominated Adviser and Broker

Cavendish

Share capital immediately following Admission

	Issued and Fully Paid	
	Number	*Amount*
Ordinary Shares of £0.01 each	71,838,549	£718,385.49

The new Ordinary Shares to be issued pursuant to the Placing will, on issue, rank in full for all dividends and other distributions declared, paid or made in respect of the Ordinary Shares after Admission and will otherwise rank *pari passu* in all other respects with the Existing Ordinary Shares.

Cavendish, which is authorised and regulated in the UK by the FCA, is acting as nominated adviser and broker to the Company in connection with the proposed Placing and Admission and will not be responsible to any person (including any recipient of this document) other than the Company for providing the protections afforded to its clients or for advising any other person on the proposed Placing and Admission or the contents of this document or any transaction or arrangement referred to herein. Cavendish has not authorised the contents of any part of this document for the purposes of the FSMA. The responsibilities of Cavendish as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or any Director, Shareholder or any other person in respect of such person's decision to acquire shares in the Company in reliance on any part of this document. Apart from the responsibilities and liabilities, if any, which may be imposed on Cavendish by the FSMA or the regulatory regime established thereunder, Cavendish does not accept any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Ordinary Shares or the Placing and Admission. Cavendish accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

A copy of this document will be available to view, subject to certain restrictions relating to persons resident in certain overseas jurisdictions, at the Company's website at www.amcomrigroup.com.

IMPORTANT INFORMATION

General

This document should be read in its entirety before making any decision to subscribe for or purchase Ordinary Shares. Prospective investors should rely only on the information contained in this document. No person has been authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representations must not be relied on as having been authorised by the Company, Cavendish or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under the AIM Rules, neither the delivery of this document nor any acquisition of Ordinary Shares made under this document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company or the Group since the date of this document or that the information contained herein is correct as at any time subsequent to its date.

Prospective investors in the Company must not treat the contents of this document or any subsequent communications from the Company, Cavendish or any of their respective directors, officers, partners, employees, agents, affiliates, representatives or advisers as advice relating to legal, taxation, accounting, regulatory, investment or any other matters. Each prospective investor should consult with their own advisers as needed to make its investment decision and to determine whether it is legally permitted to hold Ordinary Shares under applicable legal investment or similar laws or regulations. Investors should be aware that they may be required to bear the financial risks of an investment in Ordinary Shares for an indefinite period of time.

The Company will update the information provided in this document by means of a supplement to it if a significant new factor, material mistake or inaccuracy arises or is noted relating to the information included in this document before Admission. Any supplementary admission document will be made public in accordance with the AIM Rules.

Investing in and holding the Ordinary Shares involves financial risk. Prior to investing in the Ordinary Shares, investors should carefully consider all of the information contained in this document, paying particular attention to the Risk Factors in Part III of this document. Investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in light of the information contained in this document and their personal circumstances.

In connection with the Placing, Cavendish and any of its affiliates, acting as investors for their own accounts, may acquire Ordinary Shares, and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its own account in such Ordinary Shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references in this document to the Ordinary Shares being offered, subscribed, acquired, placed or otherwise dealt with should be read as including any offer to, or subscription, acquisition, dealing or placing by, Cavendish and any of its affiliates acting as investors for its own account. Cavendish does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Cavendish and its affiliates may have in the past engaged, and may in the future, from time to time, engage in transactions with, and provided various investment banking, financial advisory and other ancillary activities in the ordinary course of their business with the Company, in respect of which they have received, and may in the future receive, customary fees and commissions. As a result of these transactions, these parties may have interests that may not be aligned, or could possibly conflict, with the interests of investors.

Notice to overseas persons

The distribution of this document and the offer and sale of Ordinary Shares in certain jurisdictions may be restricted by law. No action has been taken or will be taken to permit the possession or distribution of this document (or any other offering or publicity materials relating to Ordinary Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this document, nor any advertisement or any other offering material may be distributed or published in or from any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document does not constitute an offer to sell, or the solicitation of an offer to buy or subscribe for, securities in any jurisdiction in which such offer or solicitation is unlawful and, in particular, is not for publication or distribution in or into the United States, Canada, Australia, New Zealand, the Republic of South Africa or Japan. The Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") nor under the applicable securities laws of any states of the United States, or any province or territory of Canada, Australia, New Zealand, the Republic of South Africa or Japan, or to any national, resident or citizen of the United States of America, Canada, Australia, New Zealand, the Republic of South Africa or Japan, The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities law of any such jurisdictions. The Ordinary Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States of America regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States of America. Furthermore, no actions have been or will be taken to allow any offering of Ordinary Shares under the applicable securities laws of any jurisdiction where action for that purpose may be required or doing so is restricted by law.

Notice to prospective investors in the European Economic Area

In relation to each member state of the European Economic Area (each a "**Member State**"), no Ordinary Shares have been offered or will be offered pursuant to the Placing to the public in that Member State prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that Member State, all in accordance with the EU Prospectus Regulation, except that offers of Ordinary Shares to the public may be made at any time under the following exemptions under the EU Prospectus Regulation, if they have been implemented in that Member State:

(1) to any legal entity which is a qualified investor as defined under Article 2 of the EU Prospectus Regulation;

(2) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the EU Prospectus Regulation) in such relevant Member State; or

(3) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation, provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the EU Prospectus Regulation and each person who initially acquires any Ordinary Shares or to whom any offer is made under the Offers will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of the law of the Member State implementing Article 2(e) of the EU Prospectus Regulation.

For these purposes, the expression "**an offer to the public**" in relation to any offer of Ordinary Shares in any Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression the "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129 (as amended).

Neither the Company, Cavendish nor any other person has authorised, nor do they authorise, the making of any offer of Ordinary Shares in circumstances in which an obligation arises for the Company to publish a prospectus or a supplemental prospectus for such offer.

Notice to prospective investors in the United Kingdom

No Ordinary Shares have been offered or will be offered pursuant to the Placing to the public in the United Kingdom prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the FCA, except that Ordinary Shares may be offered to the public at any time:

(1) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(2) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation); or

(3) in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to section 85 of the FSMA and each person who initially acquires any Ordinary Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of Article 2 of the Prospectus Regulation.

For these purposes, the expression "**an offer to the public**" in relation to any offer of Ordinary Shares in the United Kingdom means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares.

In addition, the Placing is directed at persons in the United Kingdom who are "qualified investors" (within the meaning of Article 2 of the UK Prospectus Regulation) and (a) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**FPO**"); and/or (b) who are high net worth entities falling within Article 49(2)(a) to (d) of the FPO; and/or (iii) other persons to whom it may otherwise be lawfully distributed (each a "**Relevant Person**"). Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with such persons. Persons who are not Relevant Persons should not rely on or act upon this document.

Forward-looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding the Group's intentions, beliefs or current expectations concerning, among other things, the Group's results of operations, financial position, liquidity, prospects, growth, strategies and expectations of the industry in which the Group operates.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the development of the markets and the industry in which the Group operates, may differ materially from those described in, or suggested by, the forward-looking statements contained in this document. In addition, even if the development of the markets and the industry in which the Group operates are consistent with the forward-looking statements contained in this document, those developments may not be indicative of developments in subsequent periods. A number of factors could cause developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, commodity prices, changes in regulation, currency fluctuations, changes in its business strategy, political and economic uncertainty and other factors discussed in Part I and Part II of this document.

Any forward-looking statements in this document reflect the Group's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations and growth strategy. Investors should specifically consider the factors identified in this document which could cause results to differ before making an investment decision. Subject to the requirements of applicable law or regulation (including MAR and the AIM Rules), the Group undertakes no obligation publicly to release the result of any revisions to any forward-looking statements in this document that may occur due to any change in the Company's expectations or to reflect events or circumstances after the date of this document.

Any forward looking statement in this document based on past or current trends and/or activities of the Group should not be taken as a representation or assurance that such trends or activities will continue in the future. No statement in this document is intended to be a profit forecast or estimate or to imply that the earnings of the Group for the current year or future years will match or exceed the historical or published earnings of the Group.

Presentation of financial information

Unless otherwise indicated, financial information set out in this document has been prepared in accordance with the International Financial Reporting Standards as adopted by the United Kingdom ("**IFRS**"). Any unaudited financial information set out in this document has been extracted without material adjustment from the Group's accounting records. Certain non-IFRS measures such as operating profit and losses before exceptional items have been included in the financial information, as the Directors believe that these provide important alternative measures with which to assess the Group's performance. Prospective investors should not consider these as an alternative for revenue or operating profit which are IFRS measures. Additionally, the Company's calculations of non-IFRS measures may be different from the calculation used by other companies and therefore comparability may be limited.

Non-IFRS information

In relation to the reporting of certain financial information within this document, the Board has adopted various alternative performance measures ("**Alternative Performance Measures**").

Alternative Performance Measures are financial measures of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in IFRS, being the applicable financial reporting framework in respect of the Company. The Board believes that the Alternative Performance Measures contained within this document assist in providing additional useful information on the underlying trends, performance and financial position of the Company. The Alternative Performance Measures contained within this document are unaudited.

The Alternative Performance Measures contained within this document may not be directly comparable with other companies' Alternative Performance Measures, including those in the Company's industry. In order to make a proper assessment of the financial performance of the Group's business, prospective investors should read the document as a whole and not rely solely on the Alternative Performance Measures, which should be considered in addition to, and are not intended to be a substitute for, or superior to, IFRS measurements. Certain of the Alternative Performance Measures used within this document relate to past performance. Past performance is not an indication of future results.

This document contains Alternative Performance Measures including EBITDA and Adjusted EBITDA. EBITDA results from Company operating profit adjusted for depreciation and amortisation and Adjusted EBITDA results from Company operating profit adjusted for depreciation, amortisation, exceptional non-trading expenses and IFRS3 acquisition costs. Information regarding EBITDA, Adjusted EBITDA or similar measures is sometimes used by investors to evaluate the efficiency of a company's operations and its ability to employ its earnings toward repayment of debt, capital expenditures and working capital requirements. There are no generally accepted principles governing the calculation of EBITDA, Adjusted EBITDA or similar measures and the criteria upon which EBITDA, Adjusted EBITDA or similar measures are based can vary from company to company. EBITDA or Adjusted EBITDA, alone, does not provide a sufficient basis to compare the Company's performance with that of other companies and should not be considered in isolation or as a substitute for operating profit or any other measure as an indicator of operating performance, or as an alternative to cash generated from operating activities as a measure of liquidity.

Presentation of currencies

Unless otherwise indicated, all references in this document to "sterling", "pounds sterling", "GBP", "£", "penny", "pence" or "p" are to the lawful currency of the United Kingdom. Unless otherwise indicated, the financial information set out in this document has been expressed in pounds sterling.

Roundings

The information contained in this document, including financial information presented in a number of tables, has been rounded to the nearest whole number or the nearest decimal place. Therefore, the actual arithmetic total of the numbers in a column or row in a certain table may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Market, economic and industry data

This document includes market share and industry data and forecasts that were obtained by the Group from industry publications and surveys and from the Group's knowledge of its industry. Where information has been sourced from a third party, the Company confirms that the information has been accurately reproduced and, as far as the Company is aware and has been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third party information has been used in this document, the source of such information has been identified in the immediately preceding paragraph. Certain market share information and other statements in this document regarding the industry in which the Group operates and the Group's position relative to its competitors are not based on published statistical data or information obtained from independent third parties. Rather, such information and statements reflect the Directors' best estimates based upon information obtained from trade and business organisations and associations and other contacts within the industry in which it competes, as well as information published by its competitors.

No incorporation of websites

The contents of the Company's website (or any other website) do not form part of this document.

Notice to Distributors

Solely for the purposes of the product governance requirements contained within Chapter 3 of the FCA Handbook Production Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in paragraph 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Cavendish will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapter 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	16 December 2024
Admission effective and dealings in the Enlarged Share Capital commence on AIM	20 December 2024
Date for settlement within CREST of the Placing Shares (where applicable)	20 December 2024
Despatch of definitive share certificates for Placing Shares (where applicable)	within 10 Business Days of Admission

Note:

All times are references to times in London, UK. Each of the times and dates in the table above and mentioned elsewhere in this document are indicative only and may be subject to change at the absolute discretion of the Company and Cavendish.

PLACING STATISTICS

Placing Price	55 pence
Number of Existing Ordinary Shares	50,020,367
Number of Placing Shares	21,818,182
Number of Ordinary Shares in issue on Admission	71,838,549
Percentage of Enlarged Share Capital represented by Existing Ordinary Shares	69.6%
Percentage of Enlarged Share Capital represented by Placing Shares	30.4%
Gross proceeds of the Placing receivable by the Company	£12.0 million
Estimated net proceeds of the Placing receivable by the Company[1]	£10.2 million
Expected market capitalisation of the Company at the Placing Price immediately following Admission[2]	£39.5 million
AIM TIDM	AMCO
ISIN	GB00BMBWCV32
SEDOL	BMBWCV3
LEI	64887R4549E0TZ3ZZV74
Free float	25.3%

1 After deduction of the estimated commissions, fees and expenses payable by the Company (excluding VAT).

2 The market capitalisation of the Company at any given time will depend on the market price of the Ordinary Shares at that time. There can be no assurance that the market price of an Ordinary Share will at any given time equal or exceed the Placing Price.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Tanya Raynes, *Independent Non-executive Chair* Paul Patrick Mc Gowan, *Co-Founder and Non-executive Deputy Chair* Hugh Mark Whitcomb, *Co-Founder and Chief Executive Officer* Siobhán Tyrrell, *Chief Financial Officer* Mark Patrick O'Neill, *Investment Director* Fraser James Gray, *Independent Non-executive Director* Peter Tierney, *Independent Non-executive Director*
Company Secretary	Inca Lockhart-Ross
Registered Office	46-48 Beak Street, London, W1F 9RJ
Company's website	www.amcomrigroup.com
Nominated Adviser and Broker	**Cavendish Capital Markets Limited** One Bartholomew Close London EC1A 7BL
Financial Adviser	**Brigg Macadam** 53 Grosvenor Street London W1K 3HU
Reporting Accountants	**PKF Littlejohn LLP** 15 Westferry Circus London E14 4HD
Solicitors to the Company	**Pinsent Masons LLP** 30 Crown Place Earl St London EC2A 4ES
Solicitors to Cavendish	**Simmons & Simmons LLP** CityPoint 1 Ropemaker St London EC2Y 9SS
Auditors	**Grant Thornton LLP** 12-15 Donegall Square West Belfast BT1 6JH
Financial Public Relations Adviser	**Walbrook Public Relations** 75 King William St London EC4N 7BE
Registrars	**Link Market Services Limited** Central Square 29 Wellington Street Leeds LS1 4DL

DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

"**Act**" or "**Companies Act**"	the Companies Act 2006 (as amended)
"**Adjusted EBITDA**"	earnings before interest, tax, depreciation and amortisation adjusted for exceptional non-trading expenses and IFRS 3 acquisition costs
"**Admission**"	the admission of the Existing Ordinary Shares and the Placing Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
"**AIM**"	AIM, a market of that name operated by the London Stock Exchange
"**AIM Rules**"	the AIM Rules for Companies, including the guidance notes thereto published by the London Stock Exchange governing, *inter alia*, admission to AIM and the continuing obligations of an AIM company, as in effect from time to time
"**AIM Rules for Nominated Advisers**"	the AIM Rules for Nominated Advisers published by the London Stock Exchange and as amended and updated from time to time
"**Amcomri**" or the "**Company**"	Amcomri Group plc, a company incorporated in England & Wales under the Act as company number 14390325
"**Amcomri 14**"	Amcomri 14 Limited, a private limited company registered in England & Wales as company number 13223729
"**Amcomri Holdings**"	Amcomri Holdings Limited, a private limited company registered in the British Virgin Islands as company number 2043780, which is one of the holding companies for investments owned by Paul Mc Gowan and his family. Amcomri Holdings is 87.87 per cent. owned by Paul Mc Gowan
"**Amcomri LP**"	Amcomri Limited Partnership, a limited partnership registered in England & Wales under number LP017787 (not part of the Group)
"**Articles**"	the articles of association of the Company, a summary of which is set out in paragraph 6 of Part V of this document
"**B2B Manufacturing Division**"	the division of the Group providing specialist manufactured products exclusively to B2B customers comprising five Group subsidiaries: JA Harrison, Premier Limpet, Bex, Drurys and Claro
"**Bex**"	Bex Design & Print Ltd, a private limited company registered in England & Wales as company number 03280700
"**Blundell**"	Blundell Production Equipment Limited, a private limited company registered in England & Wales as company number 00929625
"**Board**" or "**Directors**"	the directors of the Company, whose names are set out on page 10 of this document, or any duly authorised committee thereof
"**BPH**"	Blundell Production Holdings Limited, a private limited company registered in England & Wales as company number 0969878

"**certificated**" or "**in certificated form**"	in relation to an Ordinary Share, title to which is recorded in the register of Shareholders as being held in certificated form (that is, not in CREST)
"**Claro**"	Claro Precision Engineering Limited, a private limited company registered in England & Wales as company number 15522664
"**Controlling Shareholder**"	Paul Mc Gowan, Co-Founder and Non-executive Deputy Chair and his private investment company, Amcomri Holdings
"**Concert Party**"	for the purposes of the Takeover Code, the persons listed in paragraph 16 of Part I of this document who are deemed to be acting in concert with the Controlling Shareholder
"**Concert Party Agreement**"	the agreement between the Company, Cavendish and each of the members of the Concert Party, summary details of which are set out in paragraph 15.12 of Part V of this document
"**Co-Founders**"	Paul Mc Gowan and Hugh Whitcomb
"**Conversion Shares**"	the 3,818,182 new Ordinary Shares to be issued and allotted to Oranmore at the Placing Price, pursuant to the debt for equity swap agreement, further details of which are set out in paragraph 15.15 of Part V of this document
"**CREST**"	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form, in respect of which Euroclear is the operator (as defined in the CREST Regulations)
"**CREST Regulations**"	the Uncertificated Securities Regulations 2001 (as amended from time to time), including (i) any enactment or subordinate legislation which amends or supersedes those regulations; and (ii) any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force
"**Demerger**"	the indirect demerger effected by the demerger agreement dated 31 August 2023 pursuant to which the investments held by Amcomri 16 Limited in the Subsidiary Companies were transferred to Fawley Industrial Limited
"**Disposal**"	the transfer, sale, mortgaging, charging, assigning, issuing of options in respect of or otherwise disposing or agreement to dispose of Ordinary Shares
"**DTRs**"	the Disclosure Guidance and Transparency Rules issued by the FCA under Part V of the FSMA, as amended from time to time
"**Drurys**"	Drurys Engineering Limited, a private limited company registered in England & Wales as company number 15522852
"**Dunville**"	Dunville Limited, a private limited company registered in England & Wales as company number 12768143
"**EBIT**"	earnings before interest and tax
"**EBITDA**"	earnings before interest, tax, depreciation and amortisation
"**Embedded Engineering Division**"	the division of the Group providing specialist engineering services comprising the following seven Group companies: WJPS, Blundell, IVS, TP Matrix, Etrac, Spiral Weld and Kestrel Valve

“**Enlarged Share Capital**”	the issued share capital of the Company immediately following Admission and the Placing, comprising the Existing Ordinary Shares and the Placing Shares
“**Etrac**”	Etrac Limited, a private limited company registered in England & Wales as company number 06494187
“**Etrac Trading**”	Etrac Trading Limited, a private limited company registered in England & Wales as company number 14128020
“**Euroclear**”	Euroclear UK & International Limited, a company incorporated in England and Wales, being the operator of CREST
“**EUWA**”	the European Union (Withdrawal) Act 2018 (as amended)
“**Executive Directors**”	the executive directors of the Company as at the date of this document, namely Hugh Whitcomb, Siobhán Tyrrell and Mark O’Neill
“**Existing Ordinary Shares**”	the 50,020,367 Ordinary Shares in issue upon Admission excluding the Placing Shares
“**FCA**”	the UK Financial Conduct Authority
“**FCA Handbook**”	the FCA’s handbook of rules and guidance published by the FCA from time to time
“**FSMA**”	the Financial Services and Markets Act 2000 (as amended from time to time)
“**FY21**”	the financial year of the Company ended 31 December 2021
“**FY22**”	the financial year of the Company ended 31 December 2022
“**FY23**”	the financial year of the Company ended 31 December 2023
“**Group**”	the Company and its subsidiary companies
“**Group Company**” or “**Group Companies**”	any company in the Group
“**H124**”	the six month period ended 30 June 2024
“**Hilco Capital**”	Hilco Capital Limited, a private limited company registered in England & Wales as company number 03944915
“**Hilco Global**”	Hilco Global Inc., a private company registered in the United States
“**HMRC**”	His Majesty’s Revenue and Customs
“**IAS**”	International Accounting Standards
“**IASB**”	the International Accounting Standards Board
“**IFRS**”	International Financial Reporting Standards, as issued by the IASB as adopted by the United Kingdom
“**ISIN**”	international security identification number
“**IVS**”	South Wales Industrial Valves Services Limited, a private limited company registered in England & Wales as company number 01582669

"**IVS Swansea**"	IVS Swansea Limited, a private limited company registered in England & Wales as company number 10439075
"**JA Harrison**"	J.A. Harrison & Company (Manchester) Limited, a private limited company registered in England & Wales as company number 01236981
"**Kestrel Valve**"	Kestrel Valve and Engineering Services Limited, a private limited company registered in England & Wales as company number 03333534
"**Loan Notes**"	the unsecured convertible loan notes issued by the Company pursuant to a loan note instrument dated 15 June 2023 (the "Loan Note Instrument")
"**London Stock Exchange**" or "**LSE**"	London Stock Exchange plc
"**LTIP**"	the Amcomri Long Term Incentive Plan 2024, adopted on 16 December 2024, details of which are set out in paragraph 10 of Part V of this document
"**Market Abuse Regulation**" or "**MAR**"	the UK version of the Market Abuse Regulation (Regulation 596/2014), as it forms part of English law by virtue of EUWA (as amended)
"**Nominated Adviser**" or "**Cavendish**"	Cavendish Capital Markets Limited, in its capacity as the Company's nominated adviser
"**OEM**"	original equipment manufacturer
"**Official List**"	the Official List maintained by the FCA
"**Oranmore**"	Oranmore Limited, a private limited company registered in England & Wales as company number 12879007, which is a wholly owned subsidiary of Amcomri Holdings
"**Ordinary Shares**"	ordinary shares of £0.01 each in the capital of the Company
"**Panel**" or "**Takeover Panel**"	the Panel on Takeovers and Mergers
"**PDMR**"	a person discharging managerial responsibilities as defined in Article 3(1)(25) of MAR
"**Placees**"	those persons who have conditionally agreed to subscribe for or purchase Placing Shares at the Placing Price pursuant to the Placing
"**Placing**"	the conditional placing of 21,818,182 Placing Shares by Cavendish as agent for and on behalf of the Company pursuant to the terms of the Placing Agreement
"**Placing Agreement**"	the conditional agreement dated 16 December 2024 and made between the (1) Company; (2) the Directors; and (3) Cavendish relating to the Placing, further details of which are set out in paragraph 15.8 of Part V of this document
"**Placing Price**"	55 pence per Placing Share

"**Placing Shares**"	the 21,818,182 new Ordinary Shares to be issued and allotted at the Placing Price, pursuant to the Placing including 3,818,182 Conversion Shares
"**Premier Limpet**"	Premier Limpet Limited, a private limited company registered in England & Wales as company number 02731668
"**Prospectus Regulation**"	Regulation (EU) No 2017/1129 of the European Parliament as it forms part of domestic law by virtue of the EUWA
"**Prospectus Regulation Rules**"	the Prospectus Regulation Rules published by the FCA under section 73A of FSMA (as amended from time to time)
"**QCA**"	the Quoted Companies Alliance
"**QCA Code**"	the Corporate Governance Code, published by the Quoted Companies Alliance from time to time
"**Register of Members**"	the Company's register of members
"**Registrar**"	Link Group, the trading name of Link Market Services Limited
"**Reliance**"	Reliance Control Systems Limited, a private limited company registered in England & Wales under company number 08478867
"**Relationship Agreement**"	the conditional relationship agreement dated 16 December 2024 between the Company, the Controlling Shareholder, Amcomri Holdings and Oranmore, further details of which are set out in paragraph 15.9 of Part V of this document
"**SDRT**"	UK stamp duty reserve tax
"**Securities Act**"	the United States Securities Act of 1933 (as amended)
"**Share Dealing Code**"	the code to be operated by the Company from Admission which governs the restrictions imposed on persons discharging managerial responsibility and the persons closely associated with them (as defined in MAR) in relation to dealings in the Ordinary Shares
"**Shareholder**" or "**Shareholders**"	holder or holders of Ordinary Shares in the Company
"**Share Options**"	share options, granted under the LTIP, to subscribe for new Ordinary Shares
"**Spiral Weld**"	Spiral Weld Limited, a private limited company registered in England & Wales as company number 02357614
"**Takeover Code**"	the City Code on Takeovers and Mergers published by the Panel from time to time
"**Terms and Conditions**"	the terms and conditions which apply to persons making an offer to acquire Placing Shares under the Placing, as set out in Part VI of this document
"**TP Matrix**"	TP Matrix Limited, a private limited company registered in England & Wales as company number 03283023
"**UK**" or "**United Kingdom**"	the United Kingdom of Great Britain and Northern Ireland

“**uncertificated**” or “**in uncertificated form**”	recorded on the register of Ordinary Shares as being held in uncertificated form in CREST, entitlement to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“**US**” or “**United States**”	the United States of America, its territories and possessions, any state of the United States and the District of Colombia
“**VAT**”	UK value added tax
“**WJPS**” or “**WJ Projects**”	WJ Projects Services Limited, a private limited company registered in England & Wales as company number 06327567; and
“**£**”, “**GBP**” or “**pounds sterling**”	United Kingdom pounds sterling, the official currency of the United Kingdom.

In this document words denoting any gender include all genders and the singular includes the plural (and *vice versa*).

PART I

INFORMATION ON THE GROUP

The following information should be read in conjunction with the information appearing elsewhere in this document including (i) the Group's consolidated historical financial information for the three years ended 31 December 2023, 31 December 2022 and 31 December 2021; (ii) WJPS's historical financial information for the three years ended 31 March 2023, 31 March 2022 and 31 March 2021; (iii) Premier Limpet's historical financial information for the year ended 31 December 2021; and (iv) JA Harrison's historical financial information for the period ended 31 December 2021.

1. Introduction

Amcomri is a "*Buy, Improve, Build*" group focusing on acquiring, integrating and enhancing specialist engineering services and industrial manufacturing businesses that provide technical services to major UK infrastructure, transportation and energy companies and bespoke mission-critical services to a diverse range of sectors and markets.

The Group currently operates through the following two divisions:

(i) **Embedded Engineering Division**: provides specialist technical and engineering services for major industrial, infrastructure and transportation clients, typically with complex technical needs and undertaken in operating environments where safety and compliance performance are critical requirements. The division predominantly provides engineering services and support for their clients' capital intensive, mission-critical assets such as high voltage electrical transmission systems, petrochemical and continuous process operations, and large power generation plants.

(ii) **B2B Manufacturing Division**: focuses on selective niche B2B markets or businesses, where the Group has identified an opportunity to achieve enhanced financial performance by leveraging an initially strong competitive market position combined with the Group's business improvement capabilities.

After a period of phased development, Amcomri was formally established in 2022 by the Co-Founders. Since its establishment, the Group has grown to 12 operating businesses across its two divisions, with a combined Group turnover in excess of £47.1 million and Adjusted EBITDA of £5.8 million in FY23. As at the date of this document, the Group has 359 employees.

The Group operates across a diverse range of sectors and markets, including industrial, infrastructure and mass transportation. The Group deploys a structured "*Buy, Improve, Build*" strategy with a track record of value enhancing acquisitions in the industrial environment. It has a particular focus on leveraging the Group's experience and track record in relation to acquisitions arising from owner manager 'retirement' situations, where there are no, or limited, alternative plans for succession to sustain the enterprise value present within the target business.

The Group has been created through a series of 16 successful acquisitions, comprising the acquisition of 12 operating companies and 4 bolt-on asset/business purchases, each of which has been integrated into the Group. The Group's businesses have grown organically and are well placed to take advantage of generally positive conditions in their respective end markets. This strategic approach has delivered compound annual Group revenue growth of 48.8 per cent. between FY21 and FY23.

The Co-Founders have been leading members of the senior management team of Hilco Capital, a special situations investor and asset-based lender, active primarily in the UK, Australia, Canada and Western Europe. Paul Mc Gowan is the Founder and Executive Chairman of Hilco Capital. Since being founded in 2000, Hilco Capital has been a key element in the creation over $1 billion of shareholder value within the wider Hilco Global group through identifying opportunities to develop and extract maximum value from distressed situations, predominantly in the retail sector. Paul Mc Gowan led the majority of Hilco Capital's UK, European and Australian transactions until 2018 when he delegated many of his day-to day responsibilities to a new CEO, allowing him to focus on other activities including the development of the Amcomri business. Paul is well progressed in the process of stepping back from his full-time commitments at Hilco Capital. Hugh Whitcomb was previously a Lead Advisory Partner at Hilco Capital where he focused on distressed opportunities in the industrials sector, leveraging 42 years of industrial engineering experience before stepping down as Lead Industrial Advisor to focus on Amcomri.

The Co-Founders focused initially upon a small number of UK-based SME industrial businesses, held as a private portfolio, which was majority owned by Paul Mc Gowan and acquired with the view to develop, test and validate the "*Buy, Improve, Build*" strategy. In 2021 a management team was established for the purpose of developing the Amcomri business model and these privately held businesses were then incorporated into the Group. A central office, led by Hugh Whitcomb (CEO), Siobhán Tyrrell (CFO) and Mark O'Neill (Investment Director), was established in London and the Company focused upon acquiring complementary businesses and building initial scale within the Group.

The Group's financial performance since FY21 is illustrated below:

Figure 1

	FY21 £m	***FY22 £m***	***FY23 £m***	***6 months ended 30 June 2024[1] £m***
Total Revenue	**21.3**	**39.4**	**47.1**	**27.3**
Embedded Engineering	11.1	14.5	23.8	12.9
B2B Manufacturing	10.1	24.9	23.3	14.5
Adjusted EBITDA[3]	**2.7**	**4.6**	**5.8**	**3.9**
Adjusted EBITDA Margin	12.7%	11.7%	12.3%	14.3%
Adjusted EBIT[4]	**2.0**	**3.7**	**4.6**	**3.2**
Adjusted EBIT Margin	9.4%	9.4%	9.8%	11.7%

1. Unaudited interim financial statements for the six-month period ended 30 June 2024.
2. As a result of rounding, the totals of data presented in this table may vary slightly from the arithmetic totals of such data.
3. Adjusted EBITDA is defined as EBITDA adjusted for exceptional non-trading expenses and IFRS 3 acquisition costs. See reconciliation on pages 239 and 240.
4. Adjusted EBIT is defined as EBIT adjusted for exceptional non-trading expenses, IFRS 3 acquisition costs and IAS 38 amortisation of intangibles. See reconciliation on pages 239 and 240.

The Directors believe that the key strengths within the Group are:

- **Well established, proven operators in the Group's chosen industries with high barriers to entry**. The Group provides services that are essential and often critical to the proper operation of the facilities or assets on which they are engaged.
- **In-depth, specialist sector technical and product knowledge**. The Group places a high value on the continuous development of the technical expertise of its workforce. Accordingly, employee training and development to retain and expand the Group's technical expertise is a key strategic objective for management.
- **Proven acquisition processes and management track record**. Having completed 16 acquisitions within the Group, the Amcomri management team has experience sourcing and delivering transactions across its specific and niche industries.
- **Strong track record of revenue and earnings growth**. Group revenues increased by 121 per cent. from £21.3 million in FY21 to £47.1 million in FY23, whilst Adjusted EBITDA increased by 142 per cent. from £2.7 million to £5.8 million over the same period.
- **Delivering services and products to a diversified customer base**. Group companies provide essential engineering services and manufacture products for its customers in industries including rail and transport, process & power, on shore oil and gas, defence, aerospace and marine and subsea.
- **Ability to enhance operational performance and deliver margin improvement**. Management has demonstrated an aptitude to maintain performance during ownership transition and improve margin and earnings post transition and integration.

The Company is seeking admission to trading on AIM in order to raise £12 million of new equity to provide flexibility to accelerate its growth organically and through acquisitions and to strengthen the Group's balance sheet. Admission will also help to raise the Company's profile and assist in establishing the Group as a leading "*Buy, Improve, Build*" industry consolidator in its chosen embedded engineering and B2B manufacturing market sectors.

On Admission, it is anticipated that the Concert Party will continue to retain more than 50 per cent. ownership in the Company. Under the Concert Party Agreement, the Directors who hold Ordinary Shares and one other shareholder will be subject to a lock-in period of 12 months from Admission, with all of the remaining holders of Existing Ordinary Shares being subject to a lock-in period of 6 months from Admission. In addition, all holders of Existing Ordinary Shares will be subject to a 12 month orderly market agreement (subject to customary exemptions) following the expiry of their relevant lock-in period. Please refer to paragraph 15.12 of Part V of this document for a summary of the terms of the Concert Party Agreement. Paul Mc Gowan, Amcomri Holdings and Oranmore will also be subject to the Relationship Agreement, a summary of which is set out in paragraph 15.9 of Part V of this document.

2. History and development

The Group's history and acquisitions can be understood in the context of three distinct phases, as summarised below. All of the companies and/or businesses acquired prior to 2022 were bought by entities controlled by Paul Mc Gowan and were subsequently transferred to the Group. A Group structure chart is set out in paragraph 4.5 of Part V of this document.

Phase 1 – Exploration phase during which the Co-Founders tested their vision of identifying, acquiring and positively evolving engineering companies where the relevant vendors were approaching retirement age.

Acquisition Date	*Acquisition Detail*
28 April 2016	Acquisition of Blundell, by BPH, a subsidiary initially held by Amcomri LP and transferred on 31 January 2020 to Fawley Industrial
7 February 2017	Acquisition of IVS (initially held by Amcomri LP)
12 October 2018	Acquisition of Reliance as a bolt on to IVS

Phase 2 – Acceleration phase during which the Co-Founders formalised the "Buy, Improve, Build" strategy and increased the number of businesses acquired.

Acquisition/Purchase Date	*Acquisition/Purchase Detail*
27 March 2021	Acquisition of TP Matrix by Amcomri 14, a new company formed on 22 March 2021 (held by Fawley Industrial)
8 May 2021	Acquisition of JA Harrison by Dunville, a new company formed on 22 March 2021 (held by Fawley Industrial)
25 February 2021	Purchase of certain business and assets by IVS from Emerson Electric Co.
11 August 2021	Acquisition of Premier Limpet (held by Fawley Industrial)
11 March 2022	Acquisition of Bex (held by Fawley Industrial)
15 June 2022	Acquisition of Etrac Trading by Amcomri 14, a subsidiary of Fawley Industrial

Phase 3 – Maturity phase during which the Co-Founders increased investment in the management team and infrastructure required to build a group that could embrace greater scale

Each of the target companies referred to above were previously controlled by Paul Mc Gowan and were transferred to the Group on 31 August 2023. The Group then made the following acquisitions/purchases:

Acquisition/Purchase Date	*Acquisition/Purchase Detail*
5 April 2023	Acquisition of Spiral Weld
5 June 2023	Acquisition of Kestrel Valve
11 October 2023	Acquisition of WJPS (held by WJPS Holdings Limited, a subsidiary of the Group)
19 April 2023	Purchase of stock and other assets from Gee Gaskets Limited (in administration)
19 March 2024	Purchase of the trade and assets of Drurys and Claro (in administration)
22 March 2024	Purchase of the trade and assets by Premier Limpet from Supreme Converting and Packaging Limited (tape division)

3. Business description

Amcomri is a specialist engineering services and industrial manufacturing business. The Group's activities are split between providing specialist technical and engineering services to major UK infrastructure, transportation and energy companies and manufacturing niche products for selective UK B2B markets. The Group is profitable and cash generative, growing in size both organically and through acquisitions and provides proven tailored solutions to customers through its in-depth technical expertise, commitment to service and established product ranges.

The Group's principal strategy is to acquire specialist industrial companies and actively manage them to improve growth, cash generation, profitability and business processes, typically with the previous owner-managers retiring at the end of a managed transition period.

Following acquisition by the Group, the target businesses go through a specific transition stage where, with appropriate support from experienced Group resources, the acquired business is progressively guided through its ownership change in a controlled and structured manner. The timeline for this process varies depending on individual owner ambitions and commercial arrangements associated with each transaction.

During this transition phase, appropriate sector experienced resources are brought into the acquired business to both allow retiring owners to exit and also to support and develop the initial stages of the post transition 'build' phase of the Amcomri model. The combination of structured transition and improvement processes, combined with incoming sector experienced resource, allows Amcomri to move through ownership transition in a controlled manner and then progressively develop the performance of the acquired company from a stable operating base. Initially, performance improvement is generally focused on margin and cost improvement, followed by the implementation of structured organic revenue growth plans as more detailed knowledge of the commercial aspects of the business is developed.

Operations

The Group's operations vary in size and have different offerings albeit with similar characteristics around their importance to their customers and thus their embedded nature. As at the date of this document, the Group employed approximately 359 people.

The Group operates through two divisions:

(i) Embedded Engineering Division

(ii) B2B Manufacturing Division

Embedded Engineering Division

The Embedded Engineering Division comprises businesses that provide specialist engineering services to major UK industrial, infrastructure or rail transportation clients. Typically, these clients have complex technical needs and the work on their assets is undertaken in challenging operating environments in which safety and compliance performance are critical requirements. These facilities can typically include high voltage electrical systems and substations, complex onshore petrochemical, continuous industrial production plants and large power conventional or nuclear generation plants.

The Embedded Engineering Division is the larger of the Group's two divisions with FY23 revenue of £23.8 million, up from £14.5 million in FY22. The division has a number of multi-year customer contracts.

The subsidiaries in this division, and their activities, are outlined below:

WJ Projects Services Limited ("WJPS")

WJPS provides specialist engineering services to high voltage ("HV") electrical system owners and operators associated with rail infrastructure and power grid systems in the UK. HV electrical rail infrastructure is a particular specialism.

WJPS's core competency is in the design, installation, testing, and commissioning of the electrical protection system ("EPS"), that is crucial for the safe operation and stability of HV systems. EPS systems control the HV circuit breakers ('switches') that provide the primary control and safety function for all HV systems and distribution networks.

WJPS offers a 'turnkey' project management service that covers procurement, installation, setup, and both initial and final testing of these complex integrated EPS systems for key national infrastructure operators in the rail and power industries, or their selected Tier 1 contract service providers. Contracts are often based on 'framework' multi-year agreements with repeat revenue on major infrastructure projects being implemented by the 'framework' client.

WJPS has been involved in several high-profile government projects, including High-Speed 2, Crossrail (the Elizabeth Line), and various Network Rail projects. With only 42 per cent. of the UK rail network electrified, the UK government has committed to investing £7 billion to rail infrastructure over the next decade and pledged to electrify 1,000 miles of track by 2030. Through its established relationships with the key rail infrastructure operators and service providers, WJPS is well positioned to take advantage of this long-term upgrading work in the sector.

Blundell Production Equipment Limited ("Blundell")

Blundell was the Group's first acquisition and is a UK distributor, supplier and service provider for production machinery and equipment for the printed circuit board ("PCB") assembly industry. As is generally the case with the Group's other operating companies, Blundell has a wide customer base in the UK electronics industry.

Coventry based Blundell supplies equipment from high quality global electronic manufacturing companies including Yamaha, Kurtz Ersa, Creative Electron and Fritsch. For Yamaha and Kurtz-Ersa, Blundell operates under exclusive distribution agreements for the UK, managing their OEM principals for both supply and on-going technical service support needs.

A team of 12 professional service engineers provide full commissioning, service capability, training, and support for all equipment supplied by Blundell, representing approximately 40 per cent. of the business. This service is complemented by a comprehensive, UK held, OEM spares offering for all the manufacturers represented by Blundell, ensuring continuous support and parts availability which is often a critical need for key customers.

South Wales Industrial Valves Services Limited ("IVS")

Established in Swansea in 1981, IVS provides maintenance, repair, and re-certification services for high-integrity industrial valves. IVS ensures that its clients can achieve both ongoing compliance with regulatory requirements and also safely extend the useful life of high value capital equipment assets. IVS provides services and components to safety critical, often high hazard, operating environments to support owners and operators to achieve statutory, technical and accreditation compliance. IVS also offers 'in service' TREVI testing of safety critical valves on customers sites, enabling the valves to be tested 'on-line' without having to shut down 24x7 continuous processes, potentially generating significant economic savings for clients versus plant shutdown to complete statutory compliance tests.

Under the control of Amcomri management, IVS's revenues have increased over fourfold since 2020 with EBITDA margins improving to 15 per cent. IVS, which under previous ownership was distressed, was acquired by Amcomri LP at a discounted entry point in 2017. Recognising a sound business model, a defensible market position and potential to acquire high quality clients, Amcomri management established a new executive team, bringing in new talent and introducing a management incentive plan for key employees, that led to a full financial and operational turnaround in the core business. Amcomri added a synergistic bolt-on acquisition, Reliance Control Valves ("Reliance") in 2018 to enhance the technical service proposition for key customers.

The full integration of the trade and assets of Reliance subsequently enabled IVS to add the repair, maintenance and re-certification of specialist flow control valves to its suite of services. A further bolt-on acquisition of certain assets from Emerson Electric Co. in 2021, which previously provided services to the Valero oil refinery in Pembroke, added a site-based supply and repair capability and provided a new facility in the Pembroke area to service other local critical infrastructure customers in power and liquid petroleum gas ("LPG") storage markets. As a result, IVS was able to secure a key new long-term contract with Valero Energy Limited, a major US independent oil and gas refiner, for their UK Pembroke refinery.

TP Matrix Ltd ("TP Matrix")

TP Matrix was founded in 1996 and began repairing and printing circuit boards for fax machines, rail industry products and business computers. The business expanded into sub-contract manufacturing providing PCB assembly and wiring services. Today, Oldham based TP Matrix predominantly supplies high quality electrical and electronic products, repair and overhaul and test services to the rail industry.

In 2023, repairs and overhauls accounted for approximately 65 per cent. of TP Matrix's sales, with the rail sector representing the majority of these activities. With over 30 years of experience in the rail industry, TP Matrix provides manufacturing, testing, repair, and overhaul services for a diverse range of electrical and electronic equipment used in passenger and freight rolling stock. Their expertise covers mainline trains, light rail trams, and TfL London Underground fleets. TP Matrix supports both new technology and provides crucial services to address component obsolescence in older technology platforms found in these assets.

As rail rolling stock ages, managing component obsolescence in safety-critical electronic control systems has become a key part of TP Matrix's service offering. Rail operators are required under regulation to replace certain life limited electronic components to maintain the safety and integrity of rolling stock electronic systems. The demand for these services has accelerated in recent years as the average age of certain rolling stock fleets increases.

TP Matrix holds comprehensive accreditations including the European recognised IRIS rail certification. This is required for its service and repair work in the rail sector, together with the IPC A-610A Electronics Assemblies accreditation. Within the UK, there are only 19 companies who hold the IRIS certification.

TP Matrix has new contracts with major European rail rolling stock manufacturers as well as further long-term contracts with UK manufacturers for the provision of upgrade, repair and maintenance services. These extended contracts are anticipated to contribute to turnover over the next three years.

Prior to its acquisition by the Group, the business had traded under the sole ownership and management of the vendor. Post-acquisition and ownership transition, Amcomri appointed new management, and additional commercial development and marketing resource. Although this initially increased the overhead cost base and reduced margins, it allowed TP Matrix to progressively expand its customer presence and contract acquisition rates such that in due course margins increased again, reaching record levels. These improvements in performance since coming under Group ownership demonstrate the strength of the "*Buy, Improve, Build*" model, which the Directors' believe can be mirrored across future acquisitions post Admission.

Etrac Limited ("Etrac")

Etrac specialises in engineering consultancy, systems integration, and maintenance services for the rail industry. Etrac tests and repairs electric traction, control, and display equipment of rolling rail stock. The company initially had five technical staff and two major customers: Alstom and Govia Thameslink Railway.

Etrac offers fast turnaround of high-quality repairs planned according to the customers' need for train or carriage availability. Partial integration with TP Matrix since the acquisition has included staff collaboration, training and the provision of Etrac's specialist services to TP Matrix's existing customer base. This integration continues to develop positively and the Group is confident that this will progressively create commercial synergies between the two companies.

A key requirement for Etrac customers is full functional testing of all modules or systems after any maintenance or overhaul work has been completed by Etrac. To meet this requirement, Etrac has a developed a range of test equipment and systems that simulate 'on train' features to allow full functional testing prior to despatch to customers for installation. In addition to electrical or electronic functional testing, Etrac is able to offer 'environmental' testing for modules, using a climate test chamber that can simulate varying environmental conditions found on trains. Since Etrac joined the Group, it has recruited additional skilled technicians to support the development of the business and anticipates adding further skilled, technical workshop and field resource, to support the next stage of its growth.

Spiral Weld Limited ("Spiral Weld")

Spiral Weld provides specialist rotational weld repair services for clients in conventional and nuclear power generation, petrochemical, water infrastructure, and marine propulsion sectors.

Spiral Weld has developed specialist expertise over 30 years in the repair and life extension of large, rotating equipment shafts. The company's process is based on a continuous weld overlay process. Typically, this technique is applied to large ship propellor shafts, high pressure steam control and shut off valves and large safety critical pump and gearbox shafts often found in high integrity, critical applications such as nuclear and conventional power plants or large water treatment facilities.

In addition to its core repair and life extension services, Spiral Weld also offers modifications and upgrades by applying dissimilar metals to enhance both corrosion and wear resistance. Spiral Weld's services include a fast turnaround for repairs, often crucial for clients who operate in mission-critical environments where the lead time for new components can take several months.

Compared to sourcing new parts, Spiral Weld's asset repair and life extension solutions are not only more cost-effective but also ensure minimal downtime for continuous process assets, thereby providing a valuable alternative to OEM replacements.

Kestrel Valve and Engineering Services Limited ("Kestrel Valve")

Kestrel Valve, provides maintenance and re-certification services for industrial valves, with a strong focus on the growing energy-from-waste ("EfW") sector, complementing the Group's industrial valve service offering in IVS.

The acquisition of Kestrel Valve has provided the Group with additional expertise in control valve technology. In addition, it provides a strategically positioned workshop and overhaul facility with prime access to the Midlands and Southwest UK industrial facilities. Through its presence in the EfW sector, Kestrel Valve provides a progressive synergy opportunity to leverage the services of other Group companies, specifically Spiral Weld, JA Harrison and TP Matrix. In particular, JA Harrison has the capability to produce and supply many of the gaskets and seals required by both Kestrel Valve and IVS customers when they come to re-install valves overhauled by these Group companies.

Kestrel Valve and IVS are both 'Emerson Accredited Service Providers' – US based Emerson Electric Co is one of the world's largest process valve manufacturers. An Emerson Accredited Service Provider is a valve, actuator or regulator service entity that has been carefully selected and audited by Emerson to provide trusted, local, OEM support. Within the UK there are fourteen Emerson approved service centres, seven of which are linked to Emerson. Of the seven independent approved service centres, three are owned by the Group (IVS Swansea, IVS Pembroke and Kestrel Valve).

B2B Manufacturing Division

The B2B Manufacturing Division provides specialist manufactured products exclusively to B2B customers, in niche areas where customer relationships are often long-term and embedded. The division comprises businesses that have been identified as having improvement opportunities or features where the Group believes it has the skills and expertise to extract further incremental value. In some instances, this has also provided the opportunity to acquire businesses at a discounted entry point.

The manufacturing assets at all of the facilities within the B2B Manufacturing Division are fit for purpose and well maintained, irrespective of the asset age. Depending on the needs of the specific markets being served by individual businesses within the division, certain of the Group's manufacturing assets are newer and more technologically advanced than others.

This difference arises where modern technology can have a more significant impact on performance or cost of production processes, for example, in Bex, advances in printing technology require more modern machinery to ensure continued cost and market advantage. Conversely, in JA Harrison, gasket cutting machine technology has remained relatively unchanged over several decades, capital replacement/upgrading is not intensive, and machines remain cost competitive and technically relevant.

Against this background, the Group will continue to progress selective capital additions or replacements to its plant and equipment in certain Group Companies where there is a business case. However, overall, the B2B Manufacturing Division can be considered capital expenditure light in its current and forward projected investment needs.

The B2B Manufacturing Division is the smaller of the Group's two divisions with revenue of £23.3 million in FY23. There are currently three principal areas of manufacturing activity: i) gaskets and seals; ii) printed tape; and iii) precision engineering and machining, the latter being added during 2024.

Revenue for the B2B Manufacturing Division grew strongly from FY21 to FY22 primarily due to the acquisition of Premier Limpet. In the first half of 2024, the B2B Manufacturing Division made three small acquisitions, positively contributing to H1 24.

JA Harrison & Company Limited ("JA Harrison")

JA Harrison is a UK manufacturer and supplier of a wide range of gaskets and other sealing solutions to multiple industrial subsectors. The company also manufactures a range of polytetrafluoroethylene ("PTFE") polymer components that have niche applications in the food, speciality chemicals, and pharmaceutical manufacturing sectors.

Based in Manchester, JA Harrison also provides technical and engineering support to major processors in essential industries including power, oil and gas and pharmaceuticals, both in the application of their products and the management of consumable stock inventories held on site by customers. Increasingly, major customers are looking to their key suppliers to provide greater engineering and technical advisory support as part of their product supply needs and JA Harrison is already benefitting from this shift with its in-house technical and design expertise.

JA Harrison's technical advice and manufacturing team, provides re-engineering/reverse engineering capability and service to a wide range of industries, to both large and small businesses. Recently, its experienced team were able to support a customer within the water utilities industry offering a reverse engineering capability to a micro strainer gear segment in PTFE material for a sewage plant for which no drawings or data existed.

The team at JA Harrison managed every technical step of the reverse engineering and machining process; the original component was scanned, and a SolidWorks model and detailed engineering drawing were produced. In addition, utilising their CAD/CAM suite in Manchester, they have the capability to reverse engineer customer's parts from drawings to CNC machining programs ensuring technical support during every stage of their design, manufacturing and testing processes.

The reverse engineering process is particularly applicable for customers with ageing capital equipment and includes:

- Assisting in the material selection using actual material samples to provide better understanding
- Manufacturing prototypes for approval using JA Harrison's state-of-the-art manufacturing facilities to have tangible examples.
    - The typical products that JA Harrison machines are PTFE envelopes for use within the chemical and pharmaceutical industries. Including bellows, valve seats, chevrons, washers, static mixers, bearing housings, wedge seals, tri-clovers, bushes, diaphragms and seals.

JA Harrison's wider competitive position benefits from certain commercial barriers to entry. For example, the company's valve refurbishment businesses have Approved Vendor Listings ("AVLs") with key UK oil refineries such as Essar Stanlow and Exxon Fawley. These AVLs are hard to achieve and the operators, who are seeking to reduce the number of suppliers, do not willingly add to them. Once on an AVL, the Group also can leverage its position and offer clients supply from its other subsidiary companies under the existing AVL, allowing the client to secure additional services without adding to its vendor list.

In 2023, JA Harrison acquired certain equipment, stock and intellectual property from Gee Gaskets Limited (in administration). This provided the company with the capability to manufacture and access the specialist graphite gasket market sector in which it had no prior presence. As a result of this acquisition and the capability it now provides JA Harrison to manufacture and supply graphite based sealing products, JA Harrison has now developed a new commercial relationship with a major international steam services equipment provider, Spirax Sarco PLC, to supply these specialist materials.

Premier Limpet Limited ("Premier Limpet")

Premier Limpet, founded in 1992, is a prominent trade-exclusive supplier of printed and plain adhesive tape, delivering approximately 40 million square metres annually through its distributor network. Operating from two manufacturing facilities in Cambridgeshire and Hertfordshire, the company produces a diverse range of bespoke printed adhesive tapes using various materials and adhesives.

Premier Limpet produces high-quality packaging tapes and focuses on a commitment to tailored advice and service to ensure optimal product performance. Premier Limpet maintains its technical quality through its in-house tape testing laboratory that delivers enhanced service and technical support to customers. Premier Limpet's product offerings include short-run top surface printed tapes, long-run under surface printed tapes, stock printed and plain tapes with next-day delivery, and custom conversion and printing services. As part of its commercial development plan Premier Limpet also has '10 day' and '20 day' lead time options.

In February 2024, Premier Limpet expanded its portfolio through a small bolt on acquisition of the trade and assets of Supreme Tapes and Converting Limited ("Supreme"), that has an established position and supply chain associated with water activated adhesive paper tapes. With a growing market trend towards eco-friendly packaging, Premier Limpet has developed a new range of environmentally friendly paper-based, water-activated tapes and the acquisition of Supreme is expected to drive further growth in this key area in parallel with the further development of Premier Limpet's established polymer based tape products ranges.

Bex Design & Print Ltd ("Bex")

Bex was Amcomri's second acquisition in the specialist print sector, after Premier Limpet.

Wiltshire based Bex specialises in screen and digital printing for the electronics, medical, and green energy industries. Bex has invested significantly in advanced printing technology, allowing it to provide a wider range of cost effective products and services than many of its competitors. The company specialises in 'thick film substrate' printing, producing items such as membrane switches and keypads for the electronics industry and graphic overlays, anodised plates, and reel labels for more general applications. Bex's products serve various industrial B2B markets, including electronics, fire safety, military, rail, automotive, transport, marine, EV charging and medical industries.

The Directors believe that Bex's competitive edge lies in its in-house design and production capabilities, which ensure fast lead times and flexible, problem-solving services.

Drurys Engineering Limited ("Drurys")

Drurys is a provider of advanced precision engineering, manufacturing, machining, and assembly services to the aerospace and industrial sectors.

Based in Hertfordshire, Drurys has over 20 years of experience, offering a wide range of services, including wet processing, non-destructive testing, clean-room assembly and outsourced welding and heat treatment. Drurys' expertise is in fine-limit grinding, spark erosion, and deep-hole drilling and highlights its focus upon quality and traceability.

These in house services are supported by a network of quality suppliers, ensuring adherence to the highest industry standards. These include internationally recognised standards such as EN9100:2018 and ISO 9001:2015, ensuring robust and high-quality solutions tailored to specialist industries. Drurys aims to meet the evolving demands of "life critical" sectors through the use of progressive technologies and stringent quality control.

In March 2024, Drurys was acquired by Amcomri following financial difficulties faced by its previous owner, which led to the parent company entering administration. Amcomri's management team, using their expertise in distressed acquisitions, identified Drurys as a well-positioned business with substantial inherent value potential. The acquisition, completed through a 'pre-pack' administration process, allowed for a purchase at a discounted entry point.

Within two months, the Amcomri team successfully normalised Drurys' working capital position and stabilised the previously challenged supply and customer relationships. In addition, through strong communication in transition, the Directors believe that employee confidence was restored, ensuring a stable platform on which to subsequently rebuild the profitable and cash generative business performance out of the pre-pack administration.

Claro Precision Engineering Limited ("Claro")

Claro was acquired in March 2024 from the same owner as Drurys, and similar to Drurys, had an underlying business that Amcomri believed had the capability to perform well, although hampered by the financial distress in the holding company in the run up to the acquisition.

Claro specialises in the subcontract machining and supply of precision machined components and assembly parts. Claro focuses on precision machining, expanding its services to meet the demands of high-tolerance industries including medical, aerospace, subsea, and electronics. The company operates under stringent quality standards, holding ISO 13485 Medical and BS EN 9100 Aerospace certifications.

Claro offers a complete range of services, from CNC milling and turning to mechanical assembly and design services, ensuring that clients receive fully finished products ready for market. Claro's commitment to quality and customer service is reflected in long-standing partnerships with key clients across various sectors. Since its inception, Claro has grown, moving to a larger facility in Knaresborough, UK, in 1983, and has continued to innovate and excel in precision machining, offering solutions that are both cost-effective and reliable.

As was the case for Drurys, following acquisition by the Group, key stakeholders internally and externally were brought on side as the working capital and supply situation was quickly normalised. Since acquisition, Claro has performed well as long term customers are increasingly uplifting their demand on the now stable business.

4. Markets, Customers and Accreditations

The Group's subsidiaries operate across a diverse number of sectors, including process and power, infrastructure, automotive, medical devices and electronics.

A summary of the Group's revenue and percentage revenue by end market for FY23 is shown below:

End Market	*Revenue £m*	*Revenue %*
Process & Power	7.6	16.0%
Rail & Transport	6.1	13.0%
Oil & Gas	3.7	8.0%
Defence	0.3	1.0%
Marine & Subsea	0.3	1.0%
Other	29.1	61.0%
Total	47.1	100.0%

Amcomri strategically targets businesses with niche market positions within their respective industries. Despite the specialisation of these market positions, the Group aims to ensure that its operating businesses are not overly reliant on either suppliers or customers. Critically, the Group seeks to ensure that these businesses do not generally compete solely on price.

Customers

The Embedded Engineering Division is primarily focused on maintaining, upgrading or life extending customer owned high value capital equipment assets, typically in the large-scale power, process or rail sectors. Clients in these sectors typically have complex technical needs and their operating environments have high safety and compliance requirements that must be met.

The B2B Manufacturing Division provides products or components to B2B customers who operate in selective and niche areas, primarily in the industrial or packaging end market sectors.

Accreditations

Provision of the Group's services requires professional and regulatory accreditation in tandem with evidence of in-depth technical expertise. Prospective clients often require extensive case study and reference support to demonstrate practical and technical competency irrespective of any formal accreditation position. Such requirements create significant barriers to entry in providing these specialist services to the Group's markets.

The Directors believe that only a limited number of companies in the UK and Europe possess the necessary proven technical capability and expertise together with the necessary formal accreditations to effectively compete within its chosen niche markets. This view is supported by both high bid success rates and good margins generally achieved across Group Companies.

The principal external accreditations held by the Group Companies are shown below:

Company	*Accreditation*	*Industry alignment*
Premier Limpet	• ISO 9001 • SEDEX Membership • FSC Certification	• General • General • General
IVS	• ISO 9001 • Achillies UVDB • Achillies FPAL • ISNetworld • Emerson Approved Service Provider	• General • Utility sector (water) • Oil & gas • Refining • OEM accreditation
Kestrel Valve	• ISO 9001 • Emerson Approved Service Provider	• General • OEM accreditation
TP Matrix	• IRIS –International Railway Standard • IPC-A-610 Acceptability of Electronics Assemblies Endorsement Program • ISO 9001	• Rail sector • Electronics sector • General
Etrac	• ISO 9001	• General
Spiral Weld	• ISO 9001	• General
WJ Projects	• ISO 9001 • ISO 14001 • ISO 45001 • RISQS	• Rail sector
JA Harrison	• ISO 9001 • ISO 14001 • ISO 45001	• General • General • General
Claro	• AS9100 • ISO 13485	• Defence & aerospace • Medical devices
Drurys	• AS9100 • ISO 9001	• Defence & aerospace • General

Market dynamics in Embedded Engineering

Cost reduction and outsourcing

Embedded Engineering activities within the UK are highly fragmented, in part due to major corporations and state entities systematically reducing or selling off their internal technical engineering capabilities to reduce overheads and concentrate on what they consider to be their core operations.

This long-term trend has led to an increasing reliance on smaller specialist technical service providers, resulting in a fragmented market that reflects the diverse needs of customers, particularly in the maintenance of large infrastructure sites and assets. As a result, critical technical and engineering tasks within major facilities are often distributed among several small, specialised businesses that possess the in-depth technical expertise no longer retained by the original operators. Many of these businesses were originally local companies, often family-owned and whilst technically competent, the Directors believe, they are less driven to update their internal processes to align with the standards of larger firms. Suboptimal internal processes frequently include a lack of structured commercial development, financial management and formal continuous improvement processes. These features provide an opportunity for Amcomri.

Ageing Infrastructure in Rail, Transport and Electricity Grid Network

In the UK, the rail and transport sector, which is Amcomri's second largest market by revenue, faces systemic challenges due to ageing infrastructure and limited capital available for asset replacement versus the carbon reduction agenda. Much of the UK HV National Grid infrastructure is over 50 years old and will require significant restructuring and upgrading to support carbon reduction objectives. This need for modernisation and reconfiguration is corroborated by the UK Government's ambitious renewable energy targets, including a plan to increase wind generation from 10,000 MW to 50,000 MW by 2030 and restructuring the grid to accommodate distributed generation from individual wind turbines.

Unskilled elements of the UK labour force

Compounding the issue of ageing UK rail and transport infrastructure is the limited number of specialist professional engineers and service providers in certain sectors amidst rising demand. The technical demands and complexity involved with HV systems, as an example, are far beyond those of standard electrical systems found in domestic or office settings and generally require BSc or MSc level electrical engineering competency to operate in the Group's higher technical end of this market.

Market dynamics in B2B Manufacturing

UK Market – Industrial B2B

The UK SME Sector has over 150,000* businesses with turnover greater than £45 million engaged in production activities covering a wide range of production and manufacturing sectors and activities in both the B2B and B2C sectors* (Source: ONS data set). UK SME production and manufacturing sectors have progressively become more specialised over the last approximately 30 years due to increased competition from offshore low-cost manufacturing options. In the general B2B and B2C manufacturing sectors, individual company volumes and revenues often have a link to general industrial activity and the overall economic cycle.

Group B2B Manufacturing Industrial Market Factors

The Group's manufacturing activities are focused on B2B manufacturing businesses that have been selected both for their potential improvement capability and for their product/market propositions. The latter is intended to provide a degree of insulation from the impact of negative movement in the general economic cycle that more traditional SME manufacturing businesses are susceptible to. In addition, a further factor in the Group's acquisition criteria in this sector is to ensure that target businesses are not competing fundamentally on price alone.

Specifically, the Group exploits the advantages it can provide in respect of speed of response and complete package supply (design and production) in both Bex and Premier Limpet, where a key and rising customer requirement is the speed of response and smaller minimum order quantities ("MoQ's"). This cannot generally be matched by lower cost offshore manufacturing which characteristically has longer lead times and higher MoQ's.

* https://www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/adhocs/1136smebyregionandindustry

Similarly, in the UK gasket and seals market, JA Harrison has an internal design and engineering/reverse engineering capability that allows fast turnaround of specialist gaskets or seals often supplied on a one-off basis for customers who have continuous process plants with high down time costs.

Security of product or component supply is a further factor that is becoming an increasingly important factor for UK B2B customers generally following the post Covid supply chain issues and more recently due to the Ukrainian conflict. Again, the Group is well positioned to benefit from concerns over offshore supply security or delay for critical components or products, particularly where these components go into complex high technology applications with multiple assemblies. In these applications, if any one item or component was missing or late, the consequence could be to delay the completion of large, high value end products such as aircraft or complex systems. This factor is increasingly assisting the market position of JA Harrison, Drurys and Claro in the Group's B2B Manufacturing Division.

Market concerns over security of material supply has also positively impacted on the Group's printed tape manufacturing business over the last 2-3 years following supply interruptions and delays at the end of the pandemic. This has allowed Premier Limpet to exploit its reliability as a UK based, short lead time supplier capable of servicing the strong demand for branded printed tapes.

These features, combined with the ability to offer lower minimum order quantities versus those offered by volume orientated 'low cost' manufacturers offshore, have allowed Premier Limpet to progressively develop its service offering, most recently with the launch of its 'Premier Service' premium priced, short lead time offering.

Furthermore, with the recent acquisition of Supreme, Premier Limpet is well positioned to take advantage of the increasing demand for environmentally friendly and recyclable water activated paper-based tapes.

Competition

The Group's activities are diverse and the barriers to entry are high in many of the Group's areas of activity. As a result, no single competitor stands out and in numerous instances, where there are localised smaller competitors, they sometimes can struggle with evolving regulation, the availability of technical staff and ability to scale up, and can become potential acquisition targets for Amcomri.

5. Key strengths

The Directors believe that the key strengths within the Group are:

(1) ***Well established, proven operators, in the Group's chosen industries with high barriers to entry***

The services provided by the Group are essential and often critical to the proper operation of the facilities or assets on which they are engaged. This has developed to such an extent that the Group's services are often embedded within customer operations, making it difficult for customers to migrate to alternative providers. In many cases, the customer relies on Amcomri's expertise and support to operate the facilities to required regulatory requirements.

Furthermore, the Group Companies have fostered long standing relationships with their customer bases and have established and proven high levels of service and technical competency. Such customer relationships make it difficult for other providers to penetrate the customer base and effectively compete with the Group, further helped by customers not wanting to take the risk of moving from an existing service provider.

(2) ***In-depth, specialist sector technical and product knowledge***

Whilst the Group does not engage in or require any significant R&D activity, it places a high value on the continuous development of the technical expertise of its workforce. Accordingly, employee training and development to retain and expand the Group's technical expertise is a key strategic objective for management. The Group has recently appointed an experienced full-time leadership and development specialist to further advance its internal capability and progress in this critical area across all its businesses.

The Group Companies have built up substantial technical skill and knowledge over the years during which they have been trading. These skills are difficult to acquire, and in some cases the equipment used in the provision of certain services has been developed by the Group Companies over several years and are bespoke to Amcomri. For example, IVS has designed its own valve testing equipment for relief, control and large block valves.

The combination of extensive experience, technical skill and in some cases, bespoke equipment, gives the Group a competitive advantage as well as acting as an effective barrier to entry into this sector against new entrants.

The Group maintains high levels of external accreditation and further internal processes to ensure safety, environmental and quality standards relevant to its various service offerings are fully and consistently achieved, the attainment of which is a further significant barrier to new entrants entering the market.

(3) ***Proven acquisition processes and management track record***

Having completed 16 acquisitions within the Group, the Amcomri management team has experience sourcing deals across its specific and different industries. It is able to proceed with a confidence and speed given its technical knowledge and industry expertise combined with an established acquisition process, supported by third-party advisers. The Amcomri management team has extensive transaction experience that underscores the Group's competency to carry out its acquisition-based strategy.

The Directors believe that Amcomri is an attractive 'next custodian' for many vendors. Since 2017, a number of the Group's acquisition opportunities have come from vendors approaching the Group. This trend is continuing and the Directors are confident that there is an untapped pool of motivated vendors that would view Amcomri as the vehicle through which they both achieve their personal and financial objectives. Post Admission, the Group will have a further strengthened balance sheet to fund future acquisitions.

(4) ***Strong revenue and earnings visibility***

Group revenues and Adjusted EBITDA have increased significantly over the last two years. Revenue and Adjusted EBITDA have more than doubled over the period, with revenue increasing by £25.7 million, from £21.3 million in FY21 to £47.1 million in FY23 and Adjusted EBITDA increasing by £3.1 million, from £2.7 million to £5.8 million over the same period.

Growth has been driven by an established M&A strategy, leading to the acquisition of proven businesses with attractive financial attributes and growth, combined with a good fit to, and within, existing Group Companies.

(5) ***Delivering services and products to a diversified customer base operating in defensive end markets***

The Group Companies deliver essential engineering services and manufactured products for customers in industries including: rail and transport, process & power, on shore oil & gas, defence, aerospace and marine & subsea. The Group is commercially diversified with a well distributed risk profile, with no single end market or customer making up more than 20 per cent. of revenue.

The variety in customer base, in addition to complementary services and products, allows Amcomri to leverage opportunities across different industries by providing customers access to bespoke solutions that utilise multiple Group Companies' expertise.

(6) ***Proven ability to enhance operational performance and deliver sustained margin improvement***

Amcomri has a track record of identifying and acquiring businesses, maintaining performance during the ownership transition and improving margin post transition and integration.

Given the types of businesses Amcomri acquires, and with each business being distinct, analysis of the existing base platform is required before it can be decided what potential initiatives will efficiently drive sustainable business improvements. Amcomri will work with existing management of the target companies to develop a 90-day transition plan focusing on:

– *Management and people* – ensuring the business has the necessary talent required to support and develop sustained performance improvement going forward;

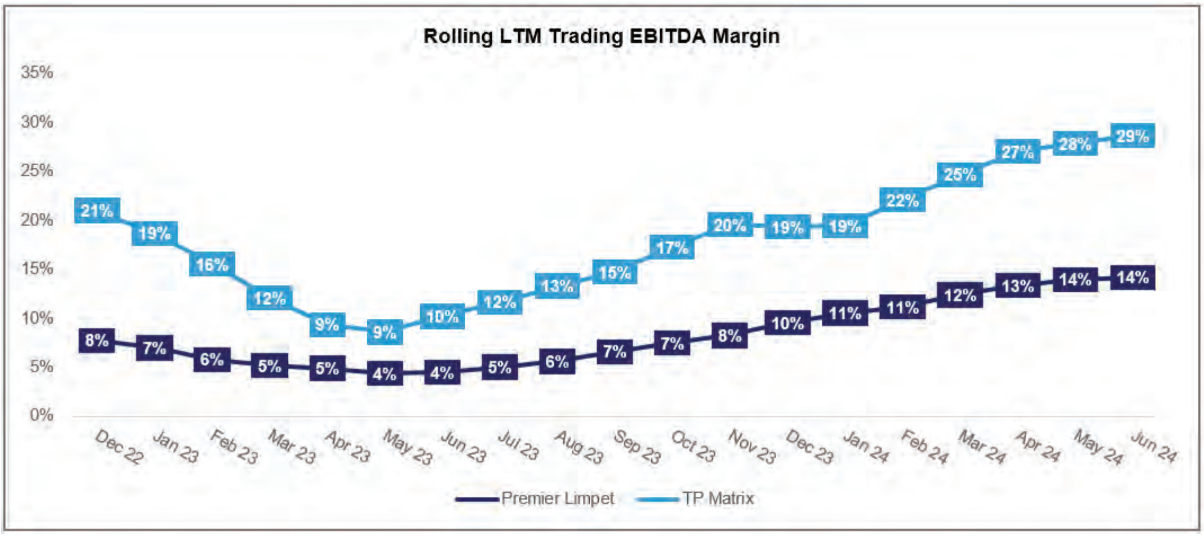
– *Commercial* – the business has an appropriate accurate cost model and pricing structure, underpinned by developing a full understanding of market position and value proposition;

– *Operations* – ensuring that the processes are well defined, managed and functional and that supply chain and procurement processes are stabilised; and

– *Internal Procedures* – ensuring process integrity across all key areas (e.g. health & safety, compliance and finance).

Following the completion of the transition plan and the stabilisation of the base platform, initiatives will be undertaken to improve identified areas. Selected examples include Premier Limpet and TP Matrix. Significant margin uplift has been achieved by these companies during their time within Amcomri, driven by several initiatives including; the establishment and development of strong proactive management teams, utilising industrial experience and providing resources to support with commercial development expansion, analysis and implementation of new costing and pricing models. It should be noted that in some instances an initial cost base investment is required to 'breakthrough' the flat performance characteristics of mature 'owner managed' industrial SMEs.

This situation arises where owners are reluctant to invest in resources or new initiatives to drive further growth as they approach retirement, their concern being the associated costs will impact on their valuation potential and not payback within their remaining time in the business. Thus, in some instances, initial earnings post-acquisition by Amcomri can fall for a period before then recovering and progressively growing as the costs associated with additional resources to support and drive growth are added in by Amcomri. This effect is shown in the chart below for TP Matrix and Premier Limpet.



6. Growth Strategy

The Group has been developed to pursue a "*Buy, Improve, Build*" strategy. Accordingly, the Group's growth strategy can be described in terms of both its acquisition strategy and organic growth strategy.

Acquisitions

The Group's acquisition strategy has developed around targeting retiring founders of quality capital-light engineering businesses in the UK with proven financial performance but with limited other sale options. This situation arises invariably because the businesses are seen by other potential buyers as too small, lacking obvious management succession and the Directors believe are unlikely to favour private equity or trade sale structures due to their lack of scale, and risk in owner/manager transition.

Activities of target businesses must fit with the themes of the two divisions and in particular, must be technically embedded with key clients, or be proven manufacturing businesses with inherent improvement opportunities.

The Group's acquisition strategy has proved successful and over time has been broadened to encompass certain distressed situations, which played directly to the established skillsets and experience of the Co-Founders. To date, the average EV/EBITDA (historical) multiple paid for acquisitions has been in the range of 3-4x.

The Group is in regular dialogue with potential business vendors and at any one time may have approximately 5-15 opportunities under initial assessment or more detailed due diligence. The Directors believe that Amcomri is an attractive and natural next custodian for many vendors. It is for this reason that five of the Group's acquisition opportunities since 2017 resulted from vendors approaching the Group.

Amcomri offers an attractive investment proposition to vendors in especially niche sectors where suitable buyers are often not apparent. The Group sees its acquisition platform as a key strength as there are a very limited number of embedded engineering and B2B manufacturing groups pursuing a buy and build strategy in the UK.

The Directors consider that acquisitions completed by the Group to date are fully integrated and performing ahead of the Board's initial expectations, with 16 acquisitions completed since 2016. The Directors believe that there are substantial opportunities in fragmented markets, albeit that increasingly, the Group is finding "bolt-on" or acquisition opportunities in activities adjacent to other Group activities, most notably in electronics, valves and printed tapes.

Post Admission, the Group expects to deliver at least two to three acquisitions per annum, targeting acquisitions in a range of 3-5x maintainable EBITDA multiple. The Group intends to finance future acquisitions through a combination of the net proceeds of the Placing, the issue of Ordinary Shares as part consideration and prudent bank or other debt financing (with an intended level of net debt not exceeding 2x projected current year EBITDA).

Key target business characteristics sought by Amcomri include (non-exhaustive):

- proven cash generative business model
- strong technical proposition or elements
- demanded service or product (strong competitive position) not competing predominantly on price
- long-term customer relationships in place or capable of being achieved
- inherent latent process improvement capability – SME plateau evident
- turnover typically of £2.5 million to £15 million and EBITDA between £0.5 million and £2.5 million

Transaction characteristics sought by Amcomri include (non-exhaustive):

- underestimated/undervalued by other market participants
- limited exit options as a result
- alignment with vendors on personal and financial outcomes
- buy-in of vendors to Amcomri model post transaction to de-risk transition
- certainty of execution and speed to completion
- low/phased capital outlay
- balanced utilisation of debt and deferred consideration to de-risk

In the UK alone, based on Standard Industry Code (SIC) analysis, Amcomri management has identified over 9,800 mature SME businesses for its chosen market sectors, typically generating up to £15 million in revenue and up to £2.5 million in EBITDA. The Directors believe many of these will likely exhibit attractive acquisition characteristics for Amcomri in line with the above.

As at the date of this document, a pipeline of indicative opportunities is set out in the table below:

Target	***Turnover***	***EBITDA***	***Acquisition Rationale***
Mechanical and Electrical Engineering Specialists	£5.0m	£0.9m	• Embedded Engineering Division • Off market opportunity • Customers include process plants, power stations, and petrochemical
Precision Engineering Business	£5.5m	£1.4m	• Synergy opportunity for Drurys and Claro • Strong customer base • Off-market opportunity
Industrial Electronics Repair Business	£3.5m	£1.0m	• Embedded Engineering synergy opportunity • Current subcontractor to Etrac
Valve Repair Company	£1.8m	£0.35m	• Have been supporting IVS on various sites • Opportunity to acquire that will be a benefit to IVS establishing a presence in the North of England
Specialist Manufacturer of Machined Components	£4.6m	£0.7m	• Specialist producer similar to Embedded Engineering Division • Stable repeating customer base • IVS synergies
Precision Engineering Business	£7.3m	£0.85m	• Precision engineering business with a site in North and South England • Several long-term agreements with customers
Process Heat Exchanger	£8.0m	£1.3m	• Embedded Engineering Division • Niche opportunity with synergy potential
Electrical Engineering Servicing Business	£2.2m	£0.48m	• Embedded Engineering Division • Niche opportunity with synergy potential
Substation Servicing Business	£14.7m	£3.1m	• Group of 4 niche businesses • Initial review being undertaken • Potential synergies with WJ Project Services

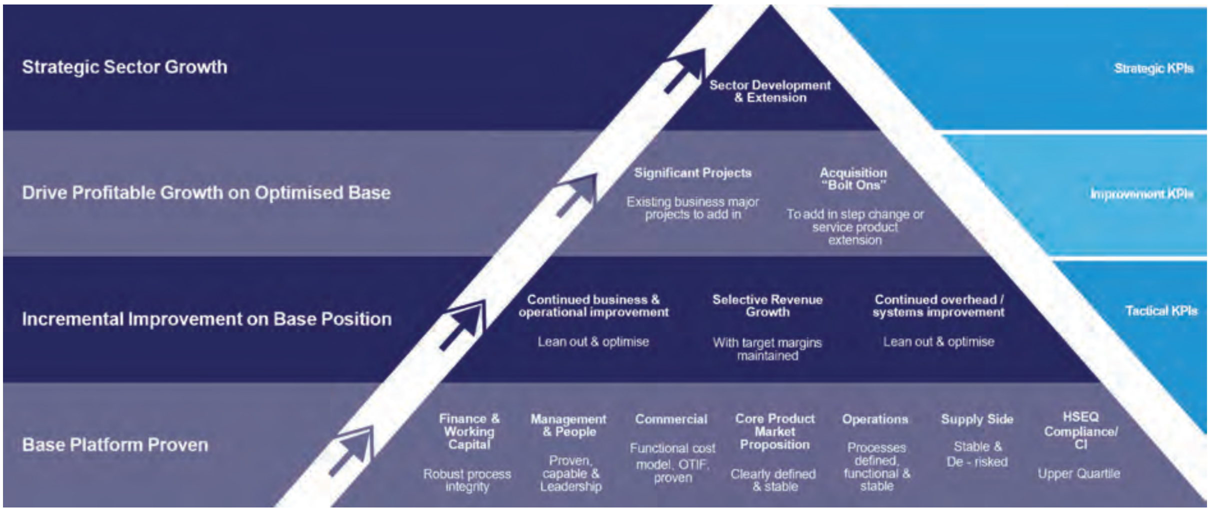
Organic growth

The Group has a clear and established growth strategy which it applies to all acquisitions, that drives business performance through its "Improve" and "Build" phases with the intention of delivering a stable, low risk platform.

Improve organic growth

The "Improve" phase aims to stabilise and integrate acquired businesses into the Group. Amcomri management follows its established blueprint for providing central support where it is needed, based on the extensive practical industrial experience of the Group's senior management team. This ensures key personnel are proactively encouraged and aligned with the principles, value and processes of the Group.

The graphic below illustrates the principles and guidelines communicated to subsidiary management teams, outlining the key stages and essential components of successful ownership transition and platform for subsequent organic growth. This process is actively used with all new acquisitions and is the standard basis for training and coaching management teams on the features of a consistent Group approach.



OTIF – on time, in full
HSEQ – health, safety, quality and environment

The Group maintains KPIs for each stage that the subsidiary management teams develop, own and regularly review. Typically, these cover key company and product/service margins, profitability, order intake, service performance, working capital, HSEQ and debt/cash management.

The Group's overall objective is not to micromanage from the centre but to progressively train and cultivate its subsidiary management teams in best practices. With these enhanced skills, the Group expects subsidiary management teams to progressively drive profitability with autonomy and confidence from the 'bottom up,' knowing they are strongly supported.

Build Phase – Organic Growth and Development

The "Build" element follows only when Amcomri management are confident that the acquired entity has been stabilised and ownership transition suitably de-risked; a milestone that is formally assessed against an established set of criteria which has progressively developed as the Group has grown.

A key objective of the "Build" phase is to implement required actions that 'breakthrough' the growth plateau that mature owner–managed SMEs often reach as the owners approach retirement. This situation arises where they are often reluctant to invest in the further development of their company, favouring personal extraction of free cash versus re-investment, effectively running the business for a 'lifestyle'.

The Group intends to increase revenues and overall profitability through gross margin improvement and progressive overhead cost reduction and efficiencies. The relative benefit across these key elements has to date differed, and will in the future, depending on the individual business.

Revenue Growth

The businesses acquired, and those likely to be acquired by the Group in the future, are invariably characterised by being long established and generally proven in their ongoing revenue capabilities. However, they are often operating in mature, predictable and conservative industrial markets that do not necessarily engender high organic growth. The Directors therefore intend to focus on steady and sustainable revenue growth combined with a margin enhancement focus to help break through the SME 'plateau' using the Group's skills, processes and by investing in certain experienced commercial resources where necessary.

Amcomri management typically begin commercially optimising the existing customer base, extending the focus to systematic development of new service or customer acquisition opportunities, diversifying its product range. As the Group expands, cross selling opportunities are anticipated to grow as there are more business activities to bundle and customers to introduce.

The Group's Embedded Engineering Division capacity is generally constrained by skilled resource capacity rather than plant and machinery restrictions. To address this potential constraint, the Group has recently recruited an experienced full-time leadership and industrial development specialist to ensure robust and appropriate plans are put in place to develop and acquire sufficient skilled resource to meet projected company demands in a controlled, proactive manner.

With the exception of Claro and Premier Limpet, each of the Group's B2B Manufacturing Division companies have to date had sufficient machine production capacity, subject to manning, to accommodate initial projected incremental upside revenue growth.

In Claro, with the recent significant successes in achieving new strategic customer orders post-acquisition, further limited capital investment was completed in Q3 FY24 to provide further capacity to meet immediate new customer demand. This new machine has now been fully commissioned and loaded. With the benefit of this additional capacity, Claro has sufficient capacity for current medium-term projected customer demand.

In Premier Limpet, the demand for PVC based tape and paper-based tapes (arising from the acquisition of Supreme) continues to increase in FY24. In Q3 FY24, sales demand started to exceed current production capacity based on existing manning and existing installed machine efficiencies. Premier Limpet is currently in the process of preparing a production capacity uplift plan to accommodate the continuing increase in sales demand. This plan will be based on a combination of output improvements from existing machines, additional manning to bring existing spare machines on-line and potentially limited capital expenditure in FY25 to purchase new machinery capable of short runs to meet specific changing market demands. This plan will be concluded and progressively implemented from December 2024 into Q1 FY25.

Gross Margin Improvement

The Group has extensive management experience of successfully originating and implementing structured continuous improvement processes and projects focused on both production and financial processes intended to improve gross margins.

Experienced degree-qualified engineer and process improvement skillsets are provided from the Group's central function to facilitate the implementation of business improvement projects in the operating companies. Each project is closely monitored and measured on the positive financial benefit arising.

Selective Overhead Cost Reduction

Whilst most of the Group Companies have limited scope for overhead reduction and efficiency improvement due to their small size, opportunities do exist in some cases for overhead cost reduction through activity reduction and overhead process improvement. Most recently, working with the Group's business improvement team, JA Harrison's management team successfully delivered approximately £300,000 in projected annualised overhead savings as the result of fully and correctly implementing a legacy ERP system inherited at acquisition.

7. Environmental Social and Governance (ESG)

The Group is conscious of its responsibilities as a corporate citizen and has put in place measures to achieve appropriate ESG standards for a business of its nature and size. The Group has put in place a range of measures to ensure these standards are adhered to and continually developed.

Amcomri's core ESG objectives are:

Environmental

The Group is committed to environmental sustainability and is continuously exploring ways to reduce its environmental impact. The Company has developed and is implementing a prioritised carbon footprint reduction programme across its operating companies, focusing on measurable outcomes and reductions in emissions.

The Group is also progressively implementing an accredited environmental management system ("EMS") across all its operations to ensure compliance with good environmental standards. In addition, the Group is dedicated to minimising waste, promoting resource efficiency, and reducing its reliance on single-use plastics through sustainable packaging solutions. Amcomri's efforts extend to supporting environmental restoration and conservation projects, aligning its long-term goals with global sustainability targets.

Social

The Group is committed to supporting the communities in which it operates, such as Pembroke, contributing to local charities and initiatives that foster community development including local children's football and rugby teams. The Company actively engages with local educational institutions and supports vocational training programmes to promote careers in engineering and manufacturing, offering several apprenticeships as well as supporting HNC and degree qualifications.

The Group also prioritises the well-being, development, and safety of its employees through a range of initiatives. These include comprehensive employee assistance programmes, regular team-building activities, and professional development opportunities such as leadership training and skill enhancement workshops. In particular, subsidiaries are encouraged to focus on equal opportunities and ensure that all employees are treated fairly. The Group also prides itself on a strong culture of internal promotion, with a number of its senior managers and leaders having progressed through the organisation, reflecting its commitment to nurturing talent and fostering long-term careers within the Group.

Recognising the critical importance of health and safety in its operations, the Group is progressively implementing accredited health & safety management systems across all its Group Companies. This includes proactive communication and active engagement of all employees in health and safety matters, ensuring a safe, compliant, and positive working environment.

Governance

The Board recognises the value and importance of high standards of corporate governance and, with effect from Admission, intends to observe the requirements of the QCA Code. The Group is confident of the integrity of internal controls and robust financial reporting procedures and is committed to stakeholder engagement with active communication and investor reviews. Further details as to the Company's approach to governance are set out below and in Part II of this document.

8. Corporate Governance

The Company will, to the extent practicable for a company of its size and nature, follow the QCA Code, and will establish, with effect from Admission, Audit & Risk, Remuneration and Nomination committees, each with their own terms of reference, the members of which will be the independent non-executive Directors as set out in Part II of this document.

With effect from Admission, the Board will review the effectiveness of the Company's system of internal controls in line with the requirements of the QCA Code. The internal control system is designed to manage the risk of failure to achieve its business objectives. This covers internal financial and operational controls, compliance and risk management for which the Company has the necessary procedures in place. The Directors acknowledge their responsibility for the Company's system of internal controls and for reviewing its effectiveness. The Board confirms the need for an ongoing process for identification, evaluation and management of significant risks faced by the Company.

9. Trading

Current trading and prospects

Since the six months ended 30 June 2024, the Group has continued to trade strongly and is expected to achieve a strong profitable performance for FY24. This increase in profitability is, in part, due to the growth components previously referred to, combined with the two standalone and one additional bolt-on acquisition completed since the year end, which continue to trade in-line with the Directors' expectations.

The Group's growth strategy is to become one of the UK's leading high performance specialist engineering services and industrial B2B manufacturing businesses. The Directors believe that the Group has good prospects for the current financial year and beyond, based on the continued positive momentum in the Group's business and the Director's assessment of the Group's growth strategy and business model.

10. Directors and Senior Management

A brief biography of each Director is set out below. Details of the terms on which each Director is engaged by the Company are set out in paragraph 9 of Part V of this document.

Executive Directors

Hugh Mark Whitcomb (aged 63) – Co-Founder and Chief Executive Officer

Hugh is a Chartered Mechanical Engineer with over 42 years' experience of industrial operational and investment management across diverse sectors including power, petrochemicals, and general manufacturing. In addition, he holds an OU management diploma and has experience within project roles in both conventional and nuclear power plants having worked with the CEGB and Nuclear Electric in the UK.

After 11 years in the UK Power industry, Hugh's career included roles at Shell UK as a Senior Engineer and subsequently as Engineering Director at Hickson Fine Chemicals Ltd in Yorkshire. In 1995 he joined BIP Group Ltd as part of the Advent backed MBO/I team and in 2000 he became Group MD of JWH Group Ltd, a privately-owned specialist polymer processing group.

Increasingly specialising in management and turnaround of financially distressed industrial businesses, from 2005 he then worked on a consultancy basis for both major banks and professional advisory companies until 2012 when he joined Hilco Capital as their Lead Industrial Partner.

Siobhán Tyrrell (aged 38) – Chief Financial Officer

Siobhán joined Amcomri as Group CFO in June 2022, overseeing financial management and reporting across the Group. Before joining Amcomri, Siobhán worked in the private equity industry for nearly six years, most recently at Bridges Fund Management, where she started in 2016. Her previous roles included finance positions at Allianz Global Life and Invesco. Siobhán is a Fellow Chartered Accountant, having qualified with Deloitte, where she primarily audited clients in the financial services industry. She holds a master's and Honours Degree in Accounting & Finance from the Dublin Institute of Technology.

Mark Patrick O'Neill (aged 40) – Investment Director

Mark is a Fellow Chartered Accountant with over 17 years of experience in corporate finance, restructuring and investment. He began his career in Deloitte's Corporate Finance Team, specialising in restructuring, independent business reviews, and company side advisory. After five years at Deloitte, Mark joined Hilco Capital in 2012, where he worked across and managed a number of distressed, turnaround, and direct lending investments. At Hilco Capital, Mark gained experience in restructuring and turnaround projects, retirement sales, refinancings and loan transactions.

Since 2020, Mark has worked for the Group, where he leads the sourcing and execution of acquisition opportunities, transaction execution and portfolio management. He collaborates closely with the management teams across the Group's portfolio businesses. Mark holds a first-class honours Bachelor of Business Studies from Trinity College Dublin, and a Masters in Accounting from University College Dublin.

Non-executive Directors

Tanya Raynes (aged 53) – Independent Non-executive Chair

Tanya brings strategic, financial and commercial expertise from a variety of senior executive roles within both blue-chip corporates and SMEs. After qualifying with PricewaterhouseCoopers as a Chartered Accountant, Tanya gained structured financing and risk leadership experience with GE Capital. More recently Tanya held the position of CEO for Centreline, an aviation business, and is currently Non-Executive Chair for that company's parent, Pula Aviation Services Ltd, having played a role in the sale of Centreline to the Pula group in 2016. Tanya joined Time Finance plc, an AIM quoted independent specialist finance provider as an independent Non-Executive Director in March 2021, assuming the role of Non-Executive Chair from October 2021. Tanya also assumed the role of Non-Executive Chair for Courier Facilities Ltd, based at Heathrow, in February 2024.

Paul Patrick Mc Gowan (aged 62) – Co-Founder and Non-executive Deputy Chair

Paul has worked in corporate finance and restructuring for over 20 years and currently serves as Executive Chairman of Hilco Capital, the restructuring and asset-based lending firm, which he established as a joint venture with Hilco Trading Inc. in May 2000. A Chartered Accountant, Paul has acted as Principal on various acquisitions, restructurings and asset-based loans in retail and industrial markets, with particular expertise in stressed or distressed situations, including, *inter alia*, transactions involving HMV, Habitat and Alders department stores in the UK, as well as HMV and Bentley Leathers in Canada, Wittner's and David Jones in Australia and the Karstadt Kompakt department store business in Germany.

Fraser James Gray (aged 60) – Independent Non-executive Director

Fraser is Non-Executive Chairman of Maven Income and Growth VCT 4 PLC and was previously a Non-executive Director of Maven Income and Growth VCT 6 PLC. He is a Non-Executive Director of Denholm Energy Services Limited and was, until February 2023 when the company was sold, Non-Executive Chairman of Richard Irvin FM Limited. He was previously a Non-executive Director of Bonhill Group PLC and sits on a number of advisory boards, supporting smaller companies on growth and strategic matters. He was previously a Managing Director in AlixPartners' turnaround and restructuring practice, where he led the provision of restructuring and liquidity improvement solutions to clients across a wide variety of industry sectors. Fraser is a Chartered Accountant and Accredited Mediator and was formerly a Licensed Insolvency Practitioner.

Peter Tierney (aged 56) – Independent Non-executive Director

Peter has over 30 years' experience in operating and developing growth orientated service and manufacturing businesses. Until March 2022, Peter was Chairman and Chief Executive officer of Lewmar Marine Limited ("Lewmar Marine"), a private equity backed international marine manufacturing and distribution business. Peter was initially appointed to lead the turnaround of Lewmar Marine in 2008, returning the business to profit and implementing a growth strategy, before the business was sold to a US trade buyer in 2019, generating a significant return for its private equity backers. Between 2003 and 2008, Peter was Chief Executive Officer of Vector Aerospace, based in Canada, an aerospace maintenance and operating business. Prior to that, Peter was Managing Director of the Wood Group's heavy industrial turbine division and also held senior roles at a number of other engineering businesses in the UK and North America and has a degree in mechanical engineering, together with a master's degree in business.

Senior Management

In addition to the Executive Directors named above, the Company's management team responsible for the day-to-day management of the Company's business comprises the following Senior Executives:

Steve Jones – Group Industrial Director

Steve joined Amcomri Group in 2017, initially as Managing Director of IVS progressing to Group Industrial Director in 2022. He is responsible for identifying acquisition targets, supporting pre- and post-transaction processes, and managing strategic and tactical operations at the board level. Steve has successfully managed several businesses within the Group, working closely with leadership teams to enhance investments and ensure profitable returns.

As Managing Director of IVS, he led the successful turnaround of this distressed business after its acquisition by the Group in 2017. His career has refined his expertise in commercial planning, engineering advisory, leadership development, and business restructuring. Steve is a qualified Mechanical Engineer with 22 years of experience in the industrial sector.

Mark Mullen – Business Process Improvement Director

Mark is a Certified Six Sigma Black Belt Lead with over 25 years' experience of industrial operations and plant management. He has worked in a range of industrial sectors, including aerospace, automotive, oil & gas and general manufacturing and engineering. Over the last 10 years he has consulted or held senior positions specialising in operational turnaround and business performance improvement in industrial environments including in Saudi Arabia, US & Europe.

Inca Lockhart-Ross – Company Secretary

Inca is a Company Secretary and Treasury Manager with 18 years of experience. Inca began her career as a Finance Broker for Iconex Lease Finance Limited, a niche brokerage firm in Sydney. In 2003, she moved to London and joined the Enforcement and Compliance department at KPMG. In 2005, she joined Hilco Capital, where she managed the day-to-day running of the office and served as Executive Assistant to the CEO and CFO. Inca was promoted to Treasury Manager and Company Secretary, where she managed the company secretarial compliance for a large number of private companies. Inca joined Amcomri in July 2021.

Equity participation

As at Admission, the Directors will be interested, in aggregate, in 34,575,748 Ordinary Shares, representing 48.1 per cent. of the Enlarged Share Capital.

Incentive arrangements

The Group's incentive arrangements are summarised in paragraph 3 of Part II of this document and further details are set out in paragraph 10 of Part V of this document.

11. Reasons for Admission and use of proceeds

The Company is seeking to raise £12 million before expenses pursuant to the Placing (approximately £10.2 million, net of expenses). The net proceeds raised pursuant to the Placing will be used by the Company to:

- pursue organic and acquisitive growth; and
- strengthen the balance sheet, including paying down £0.5 million of debt and interest relating to Oranmore** to reduce the Group's annual interest charge. The Group intends to adopt a conservative approach to leverage and is targeting an intended level of net debt not exceeding 2x projected current year EBITDA.

Expected use of net proceeds from the issue of Placing Shares

Organic and acquisitive funding*	£7.6 million
Repayment of Oranmore Facility through debt conversion**	£2.1 million
Repayment of balance of Oranmore Facility**	£0.5 million
Total	£10.2 million

*including JA Harrison deferred consideration (Q1 25).

**as at the date of this document, the Group has been provided with a debt facility by Oranmore for £5 million (the "Oranmore Facility") of which £2.5 million is drawn down, along with interest of £0.1 million. £2.1 million outstanding under the Oranmore Facility will be converted into equity in consideration for 3,818,182 Conversion Shares pursuant to the Placing and £0.5 million will be repaid from the net proceeds of the Placing, conditional on Admission. The Oranmore Facility will remain in place following Admission and will be available to the Group for utilisation as a readily available debt facility, if and when required. Oranmore is a company owned and controlled by Paul Mc Gowan.

12. Dividend policy

Following Admission, income generated by the Group is expected to be reinvested into the business to support continued growth. Until the Group's business reaches a more mature stage, the Directors do not intend to pay dividends and the Board will assess the suitability of dividend payments in the future as the business develops.

13. The Placing and Admission

On Admission, the Company will have 71,838,549 Ordinary Shares in issue and a market capitalisation at the Placing Price of approximately £39.5 million. The Placing will raise gross proceeds for the Company of £12 million (before estimated expenses of approximately £1.8 million) and comprises the issue of 21,818,182 Placing Shares. Cavendish has agreed, pursuant to the Placing Agreement and conditional, *inter alia*, on Admission, to use its reasonable endeavours to procure institutional and other investors for the Placing Shares to be issued by the Company. The Placing Shares represent approximately 30.4 per cent. of the Enlarged Share Capital.

The Placing, which is not being underwritten, is conditional, *inter alia*, upon:

- the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms prior to Admission; and
- Admission becoming effective not later than 8.00 a.m. on 20 December 2024, or such later date as Cavendish and the Company may agree, being not later than 8.00 a.m. on 6 January 2025.

The Placing Agreement contains provisions entitling Cavendish to terminate the Placing in certain customary circumstances prior to Admission becoming effective. If this right is exercised, the Placing will lapse and Admission will not occur.

The Placing Shares will be issued fully paid. On Admission, the Placing Shares will rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared, paid or made after the date of issue.

None of the Placing Shares have been marketed to or will be made available in whole or in part to the public in conjunction with the application for Admission. Application has been made to the London Stock Exchange for the Existing Ordinary Shares and the Placing Shares to be admitted to trading on AIM.

Admission is expected to become effective and dealings in the Ordinary Shares are expected to commence at 8.00 a.m. on 20 December 2024.

Further details of the Placing Agreement are set out in paragraph 15.8 of Part V of this document.

14. Relationship Agreement

Immediately following Admission, Paul Mc Gowan will be entitled to exercise or control the exercise of voting rights in respect of 38.8 per cent. of the Enlarged Share Capital and will therefore have significant influence on the business of the Group and may cause or take actions that are not in, or which may conflict with, the best interests of other Shareholders. Accordingly, Mr Mc Gowan, Oranmore and Amcomri Holdings have entered into the Relationship Agreement with the Company which regulates the relationship between them and the Company and ensures that the Company is capable of carrying on its business at arm's length from Paul Mc Gowan, Oranmore and Amcomri Holdings. This Relationship Agreement will remain in place for so long as Paul Mc Gowan, together with his associates, holds more than 30 per cent. of the issued share capital of the Company.

15. Concert Party, Lock-In and Orderly Market Arrangements

Pursuant to the terms of the Concert Party Agreement, each member of the Concert Party has undertaken not to sell, transfer or dispose of any Ordinary Shares held by them at Admission for a period of (i) 12 months following Admission in the case of Paul Mc Gowan, Hugh Whitcomb, Mark O'Neill and Jeffrey Hecktman; and (ii) 6 months following Admission in the case of the other members of the Concert Party. These restrictions are subject to certain customary exceptions including any sale or disposal with the prior consent of Cavendish.

In addition, each member of the Concert Party has undertaken not to dispose of any Ordinary Shares during the period of 12 months from the date of expiry of the lock-in period referred to above.

The lock-in arrangements are intended to preserve an orderly market in the Ordinary Shares following Admission. Details of the Concert Party Agreement are set out in paragraph 15.12 of Part V of this document.

At Admission, these restrictions will apply in respect of 53,490,979 Ordinary Shares representing 74.5 per cent. of the Enlarged Share Capital.

16. The Takeover Code

The Company is a public company incorporated in England and Wales and its Ordinary Shares will be admitted to trading on AIM. Accordingly, the Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, any person who acquires an interest in shares which, taken together with shares in which that person or any person acting in concert with that person is interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code is normally required to make an offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with that person, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of the voting rights of the company, an offer will normally be required if any further interests in shares carrying voting rights are acquired by such person or any person acting in concert with that person. An offer under Rule 9 must be made in cash at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

The Company has agreed with the Takeover Panel that the following persons are acting in concert in relation to the Company:

	Persons	*Description*
(a)	Paul Mc Gowan and his connected private investment company, Amcomri Holdings and its subsidiary, Oranmore	Controlling Shareholder
(b)	Rhiannon Mc Gowan, Tiernan Mc Gowan, Niall Mc Gowan and Michelle Mejia	Paul Mc Gowan's Close Relatives
(c)	Hugh Whitcomb[1], Mark O'Neill, Inca Lockhart-Ross, Mark Mullen	Directors and company secretary of the Company and its subsidiaries
(d)	Laurence Howard, Henry Foster[2], Gavin Caine, Matthew Holt, Jeffrey Hecktman[3]	Persons with longstanding business or social relationships with Paul Mc Gowan

Notes:

1. Hugh Whitcomb's family shareholding is registered in the name of Stephill Investments Limited
2. Part of Henry Foster's family shareholding is registered in the name of Copperfields Investments Ltd
3. Jeffrey Hecktman's shareholding is registered in the name of Hilco Inc.

Following Admission, the members of the Concert Party will be interested in 53,490,979 Ordinary Shares representing 74.5 per cent. of the voting rights of the Company on Admission, with a potential further increase on the exercise of 700,546 Share Options to a maximum percentage of 74.7 per cent. of the voting rights of the Company. A table showing the respective individual interests in Ordinary Shares and Share Options of the members of the Concert Party on Admission is set out below:

Concert Party member	*Number of Ordinary Shares*	*Percentage of Ordinary Shares on Admission*	*Number of Share Options*	*Maximum percentage on exercise of Share Options[1]*
Paul Mc Gowan[2]	27,887,176	38.8%	–	38.4%
Rhiannon Mc Gowan[2]	1,786,446	2.5%	–	2.5%
Tiernan Mc Gowan[2]	1,786,446	2.5%	–	2.5%
Niall Mc Gowan[2]	1,786,446	2.5%	–	2.5%
Michelle Mejia	123,707	0.2%	–	0.2%
Stephill Investments Limited[3]	4,636,976	6.5%	414,546	7.0%
Mark O'Neill	1,869,778	2.6%	160,000	2.8%
Inca Lockhart Ross	374,704	0.5%	–	0.5%
Mark Mullen	500,205	0.7%	126,000	0.9%
Laurence Howard	1,854,791	2.6%	–	2.6%
Henry Foster[4]	1,033,747	1.4%	–	1.4%
Gavin Caine	246,496	0.3%	–	0.3%
Matthew Holt	197,197	0.3%	–	0.3%
Jeffrey Hecktman[5]	9,406,864	13.1%	–	13.0%
Total	53,490,979	74.5%	700,546	74.7%

Notes:

1. The maximum percentage on exercise of Share Options shows the percentage holding if no further Ordinary Shares are issued prior to the exercise of the Share Options and only the Share Options held by members of the Concert Party are exercised.
2. On Admission, Paul Mc Gowan will hold 20,233,470 Ordinary Shares through his private investment company, Amcomri Holdings, which also holds 3,818,182 Ordinary Shares through its wholly owned subsidiary, Oranmore Limited and a further 3,835,524 Ordinary Shares in his own name. Each of Paul Mc Gowan's children (Rhiannon, Tiernan and Niall Mc Gowan) are interested in 4.044 per cent. of Amcomri Holdings. Paul Mc Gowan holds the remaining 87.87 per cent. of Amcomri Holdings.
3. Hugh Whitcomb's family shareholding is registered in the name of Stephill Investments Limited.
4. Part of Henry Foster's family shareholding is registered in the name of Copperfields Investments Ltd.
5. Jeffrey Hecktman's shareholding is registered in the name of Hilco Inc.

Following Admission, the members of the Concert Party will be interested in Ordinary Shares carrying more than 50 per cent. of the voting rights of the Company and (for so long as they continue to be acting in concert) may accordingly increase their aggregate interests in Ordinary Shares without incurring any obligation to make an offer under Rule 9, although individual members of the Concert Party will not be able to increase their percentage interests in Ordinary Shares through or between a Rule 9 threshold without Takeover Panel consent.

If the Concert Party percentage shareholding should reduce below 50 per cent., of the Ordinary Shares in issue prior to the exercise of the Share Options shown above, the issue of the new shares on exercise of the Share Options will not trigger an obligation to make a mandatory cash offer under Rule 9 of the Takeover Code, but such an obligation could be triggered if further share options are granted and exercised, unless a waiver of that obligation is approved by the Takeover Panel and by Shareholders in general meeting. The Company expects to propose resolutions at future annual general meetings of the Company to seek Shareholders' approval of such waivers.

Further information on the provisions of the Takeover Code and the Concert Party and the arrangements governing the Concert Party and its dealings in Ordinary Shares set out in the Concert Party Agreement are set out in paragraphs 14 and 15.12 of Part V of this document.

17. Admission, dealings and CREST

Application has been made to the London Stock Exchange for the Enlarged Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence in the Ordinary Shares at 8.00 a.m. on 20 December 2024.

No temporary documents of title will be issued. Pending the despatch of definitive share certificates, instruments of transfer will be certified against the register of members of the Company. The Company has applied for the Ordinary Shares to be admitted to CREST and it is expected that the Ordinary Shares will be so admitted and accordingly enabled for settlement in CREST on the date of Admission. Accordingly, settlement of transactions in Ordinary Shares following Admission may take place within the CREST system if any individual Shareholder so wishes, provided such person is a "system member" (as defined in the CREST Regulations) in relation to CREST. Dealings in advance of crediting of the relevant CREST account(s) shall be at the sole risk of the persons concerned.

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations. The Articles permit the holding of Ordinary Shares in uncertificated form in accordance with the CREST Regulations. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

For more information concerning CREST, Shareholders should contact their brokers or Euroclear UK & International Limited at 33 Cannon Street, London, EC4M 5SB.

18. Taxation

The attention of investors is drawn to the information regarding taxation which is set out in paragraph 21 of Part V of this document. These details are, however, only intended as a guide to the current taxation law position in the UK. **Investors who are in any doubt as to their tax position, or who are subject to tax in jurisdictions other than the UK, are strongly advised to consult their professional advisers**.

19. Risk Factors

Prospective investors should consider carefully the risk factors described in the section headed "Risk Factors" set out in Part III of this document, in addition to the other information set out in this document and their own circumstances, before deciding to invest in Ordinary Shares.

20. Notification of major interest in Ordinary Shares

Chapter 5 of the DTRs makes provisions regarding notification of certain shareholdings and holdings of financial instruments. Where a person holds voting rights in the Company as a shareholder through direct or indirect holdings of financial instruments, then that person typically has an obligation to make a notification to the Company of the percentage of voting rights held where that percentage reaches, exceeds or falls below 3 per cent. or any whole percentage point above 3 per cent. The requirement to notify also applies where a person is an indirect shareholder and can acquire, dispose of or exercise voting rights in certain cases.

21. Further Information

You should read the whole of this document which provides additional information on the Company and the Placing and not rely on summaries or individual parts only. Your attention is drawn, in particular, to the financial information in Part IV of this document, the additional information set out in Part V of this document and to Part VI of this document which sets out the Terms and Conditions of the Placing.

PART II

DIRECTORS AND CORPORATE GOVERNANCE

1. Directors

On Admission, the Board will comprise the following persons:

- Tanya Raynes – Independent Non-executive Chair
- Paul Mc Gowan – Non-executive Deputy Chair
- Hugh Whitcomb – Chief Executive Officer
- Siobhán Tyrrell – Chief Financial Officer
- Mark O'Neill – Investment Director
- Fraser James Gray – Independent Non-executive Director
- Peter Tierney – Independent Non-executive Director

The Company's Senior Management consists of:

- Steve Jones – Group Industrial Director
- Mark Mullen – Business Process Improvement Director
- Inca Lockhart-Ross – Group Secretary

2. Corporate Governance

The Board recognises the value and importance of high standards of corporate governance and intends to observe the requirements of the QCA Code.

The Board will continue to be responsible for the overall management of the Group including the formulation and approval of the Group's long-term objectives and strategy, the approval of budgets, the oversight of Group operations, the maintenance of sound internal control and risk management systems and the implementation of the Group's strategy, policies and plans in line with its purpose. Whilst the Board may delegate specific responsibilities, there will be a formal schedule of matters specifically reserved for decision by the Board.

The Board will formally meet at least six times per annum to review performance. On Admission, the Board will comprise seven directors, three of whom are executive and four of whom are non-executive. The Board considers three of the non-executive directors to be independent and, as such, the Company complies with the requirements of the QCA Code with regard to there being at least two non-executive directors whom the Board consider to be independent.

The Board has established an audit & risk committee, remuneration committee and nomination committee with effect from Admission, with formally delegated duties and responsibilities, as described below.

Audit & Risk committee

The audit & risk committee will have responsibility for reviewing and challenging the process for identification of risks and opportunities, risk mitigant structures and monitoring the integrity of the Group's financial statements, including monitoring the preparation of the annual and half yearly accounts, reports and any other formal announcement relating to its financial performance or prospects. The audit & risk committee will have responsibility for reviewing significant financial reporting issues, reviewing the effectiveness of the Group's internal control and risk management systems, compliance and fraud systems, monitoring the effectiveness of the internal audit function (if established) and overseeing the relationship with the external auditors (including advising on their appointment, agreeing the scope of the audit and reviewing the audit findings). The audit & risk committee will advise the Board independently of executive directors and external auditors when it considers the Group's corporate reporting. The audit & risk committee also has unrestricted access to the Group's external auditors.

The audit & risk committee will have at least three members and include members who, have between them, relevant financial experience and an overall understanding of management practices including risk management activities, both generally and in the Group's relevant industry.

The audit & risk committee comprises three independent non-executive directors, Tanya Raynes, Peter Tierney and Fraser Gray, and will be chaired by Fraser Gray. The audit & risk committee will meet at least three times a year at appropriate times in the reporting and audit cycle, and otherwise as required.

Remuneration committee

The remuneration committee will have delegated responsibility for determining and agreeing with the Board the policy for the remuneration of the Chair, the executive directors and other designated senior executives, including the Company Secretary. Within the terms of the remuneration policy in accordance with the Principles and Provisions of the QCA Code framework, the committee will determine the total individual remuneration schemes that motivate management and promote the long-term growth of shareholder value with packages of such persons including, where appropriate, bonuses, incentive payments and share options or other share awards. The remuneration of non-executive directors will be a matter for the shareholders within the limits set in the Articles of Association. No Director will be involved in any decision as to his or her own remuneration.

The remuneration committee comprises three independent non-executive directors, Tanya Raynes, Peter Tierney and Fraser Gray, and will be chaired by Peter Tierney. The remuneration committee will meet at least twice a year and otherwise as required.

Nomination committee

The nomination committee will have responsibility for reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and giving consideration to succession planning. It will be responsible for identifying and nominating, for the approval of the Board, candidates for vacancies when they arise. The nomination committee will also have responsibility for monitoring the leadership needs of the organisation, both executive and non-executive directors to ensure the continued ability of the organisation to compete effectively in the market. It will keep up-to-date and informed about strategic issues and commercial changes affecting the Company.

The nomination committee comprises three independent non-executive directors, Tanya Raynes, Peter Tierney and Fraser Gray, and will be chaired by Tanya Raynes. The nomination committee will meet at least twice a year and otherwise as required.

Share dealing code

The Group has adopted a share dealing code, with effect from Admission, which is compliant with Article 19 of MAR and Rule 21 of the AIM Rules. The share dealing code will apply to any person discharging management responsibility, including the Directors and senior management and any closely associated persons and applicable employees.

The share dealing code imposes restrictions beyond those that are imposed by law (including by the FSMA, MAR and other relevant legislation) and its purpose is to ensure that persons discharging managerial responsibility and persons connected with them do not abuse, and do not place themselves under suspicion of abusing, price-sensitive information that they may have or be thought to have. The share dealing code sets out a notification procedure which is required to be followed prior to any dealing in the Company's securities.

3. Share Incentive Arrangements

The Directors believe that the success of the Group will depend to a significant degree on the future performance of the management team. The Directors also recognise the importance of ensuring that all employees are well motivated and identify closely with the success of the Group. Accordingly, the Company has established, or intends to establish, the following LTIP:

LTIP

The Company has established, subject to Admission, the Amcomri Long Term Incentive Plan 2024 (the "LTIP") under which awards of conditional shares (being a conditional right to acquire Ordinary Shares) or options over Ordinary Shares (with a nominal or market value exercise price) may be granted to Executive Directors and other selected employees of the Group.

All awards granted under the LTIP will be subject to one or more performance conditions which will be linked to the achievement of performance targets ordinarily measured over a performance period of three years.

Subject to and immediately following Admission, it is intended that awards will be granted under the LTIP to Hugh Whitcomb, Mark O'Neill, Siobhán Tyrrell, Mark Mullen and Steve Jones (the "At-IPO Awards"). The At-IPO Awards will be granted over Ordinary Shares representing approximately 1.3 per cent. of the Enlarged Share Capital on Admission. The At-IPO Awards will be granted as options with an exercise price equal to the nominal value per Ordinary Share and will be subject to performance conditions.

The total number of Ordinary Shares issued or issuable under the LTIP and any other employees' share scheme operated by the Group (excluding any rights to subscribe for Ordinary Shares granted prior to or in connection with Admission such as the At-IPO Awards and any other employees' share scheme awards made prior to Admission) may not exceed 10 per cent. of the Company's ordinary share capital in any 10-year period.

Further details of the LTIP and the At-IPO Awards are set out at paragraph 10 of Part V of this document.

PART III

RISK FACTORS

An investment in the Company is subject to a number of risks and uncertainties. Accordingly, in evaluating whether to make an investment in the Company, potential investors should consider carefully all of the information set out in this document and the risks attaching to an investment in the Company, including (but not limited to) the risk factors described below, before making any investment decision with respect to the Ordinary Shares.

The risk factors described below do not purport to be an exhaustive list and do not necessarily comprise all of the risks to which the Group is exposed or all those associated with an investment in the Company. In particular, the Company's performance is likely to be affected by changes in market and/or economic conditions and in legal, accounting, regulatory and tax requirements. The risk factors described below are not intended to be presented in any assumed order of priority. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect upon the Group. If any of the following risks were to materialise, the Group's business, financial condition, results, prospects and/or future operations may be materially adversely affected. In such case, the value of the Ordinary Shares may decline and an investor may lose all or part of their investment. There can be no certainty that the Company will be able to implement successfully the strategy set out in this document. No representation is or can be made as to the performance of the Company and there can be no assurance that the Company will achieve its objectives.

Prospective investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in the light of the information in this document and their personal circumstances. Prospective investors should consult a legal adviser, an independent financial adviser or a tax adviser for legal, financial or tax advice if they do not understand any part of this document.

RISKS RELATING TO THE BUSINESS AND OPERATIONS OF THE COMPANY

Reduction in quality of service or product or failure to deliver service to the required standards could have a negative impact on reputation

The reputational strength of the brands within the Group and their ability to deliver services in the infrastructure, transportation and energy sectors is fundamental to the Group's success and in winning new business. Particularly, given the often business and safety critical nature of the Group's products and services, and the significant negative economic consequences that could arise for the Group's clients should such critical and continuous processes and systems fail. The ability of the Group to deliver business and safety-critical products and services is based on numerous factors such as the availability of skilled personnel who possess the required technical expertise and the cooperation of third-party contractors who have a similar skill base and capability. If the Group is unable to deliver its services to the satisfaction or to the required technical standards of the customer, it would reflect negatively on the Group. As the Group expands, if not managed correctly, it could become more challenging to ensure a consistent quality of product and service and the risk of delivering a project that is not of a sufficient standard may increase. If any such reduction in standard were to occur in respect of a Group Company, this would be to the detriment of the Group's individual brands and may adversely affect the Group's reputation, business, financial condition, results, prospects and/or future operations.

Equipment failure and human error

Due to the nature of the business, a failure of equipment, product or service provided by the Group to its customers could lead to an interruption in the provision of critical services to customers. Such a failure could impact the reputation of the Group. The Group relies on its employees in its day-to-day operations who may, as a result of human error or otherwise, fail to operate, service, overhaul or repair the equipment properly and in accordance with technical, quality, health and safety guidelines or environmental compliance requirements.

If there was an accident, injury or environmental incident caused by negligent acts or omission or the improper maintenance, overhaul, repair or provision of products or components provided by Company or the relevant Group Company, the reputational impact on the Group or Group Company brand could be substantial. The repercussions of any such incidents could affect the Group's or the relevant Group Company's ability to win or retain business.

In addition to the reputational impact of service, product or supply failure and/or human error, the Company would likely incur significant associated costs. The associated costs could be sufficiently sizeable to have a material impact on the Group's profitability and could adversely affect the Group's business, financial condition, results, prospects and/or future operations. In addition, in the event of a material safety or environmental, legislative or regulatory compliance breach, a risk of prosecution could arise.

Material claims for breach of contractual obligations

Any failure by the Group to meet its contractual obligations to any customer could result in the Group receiving claims for losses and damages which could have a material adverse impact on the Group.

The Group may not always be able to negotiate suitable contractual terms or insurance to minimise the impact of such potential claims, which could expose it to greater loss. Similarly, there could be circumstances which could conceivably lead to the Group suffering loss which is either not insured or in respect of which it is not fully insured. Any such loss may materially adversely affect the Group's or relevant Group Company's reputation, business, financial condition, results, prospects and/or future operations.

Dependence on key executives and personnel

The Group's future success could be substantially dependent on a relatively small number of people and the Directors therefore view the continued service of the Directors, senior management and other key personnel as important. However, the retention of their services cannot be guaranteed and their loss may have an adverse effect on the Group's business. To be able to develop, support and maintain its business, the Group must also recruit and retain suitably qualified and experienced personnel. There is no assurance that it will always be able to do so on a timely basis. The loss of any key member of the Group's management may have a material adverse effect on the Group's reputation, business, financial condition, results, prospects and/or future operations or that of the relevant Group Company.

The Group may be unable to retain or hire appropriately skilled personnel required to support the operation of the Group

The ongoing performance and further success of the Group will be dependent on recruiting, retaining, developing and motivating senior management and skilled personnel at all levels in the businesses. As the Group grows, recruiting appropriately skilled, competent people will continue to be a critical requirement given the mature engineering sectors in which the Group Companies operate. Shortages in the availability of appropriately skilled and experienced personnel may have a negative effect on the Group. The members of the Group Companies' various management teams are expected to contribute to its ability to identify skills and resource shortfalls and act where possible to correct these through new recruitment, training or development of existing personnel. However, if the Group is not able to successfully attract, retain and motivate such personnel, it may not be able to maintain standards of service or continue to grow its businesses as anticipated. The loss of such personnel, or the inability to attract, retain, motivate and communicate with additional skilled employees required for their activities within an affordable cost base, could have an adverse effect on the relevant Group Companies' business and further growth prospects.

The Group's operations are subject to health, safety, environmental and other regulations

The Group is required to comply with regulations relating to, among others, health and safety, planning, land use, building regulation standards, environmental matters and employment. The Group's subsidiaries have in place health and safety policies and procedures. Whilst the Group currently has no formal Group wide safety management system in place, certain Group Companies intend to commence working towards achievement of accredited health and safety management systems and associated training programmes post Admission.

In relation to health, safety and environmental management post Admission, significant events or breaches or violations of applicable laws or regulations could result in reputational damage, restrictions on operations, damages, fines, litigation and/or other sanctions and/or result in the Group incurring liabilities which, in turn, could have a material adverse effect on the Group's businesses, results of operations and overall financial condition or adversely affect the value of the Group's assets.

In addition, employees of the Group provide services of a complex technical nature undertaken largely on customer owned assets in operating environments in which safety and environmental compliance and performance are critical requirements. Typical operating environments could, for example, include high voltage electrical systems, complex petrochemical production plants and large power production plants. As a result, the Group is subject to a variety of health, safety and environmental laws and regulations dealing with occupational health, safety and environmental legislative compliance. In addition, the Group is subject to regulatory standards and codes that are not statutory but industry-sector mandatory.

There can be no assurances that the proactive measures and controls implemented by the Group to ensure compliance with these standards and regulations will be successful in preventing accidents and injuries or violations of health, safety and environmental laws and regulations as some of these may be beyond the Group's direct control. Unsafe working conditions also have the potential to increase employee turnover and raise the Group's operating costs. The Group's safety and environmental compliance record can impact the Group's reputation or that of its Group Companies. Any failure to maintain safe and compliant working conditions and environments for the Group's employees or sub-contractors working under its direction, could expose the Group or the relevant Group Company to significant financial losses as well as civil and criminal liabilities, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Competition

The Directors consider that the Group typically differentiates itself from its competitors on quality, technical specialist competencies and delivery of required service and product. This provides an opportunity to generate added value which can result in a higher priced offering. On occasion, the Group may therefore lose work to a competitor that has a different offering, that could be priced at a discount to that of the Group or that may be available more rapidly due to their resource capacity or scale. Competitive pricing or higher speed of response could therefore lead to a loss of revenue and/or margin and have a material adverse effect on the Group's financial performance. Furthermore, in certain locations, the Group's competitors will have existing relationships with localised industrial customers and have an established a track record of successful delivery or in some cases, established personal relationships with customers' key decision makers. These longstanding relationships and local reputation may limit the Group's ability to win work in new locations and may inhibit the Group's national expansion as a result. The Group's ability to win work may also be impacted by new companies that have greater research, development, marketing, financial and personnel resources or new innovative technical service offerings that the Group cannot currently provide.

Competition for acquisition opportunities

There may be significant competition associated with the acquisition opportunities that the Company may explore. Such competition may come, for example, from strategic buyers, special purpose acquisition companies, public and private investment funds, or in some cases, private high net worth individuals, many of which are well established and have extensive experience in identifying and completing acquisitions. A number of these competitors may possess greater technical, financial, human and other resources than the Company. While the Group has built up substantial experience in the sector, it cannot assure investors that it will be successful against such competition. Such competition may cause the Company to be unsuccessful in executing a future acquisition or may result in a successful acquisition being made at a significantly higher price than would otherwise have been the case, which could materially adversely impact the business, financial condition, result of operations and prospects of the Company. Furthermore, successful late action by a competitor to acquire a target business may give rise to losses associated with aborted acquisition costs for the Group.

Inability to find appropriate acquisition targets

One of the Board's stated strategies is to expand through acquisition. However, sourcing acquisition targets which suit the Group's target markets, strategy, geographic focus, brand, ethics and industrial alignment needs may present challenges in the future. Accordingly, the Company may find that its growth opportunities are limited by the quality and appropriateness versus its selection criteria of the acquisition targets. Furthermore, once an appropriate acquisition candidate has been identified, there is a risk that the Company may enter into a competitive purchase process with other market participants, which may inflate the purchase price beyond its original target acquisition price or in a way that does not align with the Group's standard preferred acquisition payment structure.

Costs for transactions that may ultimately be unsuccessful

There is a risk that the Company may incur substantial legal, financial, advisory and other expenses arising from unsuccessful transactions which may include public offer and transaction documentation, legal, accounting and other due diligence which could have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

Concentration of investments

The Group will focus on growth through its strategy of acquiring businesses operating in the specialist industrial engineering or B2B manufacturing sectors. There is a risk that the Group will be exposed to a particular business sector and/or geographical location, which may expose the Group to industry fluctuations and trends in the relevant sectors.

Price increases in line with inflationary pressures

As a result of inflation, the Group faces increasing costs which the Group may not be able to offset by cost reductions in other areas of the business, improvements in productivity and/or increasing the prices of its products. This may have a material adverse impact on the Group or any Group Company's financial condition, results of operations and prospects.

Material facts or circumstances may not be revealed in the due diligence process

Prior to making or proposing any investment, the Company intends to undertake due diligence on potential acquisition targets, as with previous acquisitions, to a level considered reasonable and appropriate by the Company on a case-by-case basis. However, these efforts may not reveal all facts or circumstances that may have a material adverse effect upon the value of the investment. In undertaking due diligence, the Company will need to utilise its own resources and may be required to rely upon third parties to conduct certain aspects of the due diligence process. Further, the Company may not have the ability to review all information relating to the target company and its assets. Any due diligence process involves both objective and subjective analysis and there can be no assurance that due diligence will reveal all material issues related to a potential investment or that previously undisclosed underperformance or other adverse matters will not only come to light post acquisition. Any failure to reveal all material facts or circumstances relating to a potential investment, may have a material adverse effect on the business, financial condition, results of operations and prospects of the Group.

The Company will be subject to risks related to acquisitions, disposals or other material transactions

In the ordinary course of business, the Company will engage in a continual review of opportunities to acquire target businesses or to dispose of businesses that are no longer consistent with the Group's strategy. Any such acquisition or disposal opportunity could be material to the Company. Such acquisitions and disposals or other transactions may have other transaction-specific risks associated with them, including risks related to the completion of the transaction and the assets being acquired. In relation to disposals, a transaction may be structured so that the Company receives the relevant consideration over a period of time rather than being paid all amounts on completion. In such transactions, the Company will be subject to counterparty risk for so long as it is owed sums by the acquirer. In the event that a material adverse event occurs in relation to that counterparty which results in the Company not receiving funds owed to it when expected, or at all, its result of operations may be adversely affected.

Failure to transition and achieve required Group standards in future acquisitions

Having identified and completed an acquisition, the Group will face the challenge of both transition of management (in retirement situations) and ensuring the systems processes and procedures in the acquired company are appropriate and consistent with those required by the Group.

Businesses acquired are generally expected to continue to trade under their existing brand and largely, in their normal course. The Group deploys a series of integration strategies introducing its employees into a wider group's management structure, systems and controls, reporting frameworks, information technology systems and to the extent necessary, culture and strategy. There is no guarantee that such integration strategies will be effective and consequently, there may be internal friction, inefficiencies, misalignment or disagreement with departing former owners during the transition period. The integration process can also require significant attention from Group management to support a transition process in a new operating company that would otherwise be focused on the ongoing development of the wider Group business. There can be no guarantee that the Group will be able to successfully transition or integrate future acquisitions in an efficient manner to ensure the required standards can be achieved in a timely manner. Any challenges that the Group encounters whilst attempting to transition or integrate a new business into the Group may have a negative effect on the financial position of the Group, may lead to an impairment of goodwill or potentially create a significant distraction from other Group objectives and goals until the issues are resolved.

Certain subsidiaries are not wholly owned by the Group

BPH is not wholly owned by the Group as there are third party individuals who hold minority shareholdings and consequently have rights in connection with such shareholdings. In the event that the interests of the minority shareholders in BPH diverge from those of the Group, this may present challenges to the Group and managing such shareholder interests or disruption they may choose to cause could also require significant time and attention from Group management that would otherwise be focused on the growth and development of the Group.

An event of default may be triggered under the Group's debt facilities

The facilities agreement between Etrac and Arbuthnot includes events of default which are outside of the Group's control. An event of default may be triggered if Mr Steve Jones ceases to be a director of Etrac without the prior written consent of Arbuthnot, or if Mr Dominic Cosgrove ceases to be involved in the day to day running of the business of Etrac. Accordingly, if either of these eventualities occurs, this may have a detrimental impact upon the business and a negative effect on the financial position of the Group. In addition to triggering an event of default under the facilities agreement with Arbuthnot, the loss of either Mr Jones or Mr Cosgrove may have an adverse effect on the Group, if the Group is unable to find suitable replacements at the appropriate level of skill and expertise.

Unfavourable contract terms

The Group has several existing contractual relationships which contain short termination rights in favour of the customer, contractual indemnities for losses, limitation and/or defects liability periods or otherwise exclude the liability of the counterparty for indirect or consequential loss. There is a risk that the Group's liability in respect of these contracts may be material.

In addition, the Group has several contractual relationships under which the relevant counterparty has the right to terminate for a change of control. While these contracts have not been entered into by the Company itself, where the change of control provisions under the contracts are widely drafted, there is a risk that these provisions may be triggered by a change of control of the Company arising on Admission. This may, in turn, have a significant impact on the Group's financial condition and operations depending on the materiality of the underlying contract in question.

Informal contractual arrangements

The Group contracts on the basis of one-off purchase orders which are often governed by the relevant customers' standard terms and conditions. Consequently, there is a risk that the Group enters into contracts on the basis of agreements that are drafted in favour of the customer, rather than the Group. Contracting on the basis of one-off orders rather than long term agreements may also present issues around guarantee of revenue or inconsistency of pricing, thus, there is a risk of negative impact to the Group's financial condition and prospects.

Certain individuals have the right to subscribe for Ordinary Shares post-Admission

The consideration payable by the Company for the purchase of WJPS was settled partly by the issue of Loan Notes to the sellers of WJPS. The Loan Notes confer on the holders the right to convert their respective Loan Notes into Ordinary Shares, in accordance with the terms of the Loan Note Instrument. Such rights of conversion will remain exercisable until 10 October 2026. Consequently, on Admission, there will be outstanding rights to subscribe for Ordinary Shares in the Company and there is a risk that Shareholders may suffer dilution in their percentage ownership in the future. There is also a risk that the price of the Ordinary Shares in the Company may be adversely affected.

Obligation to maintain insurance

Certain of the Group's material customer contracts contain an obligation on the relevant Group Company to maintain bespoke insurance cover. In the event that any change of control provisions are triggered under the Group's existing insurance policies, there is a risk that the Group will be in breach of some of its material customer contracts. If the Group's commercial relationship with any key customer terminates for any reason, it may have a material adverse impact on the Group's business, financial condition, results of operations and prospects.

Uncapped liability under agency or distribution agreements

The Group's liability pursuant to certain terms and conditions of the Group's agency or distribution arrangements is uncapped. There is a risk that the Group's exposure to liability under these arrangements may be material, thereby adversely impacting the Group's financial condition.

Force majeure

The Group's operations now or in the future may be adversely affected by risks outside the control of the Group including labour unrest, war, civil disorder, subversive activities or sabotage, fires, floods, explosions, or other catastrophes, epidemics or quarantine restrictions.

The Group may not be able to retain or form new business relationships

The Group relies significantly on creating and maintaining good relationships with its current or potential customers and with regulatory and government organisations. There can be no assurance that the Group's existing relationships with its customers will continue or that new ones will be successfully formed. Therefore, the Group, and particularly its development, financial condition, operating results or prospects, could be adversely affected should the relationships with its existing customers be early terminated or not renewed, or should the relationship with the regulatory or governmental organisations be adversely affected.

Loss of exclusive distribution contracts

The B2B Manufacturing Division relies, in part, upon the supply of capital equipment into the printed circuit board manufacturing sector which is carried out under the auspices of exclusive distribution contracts with major branded manufacturers. The loss of such contracts would result in a higher level of competitive activity for the division albeit the division has long-standing, profitable relationships with all the relevant manufacturers.

Supplier dependency and breakdown in the supply chain

The Group is dependent on the delivery of certain components, units and raw materials which are supplied by certain key suppliers. To the extent the operations of such suppliers cease or the suppliers become unable to supply the components and materials required by the Group, there is a risk the Group may not be able to find an alternative in a timely fashion.

In addition, within each of the Group Companies, certain critical supplier relationships exist which could impact the overall Group performance in terms of financial or service outcomes, if a supplier failure occurred or if a key supplier was lost. In the B2B Manufacturing Division, there are risks of supply failure arising from external events outside the direct control of the Group Companies. Such events could include global supply chain disruptions arising from military conflicts, pandemics, specialist material supply constraints or energy supply and price variations impacting on supplier production capacity. For the Embedded Engineering Division, similar events could result in the loss of availability of specialist mechanical, electrical and electronic components or materials used in its maintenance, repair and overhaul activities.

If these events were to occur, this would have both a financial and service performance impact on the Group and on the specific business operated by each Group Company. There may also be a wider impact on either of the divisions as a whole, if such supply failure were to be a global issue rather than an issue specific to the Group. In addition, in some instances, certain businesses in the Embedded Engineering Division source obsolete electronic components, for which there are limited supplies globally. In the event of these supplies being exhausted, this could result in a financial or service loss occurring in the relevant Group Company until alternatives could be re-engineered or requalified with customers.

Furthermore, in some instances certain Group Companies are dependent on customers providing certified materials from their own supply sources with which the Group or relevant Group Companies have no direct contact or relationship. An unexpected disruption to, or termination of, the supply contracts may also negatively impact the ability to fulfil contractual obligations under customer contracts, which may have a material adverse impact on the Group's reputation, business, prospects, results of operation and financial condition.

Exclusivity and restrictive covenants in supplier contracts

The Group has contractual relationships with certain of its suppliers and customers that require the relevant Group Company to purchase exclusively from designated suppliers and which restrict the Group Company from purchasing materials from any other third party. This represents a restriction on the Group's business operations and potentially under certain circumstances exposes it to onerous contractual terms which may have a detrimental impact on the overall financial or service performance of the Group.

Risks related to the long-term transition in energy and material markets

The Group provides services to customers in both the petrochemical industry and conventional (thermal) bulk energy generation sectors. The long-term planned reduction and transition in the use of petroleum products, alongside the transition to nuclear and/or renewable energy sources, poses a distant but significant risk to the Group's activities. As these industries shift away from traditional energy and material sources, the Group may experience a decline in demand for its services related to those products and activities. Additionally, the B2B Manufacturing Division has been proactively advancing the manufacture and supply of environmentally friendly products, such as paper-based tapes and water-based adhesives. However, regulatory actions may accelerate this market shift beyond the B2B Manufacturing Division's current plans, potentially leading to a deterioration in its performance. The speed and scale of these transitions are not under the direct control of the Group and this represents a long-term risk to the division's operational stability and financial results.

GENERAL RISKS

An investment in the Company is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss that may result from the investment. A prospective investor should consider with care whether an investment in the Company is suitable for him or her in the light of his or her personal circumstances and the financial resources available to him or her. The investment opportunity offered in this document may not be suitable for all recipients of this document. Investors are therefore strongly recommended to consult an investment adviser authorised under the FSMA, or such other similar body in their jurisdiction, who specialises in advising on investments of this nature before making their decision to invest.

Investment in the Company should not be regarded as short-term in nature. There can be no guarantee that any appreciation in the value of the Company's investments will occur or that the commercial objectives of the Group will be achieved. Investors may not get back the full amount initially invested.

The prices of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to future performance.

Any economic downturn either globally or locally in any area in which the Group operates may have an adverse effect on demand for the Group's products. A more prolonged downturn may lead to an overall decline in sales. Economic uncertainty might have an adverse impact on the Group's operations and business results.

Financial controls and internal reporting procedures

The Group has systems and controls in place to allow it to produce accurate and timely financial statements and to monitor and manage risks. If any of these systems or controls were to fail the Group may be unable to produce financial statements accurately or on a timely basis and may expose the Group to risk. Any concerns investors may have over the potential lack of available and current financial information and the controls the Group has in place could adversely affect the Company's share price.

Unfavourable economic conditions and/or a consequential change in Government policy may have an adverse impact on the Group's results and/or financial condition

The Group's operating results and/or its financial condition may be negatively affected by a downturn in the general economic climate within the UK which consequently may have adverse effect upon Government policy and spending, and private sector investments. A reduced level of economic activity may restrict the amount of outsourcing by companies or other bodies and result in the restriction of funding available for the purchase of the services provided by the Group and others, leading to a decline in the number of firms in the sector and their profitability. Reduction in Government investment and infrastructure funding is likely to have a negative effect on the Group's future revenues and profitability.

The Group's future revenues and profitability will be dependent on the current UK Government's policy with regard to investment in the infrastructure sectors in which the Group operates. The Group will depend on the levels of continued investment in new or replacement assets by Government or others, or on expenditure to upgrade, or extend the life of, existing infrastructure assets. The UK Government may decide in future to change their programmes and priorities including reducing present or future spending and investment where the Group would expect to compete for work.

Economic conditions and current economic weakness

The Company's business plan may be subject to changes arising from relevant economic conditions, including, but not limited to, recessionary or inflationary trends, equity market levels, consumer credit availability, interest rates, consumers' disposable income and spending levels, job security and unemployment, and overall consumer confidence. Prevailing market conditions and macro-economic factors will continue to impact company valuations going forward and could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

System failure/cyber attacks

Phones systems, basic email and Group network functionality are integral to ensuring the smooth operation of sales and purchasing functions, and the Group's business in general. The Group has protection and backup systems in place via contracted IT providers which manage and maintain IT systems, however, should these protections fail or be breached in a cyber-attack this could impact the day-to-day operations of the business, potentially impacting the Company's profitability and customer relationships.

Taxation and legislative changes

This document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors interpretation thereof. Such interpretation may not be correct and legislation, regulation, rules and practice may change, possibly with retrospective effect. Any change in legislation, regulation, rules or practice may have an adverse effect on the returns available on an investment in the Company.

Liquidity Risk

Without in any way qualifying the statement that, in the opinion of the Directors, the working capital available to the Group is sufficient for its present requirements, that is for at least 12 months from the date of Admission, that the Company makes as at the date of this document, the Company's ability to meet any debt obligations and reduce its level of indebtedness will depend on the performance of the Group Companies which could be affected by general economic conditions and other factors which may be beyond the control of the Company. The Company may therefore be required to seek additional and alternative sources of finance after the period covered by the working capital statement to service any debt and provide working capital in the longer term, by way of further borrowings or equity financing. Factors that will affect its ability to raise cash through an offering of securities or a refinancing of any debt include financial market conditions, the value of its assets and performance of the Group Companies at the time the Company may require capital. If the Company does not have sufficient funds, it will seek to raise money from alternative sources and/or to negotiate a rescheduling of its borrowings or arrange new financing. Should it be unsuccessful, it might have to sell significant assets in order to meet its obligations and any such sale could have a material adverse effect on the Company's ability to continue to advance its growth strategy.

RISK RELATING TO THE ORDINARY SHARES

Prior to Admission, there has been no public market in the Ordinary Shares. Whilst the Company is applying for Admission, there can be no assurance that an active trading market for the Ordinary Shares will develop or, if developed, that it will be maintained.

The Ordinary Shares will be traded on AIM rather than the Official List. AIM is a market for emerging or smaller companies and may not provide the liquidity normally associated with the Official List or other exchanges. It may be more difficult for an investor to realise his or her investment in an AIM-traded company than a company whose securities are listed on the Official List. An investment in shares traded on AIM carry a higher risk than those listed on the Official List.

The trading price of the Ordinary Shares may be subject to wide fluctuations in response to a range of events and factors, such as change in investor sentiment regarding the Ordinary Shares or variations in interim or full year operating results, announcements of technological innovations or new products and services by the Group or its competitors, changes in financial estimates and recommendations by securities analysts, the share price performance of other companies that investors may deem comparable to the Group, the general market perception of industrial manufacturing and engineering companies, the industrial manufacturing and engineering industries, market conditions in the sector, news reports relating to trends in the Group's markets, legislative changes in the Group's sector and other factors outside of the Group's control. Such events and factors may adversely affect the trading price of the Ordinary Shares, regardless of the performance of the Group.

Prospective investors should be aware that the value of the Ordinary Shares could go down as well as up and investors may therefore not recover their original investment. The market price of the Ordinary Shares may not reflect the underlying value of the Company.

The future success of AIM and the liquidity in the market for Ordinary Shares cannot be guaranteed. In particular, the market for Ordinary Shares may be, or may become, relatively illiquid particularly given the lock-in arrangements described in the summary of the Concert Party Agreement in paragraph 15.12 of Part V of this document and therefore the Ordinary Shares may be or may become difficult to sell.

The price which investors may realise for their holding of Ordinary Shares, and when they are able to do so, may be influenced by a large number of factors, some of which are specific to the Company and others of which are extraneous.

Valuation of Ordinary Shares

The Placing Price has been determined by the Group and may not relate to the Group's net asset value, net worth or any established criteria or value. There can be no guarantee that the Ordinary Shares will be able to achieve higher valuations or, if they do so, that such higher valuations can be maintained.

In addition, economic, political and geopolitical conditions may adversely affect the Company from time to time, including fluctuations in foreign exchange, inflation and interest rates, as well as monetary policies, business investment and the health of global capital markets, any of which could affect the price of the Ordinary Shares. In recent years, financial markets have experienced significant price and volume fluctuations that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Additionally, these factors, as well as other related factors, may cause decreases in asset values, which may result in impairment losses resulting in the deferral or ultimately the loss of future income. Any recessionary economic environment, and the resulting increased levels of volatility and related market turmoil, could have a material adverse effect on the Company's future investment-related income, business, operations, financial condition, share price and ability to pay a dividend or return capital to shareholders.

Market perception

Market perception of the Group may change, potentially affecting the value of investors' holdings and the ability of the Group to raise further funds by the issue of further Ordinary Shares or otherwise.

Substantial sales of Ordinary Shares, lock-in and orderly marketing arrangements and Concert Party Agreement

There can be no assurance that certain Directors or other Shareholders will not elect to sell their Ordinary Shares following the expiry of the lock-in and orderly marketing arrangements as set out in the Concert Party Agreement, details of which are set out in paragraph 15.12 of Part V of this document, or otherwise. The market price of Ordinary Shares could decline as a result of any such sales of Ordinary Shares or as a result of the perception that these sales may occur. In addition, if these or any other sales were to occur, the Company may in the future have difficulty in offering Ordinary Shares at a time or at a price it deems appropriate.

Additional capital and dilution

It is possible that the Company will need or choose to raise extra capital in the future (i.e. after the end of the working capital period covered by the statement in paragraph 17 of Part V of this document to finance the development of the Group's business or to respond to new competitive pressures. If the Group is unable to obtain this financing on terms acceptable to it, then it may be forced to curtail its development. If additional funds are raised through the issue of new equity or equity-linked securities of the company other than on a *pro rata* basis to existing Shareholders, the percentage ownership of such Shareholders may be substantially diluted. There is no guarantee that the then prevailing market conditions will allow for such a fundraising or that new investors will be prepared to subscribe for Ordinary Shares at the same price as the Placing Price or higher.

No guarantee that the Ordinary Shares will continue to be traded on AIM

The Company cannot assure investors that the Ordinary Shares will always continue to be traded on AIM or on any other exchange. If such trading were to cease, certain investors may decide to sell their shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Company decides to obtain a listing on another exchange in addition or as an alternative to AIM, the level of liquidity of the Ordinary Shares traded on AIM could decline.

Dividends

There can be no assurance as to the level of future dividends, if any. The declaration, payment and amount of any future dividends of the Company is subject to the discretion of the Directors and will depend upon, among others, the Company's earnings, financial position, cash requirements and availability of profits, as well as the provisions of relevant laws and generally accepted accounting practice. The return of value by way of share redemption, repurchase or reduction of capital, is similarly dependent on, among other things, the Directors authorising any such return giving such a solvency statement at the relevant time.

PART IV

HISTORICAL FINANCIAL INFORMATION AND ACCOUNTANTS' REPORT ON THE GROUP

PART IV – SECTION A

Accountant's Report on the Historical Financial Information of Amcomri Group plc for the years ended 31 December 2021, 31 December 2022 and 31 December 2023

The Directors
Amcomri Group Plc
46-48 Beak Street
London
W1F 9RJ

The Directors
Cavendish Capital Markets Limited
1 Bartholomew Close
London
EC1A 7BL

16 December 2024

Dear Directors

Accountants report on the Historical Financial Information of Amcomri Group plc (the "Group")

We report on the Historical Financial Information of Amcomri Group plc (the "Group") set out in Section B of Part IV, which comprises the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cashflows, and the related notes, for the three years ended 31 December 2023, 31 December 2022 and 31 December 2021 ("Historical Financial Information").

Opinion on the Historical Financial Information

In our opinion, the Historical Financial Information gives, for the purpose of the Admission Document of the Company dated 16 December 2024, a true and fair view of the state of affairs of the Group as at 31 December 2023, 31 December 2022 and 31 December 2021 and of its profits, cash flows and changes in equity for the years then ended in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Responsibilities

The Directors of the Group are responsible for preparing the Historical Financial Information in accordance with UK-adopted international accounting standards.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent provided, and save for any responsibility that we have expressly agreed in writing to assume, to the fullest extent permitted by law we do not assume responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules for Companies, consenting to its inclusion in the Admission Document.

Basis of preparation

The Historical Financial Information has been prepared for inclusion in the Admission Document of the Group dated 16 December 2024 on the basis of the accounting policies set out in note 2.1 to the Historical Financial Information. The report is required by paragraph (a) of Schedule Two of the AIM Rules and is given for the purpose of complying with that paragraph and for no other purpose.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Financial Reporting Council ('FRC') in the United Kingdom. We are independent of the Group in accordance with the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Historical Financial Information. It also included an assessment of the significant estimates and judgements made by those responsible for the preparation of the Historical Financial Information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Historical Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions outside the United Kingdom, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Conclusions in relation to Going Concern

We have not identified any material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the ability of the Group to continue as a going concern for a period of at least twelve months from the date of the Admission Document.

Accordingly, the use by the directors of the Group of the going concern basis of accounting in the preparation of the Historical Financial Information is appropriate.

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules we are responsible for this report as part of the Admission Document and we declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules.

Yours faithfully

PKF Littlejohn LLP
Reporting Accountant

PART IV – SECTION B

Historical Financial Information of Amcomri Group plc for the years ended 31 December 2021, 31 December 2022 and 31 December 2023

Historical Financial Information of the Group

Group Statement of Comprehensive Income

	Note	*Year ended 31 December 2023 £'000*	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Revenue	4	47,045	39,371	21,280
Cost of sales		(31,874)	(27,333)	(14,439)
Gross profit		15,171	12,038	6,841
Distribution costs		(500)	(442)	(348)
Administrative expenses	9	(11,577)	(8,695)	(4,534)
Other operating income	5	90	35	196
Exceptional items	9	(221)	–	–
Operating profit		2,963	2,936	2,155
Interest receivable and similar income	7	15	65	–
Interest payable and similar expenses	8	(1,534)	(1,047)	(644)
Profit before taxation		1,444	1,954	1,511
Tax on profit	10	(583)	(473)	(141)
Profit for the financial year		861	1,481	1,370
Profit for the year attributable to:				
Non-controlling interest		(89)	(191)	(218)
Owners of the parent		950	1,672	1,588
		861	1,481	1,370
Earnings per share	21	3.3p	15.2p	14.0p

There is no other comprehensive income in the period ended 31 December 2023 (2022: Nil, 2021: Nil). All results are from continuing operations.

The accompanying notes form part of the Historical Financial Information.

Historical Financial Information of the Group

Group Statement of Financial Position

	Note	*Consolidated year ended 31 December 2023 £'000*	*Combined year ended 31 December 2022 £'000*	*Combined year ended 31 December 2021 £'000*
Non -current assets				
Intangible assets	12	17,659	7,836	3,279
Property, plant and equipment	11	4,854	4,842	4,559
Right-of-use assets	13	3,351	2,328	1,516
		25,864	15,006	9,354
Current assets				
Inventories	14	4,739	7,080	5,375
Trade and other receivables	15	10,356	9,167	7,858
Cash and cash equivalents	16	4,043	1,775	1,102
		19,138	18,022	14,335
Total assets		45,002	33,028	23,689
Equity				
Share capital	21	–	–	–
Share premium	21	6,622	–	–
Retained earnings		2,037	2,509	1,537
Equity attributable to owners of the parent		8,659	2,509	1,537
Minority interest		871	842	1,033
Total equity		9,530	3,351	2,570
Non-current liabilities				
Trade and other payables	17	2,718	1,296	545
Borrowings	18	11,030	7,674	4,883
Lease liabilities	13	2,955	2,129	1,400
Provisions	19	127	39	77
Deferred tax	19	2,084	1,071	599
Amounts due to related parties	23	1,971	1,900	564
		20,885	14,109	8,068
Current liabilities				
Trade and other payables	17	9,483	9,954	9,017
Corporation tax		690	560	452
Lease liabilities	13	843	604	426
Borrowings	18	3,571	4,450	3,156
		14,587	15,568	13,051
Total liabilities		35,472	29,677	21,119
Total equity and liabilities		45,002	33,028	23,689

Historical Financial Information of the Group

Group Statement of Changes in Equity

	Share capital £'000	*Share premium £'000*	*Retained earnings £'000*	*Non-controlling interest £'000*	*Total £'000*
Balance at 1 January 2021	–	–	1,249	1,251	2,500
Profit for the year	–	–	1,588	(218)	1,370
Dividends paid	–	–	(1,300)	–	(1,300)
Balance at 31 December 2021	–	–	1,537	1,033	2,570
Balance at 1 January 2022	–	–	1,537	1,033	2,570
Profit for the year	–	–	1,672	(191)	1,481
Dividends paid	–	–	(700)	–	(700)
Balance at 31 December 2022	–	–	2,509	842	3,351
Balance at 1 January 2023	–	–	2,509	842	3,351
Profit for the year	–	–	950	(89)	861
Issue of share capital	–	6,622	(1,422)		5,200
Movements related to share for share exchange	–	–	–	118	118
Balance at 31 December 2023	–	6,622	2,037	871	9,530

Historical Financial Information of the Group

Group Statement of Cashflows

	Note	Year ended 31 December 2023 £'000	Unaudited Year ended 31 December 2022 £'000	Unaudited Year ended 31 December 2021 £'000
Operating activities				
Profit for the year		861	1,481	1,369
Adjustment for:				
– Taxation charge	10	583	473	141
– Depreciation	11,13	1,160	925	736
– Amortisation	12	251	161	67
– Interest	7,8	1,519	981	644
			0	
Change in inventories		3,428	(1,216)	(1,233)
Change in trade and other receivables		5,496	(150)	(936)
Change in trade and other payables		(2,126)	271	2,544
Corporation tax paid		(490)	(857)	(137)
Net cash inflow from operating activities		10,682	2,069	3,195
Investing activities				
Purchase of tangible assets	11	(348)	(614)	(556)
Purchase of intangible assets	12	(137)	–	–
Acquisition of subsidiaries net of cash acquired	20	(11,823)	(3,348)	(6,925)
Interest received	7	15	65	–
Net cash used in investing activities		(12,293)	(3,897)	(7,481)
Financing activities				
Issue of shares net of issue costs		5,200	–	–
Debt issue	18	4,395	5,385	–
Debt repayment	18	(1,918)	(1,300)	6,732
Interest paid	8	(1,137)	(1,090)	–
Movements in amounts due to related parties	23	(629)	1,336	(644)
Lease payments	18	(633)	(372)	564
Deferred consideration paid		(1,399)	(758)	(624)
Dividends paid		–	(700)	(1,300)
Net cash from financing activities		3,879	2,501	4,728
Net change in cash and cash equivalents		2,268	673	442
Cash and cash equivalents at the start of year		1,775	1,102	660
Cash and cash equivalents at the end of year		4,043	1,775	1,102

There have been no material non-cash transactions in the periods 2023, 2022 or 2021.

Notes to the Historical Financial information

1. General information

The company is a private company limited by shares and incorporated in England and Wales. The registered office is 46/48 Beak Street, London, W1F 9RJ.

2. Accounting policies

The principal accounting policies applied in the preparation of this Historical Financial Information are set out below ('Accounting Policies' or 'Policies'). These Policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 ***Basis of preparation***

The Group's Historical Financial Information has been prepared on a going concern basis and under the historical cost convention. Comparative figures for 2022 and 2021 are prepared on a combined basis. The Historical Financial Information has been prepared in accordance with the UK adopted International Accounting Standard (UK-adopted IAS), except for the combination accounting as described below. The Historical Financial Information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

Reorganisation

On 30 August 2023, Amcomri Group plc (previously known as Amcomri Group Limited) underwent a group restructure in which the holding company Amcomri Group acquired the share capital of the subsidiaries listed below from a related party, Fawley Industrial Limited (formerly Amcomri 16 Limited). The share capital in those entities listed in note 29 were acquired by Amcomri Group via a capital reduction, followed by a dividend in species. In addition, a share for share exchange took place.

Prior to the restructure and subsequent demerger, Fawley Industrial Limited previously held the investments currently now held by Amcomri Group. During the year a process was followed whereby a demerger took place in Fawley Industrial Ltd.

The process of the restructure was organised as follows; the target group was identified. The following investments were considered the target group of investments.

	£
Premier Limpet Limited	5,791,577
Bex Design and Print Ltd	4,145,601
IVS Swansea Limited	104,152
Blundell Production Holdings Limited	1,343,595
Dunville Limited	1
Amcomri 14 Limited	1
	11,384,927

Reorganisation

The target group consists of those companies which now form the Amcomri Group. An amount of £9.7 million was allocated to the merger reserve of Amcomri Group. In addition, minority shareholders in IVS Holdings Limited and Blundell Production Equipment Limited, completed a share for share exchange for shares in Amcomri Group in October 2023. As a result, a share premium reserve was created in respect of the allotment of consideration shares for shares in IVS Swansea Limited and Blundell Production Holdings Limited.

Separately in June 2023, Amcomri Group issued loan note instruments of £5.2 million. In December 2023, once the demerger was complete, this loan note was converted to equity and the share premium reserve increased by £5,199,949, in respect of the allotment of shares on the conversion of loan notes.

The assets and liabilities acquired as part of the reorganisation process noted above were acquired at Fair Value. The reorganisation was considered a transaction under common control by reference to the requirements under IFRS 3, and therefore applied the predecessor method in preparing the group Historical Financial Information. 2021 and 2022 have been presented as if the Company owned the target group throughout both periods.

The accounting policies set out below have been applied consistently to the Group to all periods presented in the Historical Financial Information.

2.2 ***Basis of consolidation***

The Group Historical Financial Information present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired during the year are recognised from the effective date of acquisition, as applicable. Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.3 ***Adopted IFRS not yet applied***

The following Adopted IFRSs have been issued but have not been applied by the Group in the Historical Financial Information. Their application is not expected to have a material effect on the Historical Financial Information unless otherwise indicated and no disclosures have been made:

- Classification of liabilities as current or non-current (Amendments to IAS 1)
- Lease liability in a Sale and Leaseback (Amendments to IFRS 16)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
- Non-current liabilities with Covenants (Amendments to IAS 1)
- Lack of exchangeability (Amendments to IAS 21)

2.4 ***Going concern***

The directors, have a reasonable expectation that the Group has adequate resources to continue operating as a going concern for the foreseeable future.

Having considered the Group's and the Company cash flow forecasts, current and anticipated trading volumes, together with current and anticipated levels of cash, debt and the availability of committed borrowing facilities, the directors are satisfied that the Group and the Company has sufficient resources to continue in operation for the foreseeable future, a period of at least 12 months from the date of the Admission Document, and accordingly, they continue to adopt the going concern basis in preparing the Historical Financial Information.

In reviewing the appropriateness of the going concern assumption, management have prepared forecasts covering the going concern period, being a period of at least 12 months from the date of the Admission Document. In making this assessment, the directors' have considered a reasonable basis of sensitivity incorporating a plausible downside scenario and the impact that this may have on the projections for the Group and the Company in the going concern period. The Directors' are satisfied that the Company and Group have adequate cash resources available to meet the obligations of the Group and the Company as they fall due in the going concern period.

2.5 *Business combinations*

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred, and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Consideration transferred as part of a business combination does not include amounts related to the settlement of pre-existing relationships. The gain or loss on the settlement of any pre-existing relationship is recognised in profit or loss.

Assets acquired and liabilities assumed are measured at their acquisition date fair values.

2.6 *Functional and presentation currency*

The Historical Financial Information is presented in pound sterling, which is the Group's functional and presentational currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.7 *Revenue*

Revenue arises mainly from the sale of goods and servicing income.

To determine whether to recognise revenue, the Group follows the below process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations, and then
- Recognising revenue when/as performance obligation(s) are satisfied.

The Group often enters into customer contracts to supply a bundle of products and services. The contract is then assessed to determine whether it contains a single combined performance obligation or multiple performance obligations. If applicable, the total transaction price is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in its consolidated statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its consolidated statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods which is based on the delivery terms of the contract. Revenue is recognised over time using the input method, which uses the Group's efforts or inputs to the satisfaction of a performance obligation, in case of longer term contracts or where the performance obligation is satisfied over time.

Rendering of services

Turnover from a contract to provide services is recognised in line with the performance obligations specified in the customer contract. Revenue is recognised as follows:

- where a contractual right to receive payment exists, revenue is recognised over the period services are provided using the percentage of completion method, based on the input method using time spent; and
- where no contractual right to receive payment exists, revenue is recognised upon completion of each separate obligation, which is typically when services are complete.

2.8 ***Finance income and expense***

Interest income is recognised in profit or loss using the effective interest method.

Borrowing costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

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

2.9 ***Operating costs***

Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred. Operating costs includes amounts presented as cost of sales, distribution costs and administrative expenses.

2.10 ***Exceptional items***

Exceptional items are disclosed separately in the statement of profit and loss where it is necessary to do so to provide further understanding of the financial performance of the Group. Exceptional items are items of one-off income or expense that have been shown separately due to the significance of their nature or amount. Exceptional items include professional fees related to the Group reorganisation detailed in note 2.1.

2.11 ***Current and deferred taxation***

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company and the group operate and generate income.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for:

- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and
- differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.12 ***Intangible assets***

Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

For the purposes of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGU's"), that is expected to benefit from the synergies of the combination. Assets are grouped at the lowest level for which there are largely independent cash inflows. Goodwill impairment reviews are undertaken annually. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Customer relationships

Separately acquired customer relationships are recorded at historic cost. Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. Customer relationships have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the cost of customer relationships over their estimated useful lives of 20 years.

Computer software

Expenditure on the research phase of projects to develop new customised software for IT and telecommunication systems is recognised as an expense as incurred.

Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided they meet all of the following recognition requirements:

- the development costs can be measured reliably
- the project is technically and commercially feasible
- the Group intends to and has sufficient resources to complete the project
- the Group has the ability to use or sell the software, and
- the software will generate probable future economic benefits.

Development costs not meeting these criteria for capitalisation are expensed as incurred.

Computer software is amortised over a period of 10 years.

2.13 ***Tangible fixed assets***

Property, plant and equipment are stated at cost net of accumulated depreciation and impairment losses. Costs includes the original purchase price of the assets and the costs attributable to bringing the assets to its working condition for intended use.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of buildings, IT equipment and other equipment. The following useful lives are applied:

Freehold Property	2%-10%
Plant and machinery	10%-25%
Motor vehicles	20%-33%
Fixtures and fittings	10%-25%

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss either within other income or other expenses.

2.14 ***Inventories***

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenses directly attributable to the manufacturing process as well as suitable portions of related production overheads, based on normal operating capacity. Costs of ordinarily interchangeable items are assigned using the first in, first out cost formula. Net realisable value is the estimated selling price in the ordinary course of business less any directly attributable selling expenses.

2.15 ***Trade receivables***

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. If collection is expected within one year, they are classified as current assets. If not, they are classified as non-current assets. Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provisions for impairment. The Group assesses impairments based on the lifetime of credit loss.

2.16 ***Trade payables***

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

2.17 ***Leases***

Group as a lessee

The Group makes the use of leasing arrangements principally for the provision of the manufacturing facilities, warehouses and related facilities, and IT equipment and motor vehicles. The rental contracts for property are typically negotiated for terms of between 3 and 50 years and some of these have extension terms. Lease terms for fixtures & fittings and equipment and motor vehicles have lease terms of between 6 months and 10 years without any extension terms. The Group does not enter into sale and leaseback arrangements. All the leases are negotiated on an individual basis and contain a wide variety of different terms and conditions such as purchase options and escalation clauses.

The Group assesses whether a contract is or contains a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability in its Consolidated Statement of Financial Position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The incremental borrowing rate is the estimated rate that the Group would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value. This rate is adjusted should the lessee entity have a different risk profile to that of the Group.

The lease liability is reassessed when there is a change in the lease payments. Changes in lease payments arising from a change in the lease term or a change in the assessment of an option to purchase a leased asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. These leases relate to items of office equipment such as desks, chairs, and certain IT equipment. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

2.18 ***Cash and cash equivalents***

Cash and cash equivalents comprise of cash on hand and demand deposits, together with other short term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.19 ***Provisions***

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably. The provisions are tested annually for impairment.

2.20 ***Financial instruments***

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). Financial assets, other than those designated and effective as hedging instruments, are classified into one of the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL); or
- fair value through other comprehensive income (FVOCI).

In the periods presented the Group does not have any financial assets categorised as FVOCI.

All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements include loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Offsetting

Financial assets and liabilities are offset, and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis. The legally enforceable right must not be contingent on future events and must be in the normal course of business.

2.21 *Impairment of non-financial assets*

Assets that are subject to amortisation are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset for which the estimate of future cash flows have not been adjusted. An impairment loss is recognised immediately in the profit and loss account, unless the relevant asset is carried at the revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase. A reversal of an impairment loss is recognised immediately in profit and loss, unless the relevant asset is carried at the revalued amount, in which case this reversal is taken to the revaluation reserve.

2.22 *Dividends*

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at a quarterly board meeting.

2.23 *Non-controlling interests*

For business combinations the Group initially recognised any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets.

The total comprehensive income of non-wholly owned subsidiaries is attributed to owners of the parent and to the non-controlling interests in proportion to their relative ownership interests.

2.24 *Post-employment benefits and short-term employment benefits*

Post-employment benefit plans

The Group provides post-employment benefits through various defined contribution plans.

Defined contribution plans

The Group pays fixed contributions into independent entities in relation to several retirement plans and insurances for individual employees. The Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

Short-term employee benefits

Short-term employee benefits, including holiday entitlement, are current liabilities included in pension and other employee obligations, measured at the undiscounted amount the Group expects to pay as a result of the unused entitlement.

2.25 *Investments*

Investments in subsidiaries are shown at cost less impairment losses. Investments are reviewed annually for impairment by comparing the carrying value of the investment to the higher of the subsidiary Group's value in use and fair value less costs to sell.

2.26 ***Borrowings***

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge in the income statement over the period of the borrowing. Interest expense is recognised on the basis of the effective interest method and is included in finance costs. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2.27 ***Share capital and reserves***

Ordinary share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing equity instruments. If payable is deferred and the time value of money is material, the initial measurement is on the present value basis.

Share premium reserve

The share premium reserve represents the agreed value of the shares issued above the nominal value. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Profit and loss reserve

The profit and loss reserves represent cumulative profit and loss reserves net of distributions to owners.

Retained earnings

Retained earnings includes all current and prior period retained profits.

Other reserves

Other reserves includes the merger reserve which was created as a result of the transaction described in note 2.1.

2.28 ***Government grants***

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions. Government grants relating to property, plant and equipment are included in current and non-current liabilities as deferred government grants and are credited to the profit or loss on a straight-line basis over the expected useful economic lives of the related assets.

3. Accounting estimates and judgements

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The judgements, estimates and assumptions made in applying the accounting policies of the Group:

Business combinations – Group

Management uses various valuation techniques when determining the fair values of certain assets and liabilities acquired in a business combination. In particular, the fair value of contingent consideration is dependent on the outcome of many variables including the acquirees' future profitability. In making this assessment, management have used current performance, and projected future performance to determine whether a liability has arisen. Details of amounts recognised including the value of contingent consideration is disclosed in note 17.

Leases – determination of the appropriate discount rate to measure lease liabilities – Group

As noted above, the Group enters into leases with third-party landlords and as a consequence the rate implicit in the relevant lease is not readily determinable. Therefore, the Group uses its incremental borrowing rate as the discount rate for determining its lease liabilities at the lease commencement date. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over similar terms which requires estimations when no observable rates are available. The average discount rate used in the calculation of lease liabilities is 5 per cent.

The Group consults with its main bankers to determine what interest rate they would expect to charge the Group to borrow money to purchase a similar asset to that which is being leased. Details on the amounts recognised as Right-of-use assets and Lease liabilities are disclosed in note 13.

Useful life of assets – Group

The annual depreciation charge depends primarily on the estimated lives of each type of asset. The Directors annually review these asset lives and adjust them as necessary to reflect current thinking of remaining useful lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have significant impact on depreciation charges for the period. There were no changes in the useful life of assets in the year, and no impairment adjustments recognised. The net value of depreciated assets together with the depreciation charge for the year is disclosed in note 11.

Provision in respect of trade and other debtors – Group

The Group estimates the allowance for trade and other debtors based on an assessment of specific accounts where the company has objective evidence comprising default in payment terms of significant financial difficulty that certain customers are unable to meet their financial obligations. In these cases, judgement is used on the best available facts and circumstances including, but not limited to, length of relationship and historical events. The provision for specific bad debts for the year is disclosed in note 15.

Provision in respect of stock

The Group makes a number of estimates that are subjective in nature, in respect of provisions for inventory whose carrying value may not be realised. The Company uses a variety of sources to determine provision rates against specific stock categories, including historical sales patterns, post year end performance and age. Any change in these factors would impact the provision for stock and would result in a change in the carrying value. The stock provision has been disclosed in note 14.

Impairment of non-financial assets and goodwill

The Group tests at least annually, whether goodwill and other non-financial assets have suffered any impairment in accordance with its accounting policies. In assessing impairment, management estimates the recoverable amount of each asset or cash generating unit based on expected future cash flows and uses an interest rate to discount them (value in use). Estimating uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate which can have a material impact on the respective valuations used for the impairment test. As at 31 December 2023, the Group did not identify any impairment indicators of goodwill.

Useful Life of other intangible assets – Customer Relationships

The Group estimates the useful life of other intangible assets – customer relationships, using certain financial and non- financial information and historical trends. The useful life of customer relationships is 20 years. Further information on customer relationships is disclosed in note 12.

4. Segmental reporting

The Group's segmental analysis of revenue is outlined:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Embedded Engineering	23,725	14,471	11,133
B2B Manufacturing	23,320	24,900	10,147
	47,045	39,371	21,280

The Group's segmental analysis of net assets is outlined:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Net assets			
Embedded Engineering	3,785	1,552	880
B2B Manufacturing	(5,199)	(6,596)	(3,484)
Other	10,944	8,397	5,174
	9,530	3,351	2,570

The following is an analysis of the Group's revenue for the year from continuing operations:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Sale of goods	36,444	33,376	19,586
Servicing income	10,601	5,995	1,694
	47,045	39,371	21,280

Analysis of revenue by country of destination:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
United Kingdom	45,550	37,396	20,591
Rest of Europe	743	1,440	479
Rest of the world	752	535	210
	47,045	39,371	21,280

Of the revenue generated in the period £41.1 million relates to revenue recognised at a point in time and £5.9 million relates to revenue recognised over time (2022: £35.9 million / £3.5 million, 2021: £19.5 million / £1.7 million).

5. Other operating income

	Year ended 31 December 2023 £'000	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Other operating income	90	35	196
	90	35	196

Other operating income relates to items such as insurance claim receipts in the year.

6. Employee costs

The average number of people employed by the Group (including directors) during the year was as follows:

	Year ended 31 December 2023 Number	Year ended 31 December 2022 Number	Year ended 31 December 2021 Number
Directors	14	9	9
Administration, technical and sales	210	195	121
Production	76	86	89
	300	290	219

The aggregate remuneration costs of these employees are presented below:

	Year ended 31 December 2023 £'000	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Wages and salaries	8,552	7,505	4,446
Social security costs	1,002	706	420
Pension costs	227	203	181
	9,781	8,414	5,047

The remuneration costs of the Group's directors were:

	Year ended 31 December 2023 £'000	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Directors' emoluments	111	60	60
Directors' pensions	6	3	3
	117	63	63

Remuneration of the highest paid director was £111,000, pension £5,525 (2022: £60,000, pension £2,750, 2021: £60,000, pension £3,000).

Key management compensation

Key management personnel are considered to be the directors, being those persons having authority and responsibility for planning, directing and controlling the activities of the Group, both directly and indirectly.

The total remuneration of key management and the directors of the Group combined was £1,101,000 (2022: £674,000, 2021: £729,000).

7. Finance income

Finance income comprises of:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Interest receivable	15	65	–
	15	65	–

8. Finance expense

Finance expense comprises of:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Bank charges and interest	110	101	90
Interest on bank loans	1,106	678	163
Interest on related party loans	144	154	219
Lease interest	174	114	172
	1,534	1,047	644

9. Operating profit

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Revenue	47,045	39,371	21,280
Changes in inventories of finished goods and work in progress	2,341	(1,705)	(5,375)
Raw materials and consumables used	24,460	24,792	15,568
Depreciation and amortisation	1,411	1,085	803
Employee benefits expenses	9,781	8,414	5,047
Distribution costs	500	442	348
Exceptional expenses	221	–	–
Other operating income	(90)	(35)	(196)
Other operating expense	5,458	3,440	2,930
	44,082	36,435	19,125
Total operating profit	2,963	2,936	2,155

Other operating expenses comprise of other administrative expenses such as rent & rates, utilities, insurance and other related administration expenses.

Operating exceptional items comprise:

	Year ended 31 December 2023 £'000	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Exceptional expenses			
Group reorganisation professional fees	221	–	–
	221	–	–

Auditors' remuneration for audit services during the year was:

	Year ended 31 December 2023 £'000	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Auditors' remuneration			
Audit services in respect of the parent company	90	22	18
Audit services in respect of subsidiaries of the parent	153	122	60
	243	144	78

Taxation compliance services were provided by Buzzacott LLP, who also acted as the auditors for the Group in 2022 and 2021. No other services were provided in 2023, 2022 or 2021.

10. Tax expense

	Year ended 31 December 2023 £'000	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Corporation tax			
Current tax on profits for the year	566	437	130
Adjustment in respect of prior periods	(54)	16	
Total current tax	512	453	130
Deferred tax			
Origination and reversal of temporary differences	16	20	11
Adjustment in respect of prior periods	55	–	
Total deferred tax	71	20	11
Taxation on profit on ordinary activities	583	473	141

Factors affecting tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 23.62 per cent. (2022: 19 per cent.). The differences are explained below:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Profit before corporation tax	1,679	2,115	1,510
Tax at the UK tax rate 23.52% (2022: 19%, 2021:19%)	394	402	287
Effects of:			
Fixed asset differences	4		
Expenses not deductible for tax purposes	38	125	80
Other permanent differences	1,114	(68)	(245)
Non taxable income	(669)	–	
Capital allowances for year in excess of depreciation	6	–	–
Exempt ABGH distributions	(271)	–	–
Timing differences	(24)	–	19
Adjustments in respect of prior periods	(54)	16	
Adjustments in respect of prior periods – deferred tax	55	–	–
Remeasurements of deferred tax for changes in tax rates	7	(2)	
Movements in deferred tax not recognised	(17)	–	–
Total tax expense	583	473	141

Factors that may affect future tax charges

The corporation tax rate increased to 25 per cent. from 1 April 2023 for companies generating taxable profits of more than £250,000. Deferred tax has been calculated at the rate at which the balances are expected to be settled, based on tax rates that have been substantively enacted at the balance sheet date, note 19. There are no tax losses carried forward in the Group.

11. Property, plant and equipment

Details of the Group's property, plant and equipment and their carrying amounts are as follows:

	Freehold Property £'000	*Plant and machinery £'000*	*Motor Vehicles £'000*	*Fixtures and fittings £'000*	*Total £'000*
Cost					
As at 31 December 2020	3,507	3,096	555	1,021	8,179
Additions	–	301	128	193	622
Acquisitions	–	–	–	–	–
Disposals	–	(16)	(223)	–	(239)
As at 31 December 2021	3,507	3,381	460	1,214	8,562
Depreciation					
As at 31 December 2020	(260)	(2,360)	(300)	(785)	(3,705)
Charge for the year	(68)	(206)	(96)	(102)	(472)
Disposals	–	–	174	–	174
As at 31 December 2021	(328)	(2,566)	(222)	(887)	(4,003)
Net book value					
At 31 December 2021	3,179	815	238	327	4,559
Cost					
As at 31 December 2021	3,507	3,381	460	1,214	8,562
Additions	–	161	199	324	684
Acquisitions	–	114	8	6	128
Disposals	–	(9)	(174)	–	(183)
As at 31 December 2022	3,507	3,647	493	1,544	9,191
Depreciation					
As at 31 December 2021	(328)	(2,566)	(222)	(887)	(4,003)
Charge for the year	(55)	(199)	(85)	(120)	(459)
Disposals	–	–	113	–	113
As at 31 December 2022	(383)	(2,765)	(194)	(1,007)	(4,349)
Net book value					
At 31 December 2022	3,124	882	299	537	4,842
Cost					
As at 31 December 2022	3,507	3,647	493	1,544	9,191
Additions	–	197	213	264	674
Acquisitions	–	98	42	8	148
Disposals	–	(274)	(100)	(344)	(718)
As at 31 December 2023	3,507	3,668	648	1,472	9,295
Depreciation					
As at 31 December 2022	(383)	(2,765)	(194)	(1,007)	(4,349)
Charge for the year	(55)	(168)	(98)	(163)	(484)
Disposals	–	82	67	243	392
As at 31 December 2023	(438)	(2,851)	(225)	(927)	(4,441)
Net book value					
At 31 December 2023	3,069	817	423	545	4,854

The useful life of the tangible assets has been disclosed in notes 2 and13.

12. Intangible assets

	Goodwill £'000	Customer relationships £'000	Computer software £'000	Total £'000
Cost				
As at 31 December 2020	262	–	–	262
Additions	–	–	–	–
Acquired through business combinations	1,037	2,047	–	3,084
As at 31 December 2021	1,299	2,047	–	3,346
Amortisation				
As at 31 December 2020	–	–	–	–
Charge for the year	–	(67)	–	(67)
As at 31 December 2021	–	(67)	–	(67)
Net book value				
At 31 December 2021	1,299	1,980	–	3,279
Cost				
As at 31 December 2021	1,299	2,047	–	3,346
Additions	–	–	–	–
Acquired through business combinations	3,163	1,555	–	4,718
As at 31 December 2022	4,462	3,602	–	8,064
Amortisation				
As at 31 December 2021	–	(67)	–	(67)
Charge for the year	–	(161)	–	(161)
As at 31 December 2022	–	(228)	–	(228)
Net book value				
At 31 December 2022	4,462	3,374	–	7,836
Cost				
As at 31 December 2022	4,462	3,602	–	8,064
Additions	47	–	137	184
Acquired through business combinations	6,027	3,863	–	9,890
As at 31 December 2023	10,536	7,465	137	18,138
Amortisation				
As at 31 December 2022	–	(228)	–	(228)
Charge for the year	–	(235)	(16)	(251)
As at 31 December 2023	–	(463)	(16)	(479)
Net book value				
At 31 December 2023	10,536	7,002	121	17,659

The useful life of these assets has been disclosed in note 2.

As described in note 3, the Group recognises goodwill and intangible assets arising on its acquisitions during the year. The determination of the fair value of assets and liabilities including goodwill arising on the acquisition of businesses and the acquisition of other intangible assets arising from the acquisition as part of business combinations which is expected to generate future economic benefits, are based to a considerable extent on management's judgement.

The useful life used to amortise intangible assets relates to the expected future performance of the assets acquired and management's estimate of the period over which economic benefit will be derived from the asset.

The estimated useful life principally reflects management's view of the average economic life of each asset and is assessed by reference to historical data and future expectations. Any reduction in the estimated useful life would lead to an increase in the amortisation charge. The average economic life of customer relationships has been estimated at 20 years.

The fair values of customer relationships acquired through business combinations are based on the Multi-Period Excess Earnings Method ("MEEM") which is within the income approach. The multi-period excess earnings method estimated value is based on expected future earnings attributable to the agreements which have been discounted to a net present value using discount rates of between 7.3 per cent. and 10.8 per cent., based on the Group's weighted average cost of capital. This is after returns are paid/charged to complementary assets which are used in conjunction with the valued asset to generate the earnings associated with it. The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of each segment.

The goodwill rate of return is the return that causes the business enterprise value rate of return to equal the WACC. The implied rate of return on goodwill based on the selected rates of return for each asset and the WACC is generally higher than any other asset as goodwill is the riskiest asset and should require the highest rate of return.

Management has undertaken sensitivity analysis on the base case financial model with a particular focus on revenues and gross margins. The following scenarios have been prepared and the impact of each is outlined in the table below;

Sensitivity analysis	*Impact*
	£'000
1% annual growth in sales	
Customer relationships intangibles	2,748
1% annual attrition of sales	
Customer relationships intangibles	(2,498)
1% Gross margin decrease	
Customer relationships intangibles	(1,546)

The sensitivity analyses are based on a change in one assumption while not changing all other assumptions.

Management undertakes an annual test for impairment of indefinite lived assets and, for finite lived assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Group prepares and approves a detailed annual budget and long-term strategic plan for its operations, which are used as part of the impairment review. The review did not reveal any indication of possible asset impairment.

13. Right of use assets

	Property £'000	Motor Vehicles £'000	IT equipment £'000	Total £'000
Cost				
As at 31 December 2020	461	73	–	534
Additions	156	108	343	607
Additions arising from acquisitions	926	24	–	950
As at 31 December 2021	1,543	205	343	2,091
Depreciation				
As at 31 December 2020	(293)	(19)	–	(312)
Charge for the year	(170)	(35)	(58)	(263)
As at 31 December 2021	(463)	(54)	(58)	(575)
Net book value				
At 31 December 2021	1,080	151	285	1,516
Cost				
As at 31 December 2021	1,543	205	343	2,091
Additions	160	229	–	389
Additions arising from acquisitions	889	–	–	889
As at 31 December 2022	2,592	434	343	3,369
Depreciation				
As at 31 December 2021	(463)	(54)	(58)	(575)
Charge for the year	(281)	(117)	(68)	(466)
As at 31 December 2022	(744)	(171)	(126)	(1,041)
Net book value				
At 31 December 2022	1,848	263	217	2,328
Cost				
As at 31 December 2022	2,592	434	343	3,369
Additions	951	193	–	1,144
Additions arising from acquisitions	535	20	–	555
As at 31 December 2023	4,078	647	343	5,068
Depreciation				
As at 31 December 2022	(744)	(171)	(126)	(1,041)
Charge for the year	(434)	(173)	(69)	(676)
As at 31 December 2023	(1,178)	(344)	(195)	(1,717)
Net book value				
At 31 December 2023	2,900	303	148	3,351

Lease liabilities are presented in the consolidated statement of financial position as follows:

	31 December 2023 £'000	*31 December 2022 £'000*	*31 December 2021 £'000*
Current (<1 year)	843	604	426
Non-current (1-2 years)	507	444	270
Non-current (2-5 years)	1,371	1,084	788
Non-current (over 5 years)	1,077	601	342
	3,798	2,733	1,826

The following amounts have been recognised in the profit and loss for which the Group is a lessee:

	31 December 2023 £'000	*31 December 2022 £'000*	*31 December 2021 £'000*
Depreciation expense	676	466	264
Lease liability interest expense	174	114	172
	850	580	436

Amounts recognised in the statement of cashflows:

	31 December 2023 £'000	*31 December 2022 £'000*	*31 December 2021 £'000*
Amounts recognised as cash outflows for lease obligations	633	372	624
	633	372	624

14. Inventories

Inventories consist of the following at year end:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Raw materials	2,301	3,923	4,523
Work-in-progress	385	199	95
Finished goods	2,053	2,958	757
	4,739	7,080	5,375

Inventories have been stated after a provision of £474,798 (2022: £254,263, 2021: £557,643). The increase in the inventory provision relates to slow moving inventory. The replacement value of inventory does not materially differ to the total balances by category.

15. Trade and other receivables

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Trade receivables	8,890	7,972	5,512
Prepayments	952	646	1,615
Other receivables	514	549	731
	10,356	9,167	7,858

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value. The maximum exposure to customer credit risk at the reporting date is the currency value of trade receivables noted above. All trade and other receivables are in British pounds.

Trade receivables are stated after a provision for doubtful debts of £7,679 (2022: £5,002, 2021: £852).

Age of trade receivables

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Neither past due nor impaired			
<30 days	3,516	3,153	2,180
30 – 60 days	4,052	3,633	2,512
61 – 90 days	1,124	1,008	697
91 -120 days	113	102	70
120 days +	85	76	53
	8,890	7,972	5,512

No expected credit losses have been recognised relating to customers for whom there is no recent history of default and for which there are no other indications that they will not be able to meet their obligations. The Group applies IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, receivables are grouped based on specific credit risk categories of the entities in which they operate. The expected loss rates are based on payment profiles of sales over a period of 24 months before 31 December 2023 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors expected to impact the customers to which they relate.

Other receivables include £308,000 of contract assets (2022: £nil, 2021: £nil). The following table shows the movement in contract assets.

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*
Neither past due nor impaired		
Contract assets at the beginning of the year	–	–
Revenue recognised in prior year that was invoiced in the current year	–	–
Amounts recognised in the revenue in the current year that will be invoiced in future year	308	–
Balance at the end of the year before ECL	308	–
ECL provision against contract assets	–	–
Balance at the end of the year as reported above	308	–

16. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Cash and cash equivalents	4,043	1,775	1,102
– British Pounds	3,195	1,665	977
– Euro	766	110	108
– US Dollar	82	–	17
	4,043	1,775	1,102

Cash at bank earns interest at a floating rate based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the requirements of the Group. All amounts held at the bank are considered liquid as they are not restricted. Credit rating of banks used in the Group is between AAA – AA.

17. Trade and other payables

Trade and other payables consist of the following:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Current			
Trade payables	4,459	3,749	4,555
Accruals	1,402	2,135	1,124
Deferred income	678	1,127	495
Other taxes and social securities	1,510	1,345	1,463
Contingent consideration	1,133	1,406	1,090
Government grants	24	24	147
Other payables	277	168	143
	9,483	9,954	9,017

All amounts are short-term and are denominated in British pounds. The carrying values of trade payables and short-term bank overdrafts are considered to be a reasonable approximation of fair value.

Deferred income consists of the following:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Deferred service income	115	–	–
Customer deposits	419	1,039	495
Arrangement fee income	144	88	–
	678	1,127	495

Customer deposits and deferred service income represents customer payments received in advance of performances that are expected to be recognised as revenue in 2024.

Arrangement fee income is deferred over the life of the loan typically a term of 3 years.

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Non-current			
Contingent consideration	2,718	1,296	545
	2,718	1,296	545

Contingent consideration can form a part of the acquisition price paid to sellers when Amcomri Group acquires a new company. It is an obligation to pay a certain amount at a specified date after the date of acquisition in line with the terms of the sale purchase agreement. It may be dependent on targeted EBITDA on a specified date.

18. Borrowings

Borrowings include the following financial liabilities:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Current			
Loans and borrowings	2,125	3,068	2,420
Invoice discounting	1,446	1,382	736
	3,571	4,450	3,156
Non- current			
Loans and borrowings	9,565	5,766	4,040
Invoice discounting	1,465	1,908	843
	11,030	7,674	4,883

Loans and borrowings are secured by fixed and floating charges over the assets of the company and are repayable within 5 years. Interest accrues on loans and borrowings at rates between 2.69 per cent. and 6.25 per cent. above the base rate of Bank of England.

Invoice discounting includes balances drawn down on the company invoices discounting facility, which are secured by floating and fixed charges of the Group's assets. These incur interest at rates between 2.5 per cent. and 2.95 per cent. above the base rate of Bank of England.

The changes in the Group's liabilities arising from financing activities can be classified as follows:

	Loans and borrowings £'000	*Invoice Discounting £'000*	*Lease liabilities £'000*	*Total £'000*
Balance at 1 January 2021	464	–	345	809
Changes from financing cash flows				
Proceeds	5,997	1,578	2,105	9,680
Lease payments	–	–	(624)	(624)
Total changes from financing cashflows	5,997	1,578	1,481	9,056
Balance at 31 December 2021	6,461	1,578	1,826	9,865
Balance at 1 January 2022	6,461	1,578	1,826	9,865
Changes from financing cash flows				
Repayment	(1,300)	–	–	(1,300)
Proceeds	3,673	1,712	1,279	6,664
Lease payments	–	–	(372)	(372)
Total changes from financing cashflows	2,373	1,712	907	4,992
Balance at 31 December 2022	8,834	3,290	2,733	14,857
Balance at 1 January 2023	8,834	3,290	2,733	14,857
Changes from financing cash flows				
Repayment	(1,474)	(444)	–	(1,918)
Proceeds	4,330	65	1,698	6,093
Lease payments	–	–	(633)	(633)
Total changes from financing cashflows	2,856	(379)	1,065	3,542
Balance at 31 December 2023	11,690	2,911	3,798	18,399

19. Provisions

	Deferred taxation £'000	*Other provisions £'000*	*Total £'000*
As at 31 December 2020	3	–	3
Movement in the year	596	77	673
At 31 December 2021	599	77	676
As at 31 December 2021	599	77	676
Movement in the year	472	(38)	434
At 31 December 2022	1,071	39	1,110
As at 31 December 2022	1,071	39	1,110
Movement in the year	1,013	88	1,101
At 31 December 2023	2,084	127	2,211

Other provisions include warranty provision, £0.1 million of other provisions are expected to reverse in the next 12 months. Deferred tax liability of £0.2 million (2022: £0.2 million, 2021: £0.1 million) arises from short-term timing differences.

20. Business combinations

The details of the business combination as follows:

Name	*Date of acquisition*	*Proportion of voting equity interests acquired*	*Consideration transferred £'000*
Spiral Weld Limited	04/04/2023	100	400
Kestrel Valve and Engineering Services Limited	05/06/2023	100	2,000
W J Project Services Limited	11/10/2023	100	14,393
			16,793

	Spiral Weld Limited £'000	Kestrel Valve and Engineering Services Limited £'000	W J Project Services Limited £'000	Total £'000
Fair value of consideration transferred				
Amount settled in cash	250	1,400	12,234	13,884
Fair value of contingent consideration	150	600	2,159	2,909
Total	400	2,000	14,393	16,793
Assets acquired and liabilities recognised at the date of acquisition				
Non current assets	74	34	40	148
Current assets	354	1,107	8,424	9,885
Non current liabilities	(4)	–	–	(4)
Current liabilities	(152)	(452)	(1,557)	(2,161)
	272	689	6,907	7,868
Goodwill arising on acquisitions				
Consideration transferred	400	2,000	14,393	16,793
Fair value of identifiable net assets acquired	(272)	(689)	(6,907)	(7,868)
	128	1,311	7,486	8,925
Consideration transferred settled in cash	250	1,400	12,234	13,884
Cash and cash equivalents acquired	(100)	(604)	(1,357)	(2,061)
Net cash outflows on acquisition	150	796	10,877	11,823

The total revenue attributable to companies acquired in the current year amounts to £3,593,978. Total profit attributed to the acquired companies amounts to £329,209.

21. Capital

	Year ended 31 December 2023 £'000	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Share capital 26,065,845 shares at £0.00001 (2022 and 2021: 9,763,029 at £0.00001)	261	98	98
	261	98	98

During the year 16,302,816 new shares at £0.00001 were allotted. There were no issues of shares in 2022 and 2021. A share premium reserve was created as a result of the issue of share capital.

	Share premium £'000
As at 31 December 2022	–
Issue of share capital	6,622
At 31 December 2023	6,622

All ordinary shares rank *Pari-Passu* in all respects including voting rights, and the right to receive dividends and distributions, if any, declared or made or paid in respect of ordinary shares.

Basic earnings per share is calculated by dividing profit after tax attributable to members by the number of shares in issue during the year.

	Year ended 31 December 2023	*Year ended 31 December 2022*	*Year ended 31 December 2021*
Profit (£'000)	861	1,481	1,369
Earnings per share	3.3p	15.2p	14.0p

22. Financial instruments and risk management

The Group is exposed to various risks in relation to financial instruments including credit risk, liquidity risk and currency risk. The Group's risk management is coordinated by its managing directors. The Group does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Group is exposed are described below:

Credit risk

Credit risk arises from cash and cash equivalents as well as any outstanding receivables. Management does not expect any losses from non-performance of these receivables. The amount of exposure to any individual counter party is subject to a limit, which is assessed by the Board. Total provision for bad debts included within trade receivables is £7,679 (2022: £5,002, 2021: £852), see note 15.

The net carrying value of trade receivables is considered a reasonable approximation of fair value. The maximum exposure to customer credit risk at the reporting date is the currency value of trade receivables noted above. All trade and other receivables are in British pounds, see note 15.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Trade receivables	8,890	7,972	5,511
Cash and cash equivalents	4,043	1,775	1,102
	12,932	9,747	6,613

All trade and other receivables are in British pounds, see note 15.

Liquidity Risk

In the opinion of the Company, the working capital available to the Group is sufficient for the Group's present requirements, that is for at least the next 12 months from the date of this document. The Group will have the ability to meet any debt obligations and reduce its level of indebtedness, which will depend on the performance of its subsidiaries which could be affected by general economic conditions and other factors which may be beyond the control of the Company.

The Group may therefore be required to seek additional and alternative sources of finance in order to service any debt, and provide working capital in the longer term, by way of further borrowings or equity financing. The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs. The Group utilises invoice discounting in some subsidiaries which helps manage cash flow and headroom.

Currency risk

The Group has minimal foreign currency transactions or borrowings, so is less exposed to market risk in terms of foreign exchange risk or interest rate risk.

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group seeks to transact the majority of its business in its reporting currency (GBP). However, some customers and suppliers are outside the UK and a proportion of these transact with the company in EUR and USD. For this reason, the Group operates current bank accounts in EUR and USD. To the maximum extent possible receipts and payments in a particular currency are made through the bank account in that currency to reduce the amount of funds translated to or from the reporting currency.

Cash flow projections are used to plan for those occasion when funds will need to be translated into different currencies so that exchange rate risk is minimised. If the exchange rate between sterling and the euro had been 10 per cent. higher/lower at the reporting date, the effect on profit would have been approximately (£88,353)/(£88,353) respectively (2022: (£12,411/(£12,411)). The exposure relating to USD is not determined to be material based on the volume of activity and the value of cash held.

The Group's financial instruments are classified as follows:

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Assets measured at amortised costs			
Trade receivables	8,890	7,972	5,511
Prepayments and other receivables	1,466	1,195	2,346
Cash and cash equivalents	4,043	1,775	1,102
	14,399	10,942	8,959

	Year ended 31 December 2023 £'000	*Year ended 31 December 2022 £'000*	*Year ended 31 December 2021 £'000*
Liabilities measured at amortised costs			
Trade payables	4,459	3,749	4,555
Accruals and other payables	2,357	3,429	1,763
Leasehold liability	3,798	2,733	1,826
Other provisions	127	39	77
	10,741	9,950	7,414

23. Related party transactions

The Group has a funding facility with Oranmore Limited, whose majority shareholder is also a shareholder of the Group. As at 31 December 2023 the Group has drawn down £1.25 million of this facility, incurring interest at a rate of 6 per cent. There have been no interest payments in the year. Since year end the Group has drawn down a further £1.25 million of this facility which incurs interest at the Bank of England rate plus 5 per cent.

As at 31 December 2022 the Group owed £1.9 million to Oranmore Limited, in respect of individual facility agreements with the operating companies of the Group.

As at 31 December 2023 the Group owed £1.97 million to related parties which comprise of £1.27 million owed to Oranmore Limited across the operating companies of the Group, and £0.7 million to Fawley Industrial Limited, whose majority shareholder is also a shareholder of the Group.

24. Ultimate controlling party

The ultimate controlling party is considered to be Mr P Mc Gowan by virtue of his shareholding in the Group.

25. Events after the reporting period

The Group has made the following acquisitions post year end:

The business and assets of Claro Precision Engineering Limited – specialist precision engineering business, specialises in precision CNC milling and turning operations.

The business and assets of Drurys Engineering Limited – specialist precision engineering business providing state of the art manufacturing, machining, and assembly services.

The assets of Supreme Converting & Packaging Limited – the tape division was acquired by Premier Limpet Ltd.

PART IV – SECTION C

Unaudited Interim Financial Information of the Group for the six months ended 30 June 2024

Consolidated Statement of Profit or Loss

For the 6 months ended 30 June 2024

	Note	*Six months ending 30 June 2024 (Unaudited) £'000*	*Six months ending 30 June 2023 (Unaudited) £'000*
Revenue	4	27,268	21,643
Cost of sales		(16,792)	(14,573)
Gross profit		10,476	7,069
Distribution costs		(256)	(261)
Administrative expenses		(7,688)	(5,490)
Gain on bargain purchase		591	
Other operating income	5	16	62
Exceptional items		(173)	–
Operating profit		2,967	1,381
Interest receivable and similar income	6	9	1
Interest payable and similar expenses	7	(1,124)	(672)
Profit before taxation		1,851	711
Tax on profit		(503)	(219)
Profit for the financial year		1,348	492
Profit for the year attributable to:			
Non-controlling interest		5	(74)
Owners of the parent		1,343	566
		1,348	492

All amounts relate to continuing operations.

The notes form part of the Interim Financial Information.

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	*Six months ended 30 June 2024 (Unaudited) £'000*	*Year ended 31 December 2023 (Audited) £'000*
Non-current assets			
Goodwill	9	10,536	10,536
Intangible assets	9	6,936	7,123
Property, plant and equipment	8	6,879	4,854
Right-of-use assets	10	3,983	3,351
		28,334	25,864
Current assets			
Inventories	11	7,065	4,739
Trade and other receivables	12	12,552	10,356
Cash and cash equivalents		2,685	4,043
		22,302	19,138
Total assets		50,636	45,002
Equity			
Share capital		–	–
Share premium		6,622	6,622
Retained earnings		3,380	2,037
Equity attributable to owners of the parent		10,002	8,659
Minority interest		876	871
Total equity		10,878	9,530
Non-current liabilities			
Trade and other payables	13	273	2,718
Borrowings	14	11,768	11,030
Lease liabilities	10	4,272	2,955
Provisions		122	127
Deferred tax		2,073	2,084
Amounts due to related parties		3,206	1,971
		21,714	20,885
Current liabilities			
Trade and other payables	13	12,702	9,483
Corporation tax		448	690
Lease liabilities	10	1,411	843
Borrowings	14	3,483	3,571
		18,043	14,587
Total liabilities		39,758	35,472
Total equity and liabilities		50,636	45,002

Consolidated Statement of Changes in Equity

For the 6 months ended 30 June 2024

	Share capital £'000	*Share premium £'000*	*Retained earnings £'000*	*Non-controlling interest £'000*	*Total £'000*
As at 1 January 2023	–	–	2,509	842	3,351
Profit for the period	–	–	566	(74)	492
As at 30 June 2023	–	–	3,075	768	3,843
As at 1 July 2023	–	–	3,075	768	3,843
Profit for the period	–	–	384	(15)	369
Issue of share capital	–	6,622	(1,422)	–	5,200
Other movement in the period	–	–	–	118	118
As at 31 December 2023	–	6,622	2,037	871	9,530
As at 1 January 2024	–	6,622	2,037	871	9,530
Profit for the period	–	–	1,343	5	1,348
As at 30 June 2024	–	6,622	3,380	876	10,878

Consolidated Statement of Cashflows

For the 6 months ended 30 June 2024

	Six months ended 30 June 2024 (Unaudited) £'000	*Six months ended 30 June 2023 (Unaudited) £'000*
Operating activities		
Profit for the year	1,348	492
Adjustment for:		
– Gain on bargain purchase	(591)	–
– Taxation charge	503	219
– Depreciation	717	540
– Amortisation	202	98
– Interest	1,115	671
Change in inventories	(2,325)	1,333
Change in trade and other receivables	(2,197)	79
Change in trade and other payables	1,363	(1,801)
Corporation tax paid	(753)	(144)
Net cash inflow from operating activities	(618)	1,487
Investing activities		
Purchase of tangible assets	(502)	(95)
Purchase of intangible assets	(15)	(9)
Acquisition of subsidiaries	(1,250)	(946)
Interest received	9	1
Net cash used in investing activities	(1,758)	(1,048)
Financing activities		
Share issue, net	–	–
Debt issue	2,980	5,484
Debt repayment	(1,153)	(1,014)
Interest paid	(1,124)	(672)
Movements in amounts due to related parties	1,250	–
Lease payments	(296)	(300)
Deferred consideration paid	(639)	(166)
Other movement	–	275
Net cash from financing activities	1,018	3,606
Net change in cash and cash equivalents	(1,358)	4,045
Cash and cash equivalents at beginning of period*	4,043	1,775
Cash and cash equivalents at the end of period	2,685	5,821

* The beginning period is 1 January 2024 (2023: 1 January 2023)

Notes to the Interim Financial Information

For the 6 months ended 30 June 2024

1. General information

The company is a private company limited by shares and incorporated in England and Wales. The registered office is 46/48 Beak Street, London, W1F 9RJ.

2. Accounting policies

2.1 *Basis of preparation*

The Interim Financial information does not constitute the full statutory accounts for that period. The Consolidated Financial statements for the year ended 31 December 2023 have been filed with Companies House.

2.2 *Accounting policies*

The accounting policies are consistent with those followed in the preparation of the Historical Financial Information, as outlined in full in Part IV of Section B of this document.

3. Accounting estimates and judgements

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The judgements, estimates and assumptions applied in the Interim Financial Information, including the key sources of estimation uncertainty, were the same as those applied in the Group's Historical Financial Information for the three years ended 31 December 2023.

4. Revenue

The following is an analysis of the Group's revenue for the period from continuing operations:

	Six months ended 30 June 2024 (Unaudited) £'000	*Six months ended 30 June 2023 (Unaudited) £'000*
Sale of goods	19,352	17,701
Servicing income	7,916	3,942
	27,268	21,643

Analysis of revenue by country of destination:

	Six months ended 30 June 2024 (Unaudited) £'000	*Six months ended 30 June 2023 (Unaudited) £'000*
United Kingdom	26,340	20,911
Rest of Europe	622	482
Rest of the world	306	249
	27,268	21,643

5. Other operating income

	Six months ended 30 June 2024 (Unaudited) £'000	*Six months ended 30 June 2023 (Unaudited) £'000*
Other operating income	16	62
	16	62

6. Finance income

Finance income comprises of:

	Six months ended 30 June 2024 (Unaudited) £'000	*Six months ended 30 June 2023 (Unaudited) £'000*
Interest receivable	9	1
	9	1

7. Finance expense

	Six months ended 30 June 2024 (Unaudited) £'000	*Six months ended 30 June 2023 (Unaudited) £'000*
Bank charges and interest	35	26
Interest on bank loans	879	484
Interest on related party loans	61	77
Lease interest	149	83
	1,124	672

8. Property, plant and equipment

	Freehold Property £'000	Plant and machinery £'000	Motor Vehicles £'000	Fixtures and fittings £'000	Total £'000
Cost					
As at 31 December 2023	3,507	3,668	648	1,472	9,295
Additions	19	259	25	120	423
Acquisitions	51	1,767	0	50	1,868
Disposals		(175)	(49)	(70)	(294)
As at 30 June 2024	3,577	5,519	623	1,572	11,291
Depreciation					
As at 31 December 2023	(437)	(2,852)	(225)	(927)	(4,441)
Charge for the year	(32)	(173)	(57)	(83)	(345)
Disposals	–	285	23	66	374
As at 30 June 2024	(469)	(2,740)	(258)	(945)	(4,412)
Net book value					
As at 30 June 2024	3,108	2,779	364	628	6,879

	Freehold Property £'000	Plant and machinery £'000	Motor Vehicles £'000	Fixtures and fittings £'000	Total £'000
Cost					
As at 31 December 2022	3,507	3,647	493	1,544	9,191
Additions	–	129	41	117	287
Acquisitions	–	81	21	6	108
Disposals	–	(256)	(62)	–	(318)
As at 30 June 2023	3,507	3,601	493	1,667	9,267
Depreciation					
As at 31 December 2022	(383)	(2,765)	(194)	(1,007)	(4,349)
Charge for the year	(27)	(94)	(39)	(79)	(239)
Disposals	–	76	48	–	124
As at 30 June 2023	(410)	(2,783)	(185)	(1,086)	(4,464)
Net book value					
As at 30 June 2023	3,097	818	308	581	4,804

9. Intangible assets

	Goodwill £'000	Customer relationships £'000	Computer software £'000	Total £'000
Cost				
As at 31 December 2023	10,536	7,465	137	18,138
Additions	–	–	15	15
Acquired through business combinations	–	–	–	–
As at 30 June 2024	10,536	7,465	152	18,153
Amortisation				
As at 31 December 2023	–	(463)	(16)	(479)
Charge for the year	–	(187)	(15)	(202)
As at 30 June 2024	–	(650)	(31)	(681)
Net book value				
At 30 June 2024	10,536	6,815	121	17,472

	Goodwill £'000	Customer relationships £'000	Computer software £'000	Total £'000
Cost				
As at 31 December 2022	4,462	3,602	–	8,064
Additions	–	–	9	9
Acquired through business combinations	1,017	562	–	1,579
As at 30 June 2023	5,479	4,164	9	9,652
Amortisation				
As at 31 December 2022	–	(228)	–	(228)
Charge for the year	–	(97)	(1)	(98)
As at 30 June 2023	–	(325)	(1)	(326)
Net book value				
At 30 June 2023	5,479	3,839	8	9,326

10. Right of use assets

	Property £'000	Motor Vehicles £'000	IT equipment £'000	Total £'000
Cost				
As at 31 December 2023	4,078	647	343	5,068
Additions	–	–	–	–
Acquired through business combinations	1,005	–	–	1,005
As at 30 June 2024	5,083	647	343	6,073
Depreciation				
As at 31 December 2023	(1,179)	(344)	(195)	(1,718)
Charge for the year	(248)	(90)	(34)	(372)
As at 30 June 2024	(1,427)	(434)	(229)	(2,090)
Net book value				
As at 30 June 2024	3,656	213	114	3,983

	Property £'000	Motor Vehicles £'000	IT equipment £'000	Total £'000
Cost				
As at 31 December 2022	2,593	433	343	3,369
Additions	722	41	–	763
Acquired through business combinations	512	16	–	528
As at 30 June 2023	3,827	490	343	4,660
Depreciation				
As at 31 December 2022	(745)	(170)	(126)	(1,041)
Charge for the year	(190)	(76)	(34)	(301)
As at 30 June 2023	(935)	(246)	(160)	(1,341)
Net book value				
As at 30 June 2023	2,892	244	183	3,319

Lease liabilities are presented in the consolidated statement of financial position as follows:

	Six months ended 30 June 2024 (Unaudited) £'000	*Year ended 31 December 2023 (Audited) £'000*
Current	1,411	843
Non-current	4,272	2,955
	5,683	3,798

The following amounts have been recognised in the profit and loss for which the Group is a lessee:

	Six months ended 30 June 2024 (Unaudited) £'000	*Six months ended 30 June 2023 (Unaudited) £'000*
Depreciation expense	373	301
Lease liability interest expense	149	83
	522	384

Amounts recognised in the statement of cashflows:

	Six months ended 30 June 2024 (Unaudited) £'000	*Six months ended 30 June 2023 (Unaudited) £'000*
Amounts recognised as cash outflows for lease obligations	296	300
	296	300

11. Inventories

Inventories consist of the following at period end:

	Six months ended 30 June 2024 (Unaudited) £'000	*Year ended 31 December 2023 (Audited) £'000*
Raw materials	2,183	2,301
Work-in-progress	1,540	385
Finished goods	3,342	2,053
	7,065	4,739

12. Trade and other receivables

	Six months ended 30 June 2024 (Unaudited) £'000	Year ended 31 December 2023 (Audited) £'000
Trade receivables	10,148	8,890
Prepayments	1,340	952
Other receivables	1,064	514
	12,552	10,356

	Six months ended 30 June 2024 (Unaudited) £'000	Year ended 31 December 2023 (Audited) £'000
Neither past due nor impaired		
<30 days	4,013	3,516
30 – 60 days	4,625	4,052
61 – 90 days	1,283	1,124
91 -120 days	129	113
120 days +	97	85
	10,148	8,890

13. Trade and other payables

Trade and other payables consist of the following:

	Six months ended 30 June 2024 (Unaudited) £'000	Year ended 31 December 2023 (Audited) £'000
Current		
Trade payables	4,390	4,459
Accruals	2,150	1,402
Deferred income	896	678
Other taxes and social securities	1,927	1,510
Contingent consideration	2,953	1,133
Government grants	74	24
Other payables	312	277
	12,702	9,483

Customer deposits and deferred service income represents customer payments received in advance of performances that are expected to be recognised as revenue in 2024.

Arrangement fee income is deferred over the life of the loan it relates to typically a term of 3 years.

	Six months ended 30 June 2024 (Unaudited) £'000	Year ended 31 December 2023 (Audited) £'000
Non-current		
Contingent consideration	273	2,718
	273	2,718

Deferred consideration can form a part of the acquisition price paid to sellers when Amcomri Group acquires a new company. The deferred consideration in generally paid out to the sellers over a 1–3-year period post-acquisition. It is an obligation to pay a certain amount at a specified date after the date of acquisition.

14. Borrowings

Borrowings include the following financial liabilities:

	Six months ended 30 June 2024 (Unaudited) £'000	Year ended 31 December 2023 (Audited) £'000
Current		
Loans and borrowings	2,140	2,125
Invoice discounting	1,343	1,446
	3,483	3,571
Non-current		
Loans and borrowings	8,522	9,565
Invoice discounting	3,246	1,465
	11,768	11,030

15. Related party transactions

The Group has a funding facility with Oranmore Limited, whose majority shareholder is also a shareholder of the group. As at 30 June 2024, the Group has drawn down £2.5 million of this facility, incurring interest at a rate between 6 per cent. – 10.25 per cent.

16. Events after reporting period

There have been no significant events after the reporting period.

PART IV – SECTION D

Historical Financial Information of WJ Project Services for the years ended 31 March 2023, 31 March 2022 and 31 March 2021

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

FOR

W J PROJECT SERVICES LIMITED

Company registration number: 06327567

W J PROJECT SERVICES LIMITED

CONTENTS OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

W J PROJECT SERVICES LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023

DIRECTORS:	Mr A P Jordan Mr L White
REGISTERED OFFICE:	11 Bell Lane Monks Kirby Rugby Warwickshire CV23 0QY
REGISTERED NUMBER:	06327567 (England and Wales)
AUDITORS:	TGFP Chartered Accountants & Statutory Auditors Fulford House Newbold Terrace Leamington Spa Warwickshire CV32 4EA

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and the audited financial statements of the company for the year ended 31 March 2023.

PRINCIPAL ACTIVITY
The principal activity of the company continued to be that of electrical technical testing & analysis.

DIVIDENDS
Details of dividends paid in the year are disclosed in note 15.

FUTURE DEVELOPMENTS
The company continues to develop its strategy of research and development into improved data systems to further the company's services and profitability.

The directors remain confident that the current strategy implemented to increase sales and profitability is having a positive effect and are committed to invest into its continued success.

DIRECTORS
The directors who have served during the year were as follows:

Mr A P Jordan
Mr L White

THIRD PARTY INDEMNITY PROVISIONS
There were no third-party indemnity provisions in place in the financial year.

RESEARCH AND DEVELOPMENT
The company has been undertaking research and development to create and trial new technology in its sector to collate and communicate information and data from intelligent instruments and switchgears to a remote data storage centre. This trial is an important step in enabling centralised staff to locate and record faults in real time, to allow faster response times when a fault occurs, ultimately improving the client's performance.

FINANCIAL INSTRUMENTS
The business' principal financial instruments comprise of bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations.

Debtors are managed in respect of credit risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). Under company law the 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 company. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

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

SMALL COMPANIES PROVISIONS
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption and the exemption from preparing a strategic report.

DISCLOSURE OF INFORMATION TO THE AUDITORS
We, the directors of the company who held office at the date of approval of these Financial Statements as set out above, each confirm so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, TGFP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

………………………………………….

Mr A P Jordan - Director

Date:…………………………

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF W J PROJECT SERVICES LIMITED

Opinion
We have audited the financial statements of W J Project Services Limited (the 'company') for the year ended 31 March 2023 which comprise of the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023, and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 19 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Other information
The other information comprises of the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information, except to the extent otherwise explicitly stated in our report, and we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors
As explained more fully in the directors' responsibilities statement (set out on page 2), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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.

To mitigate risks we have reviewed all journals made during the year ensuring all are authorised and approved at the appropriate level. We have also reviewed any transactions outside of the business, and we have carried out a detailed analytical review of income and expenses highlighting any variances and obtaining reasons from senior management as to the reasons why.

In respect of non-compliance with laws and regulations we have carried out the following enquiries:
- Review minutes of meetings of those charged with governance.
- Enquiry of management, those charged with governance and the company's solicitors around actual and potential litigation and claims.
- Review the financial statements disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for. This description forms part of our auditor's report.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BENJAMIN R REYNOLDS BSc(Hons) FCA (Senior Statutory Auditor)
for and on behalf of TGFP
Chartered Accountants & Statutory Auditors
Fulford House
Newbold Terrace
Leamington Spa
Warwickshire
CV32 4EA

Date: ……………………………………

W J PROJECT SERVICES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	**2023 £000**	2022 £000
TURNOVER	2	**5,234**	2,846
Cost of sales		**(3,105)**	(1,725)
GROSS PROFIT		**2,129**	1,121
Administrative expenses		**(513)**	(344)
PROFIT FROM OPERATIONS	21	**1,616**	777
Income from investments	6	**33**	16
PROFIT BEFORE TAXATION		**1,649**	793
Tax on profit	7	**(299)**	(130)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR	21	**1,350**	663

W J PROJECT SERVICES LIMITED

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	**2023** £000	2022 £000
FIXED ASSETS			
Tangible assets	9	**310**	174
		310	174
CURRENT ASSETS			
Inventories	10	**447**	84
Trade and other receivables	11	**2,298**	1,766
Cash and bank balances	20	**4,078**	3,091
		6,823	4,941
TOTAL ASSETS		**7,133**	5,115
EQUITY AND LIABILITIES			
EQUITY			
Share capital	13	**1**	1
Retained earnings	15	**5,973**	4,683
		5,974	4,684
NON CURRENT LIABILITIES			
Deferred tax liabilities	8	**9**	-
		9	-
CURRENT LIABILITIES			
Trade and other payables	12	**853**	243
Current tax payable		**297**	188
		1,150	431
TOTAL EQUITY AND LIABILITIES		**7,133**	5,115

The financial statements were approved and authorised for issue by the company on …………………..

Signed on behalf of the board of directors:

…………………………………..

Mr A P Jordan - Director

The notes on pages 11 to 23 form part of these accounts.

W J PROJECT SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Share capital £000	Retained earnings £000	Total equity £000
Balance at 1 April 2021	1	4,120	4,121
Profit for the year	-	793	793
Total comprehensive income for the year	1	4,913	4,914
Ordinary dividends	-	(100)	(100)
Income tax	-	(130)	(130)
Balance at 31 March 2022	1	4,683	4,684
Profit for the year	-	1,649	1,649
Total comprehensive income for the year	1	6,332	6,333
Ordinary dividends	-	(60)	(60)
Income tax	-	(299)	(299)
Balance at 31 March 2023	**1**	**5,973**	**5,974**

W J PROJECT SERVICES LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £000	2022 £000
Cash flow from operating activities	21	**1,621**	728
Taxation paid		**(181)**	(114)
Net cash flow from operating activities		**1,440**	614
Cash flow from investing activities			
Payments to acquire tangible fixed assets	9	**(206)**	(185)
Asset disposals		**4**	46
Interest received	21	**33**	16
Net cash flow from investing activities		**(169)**	(123)
Cash flow from financing activities			
Directors withdrawals		**(208)**	(163)
Dividends paid	15	**(60)**	(100)
Interest on director's loan account	17	**(16)**	(16)
Net cash flow from financing activities		**(284)**	(279)
Net increase in cash and cash equivalents		**987**	212
Cash and cash equivalents at start date 2022		**3,091**	2,879
Cash and cash equivalents at end date 2023		**4,078**	3,091
Cash and cash equivalents consists of:			
Cash at bank and in hand	20	**4,078**	3,091
Cash and cash equivalents at end date 2023		**4,078**	3,091

1 Summary of significant accounting policies

(a) General information and basis of preparation of the financial statements

W J Project Services Limited is a private company limited by shares incorporated in England, United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements. The nature of the company's operations and principal activities are electrical technical testing & analysis.

These financial statements have been prepared in accordance with UK-adopted international accounting standards (UK-adopted IAS) and those parts of the Companies Act 2006 that are applicable. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment and financial instruments carried at fair value, as described in the accounting policies set out below.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £000.

(b) Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

(c) Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable net of VAT and trade discounts. Revenue is reduced for estimated customer returns, rebates and other similar allowances. The policies adopted for the recognition of revenue are as follows:

Sale of goods
Revenue from the sale of equipment is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on the delivery of the goods.

Rendering of services
When the outcome of a transaction can be estimated reliably, revenue from electrical technical testing & analysis is recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to when the agreed service is completed.

Where the outcome cannot be measured reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

(d) Dividend and interest income

Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established.

(e) Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the stage of the service being provided based on cost incurred by the company.

In addition to the cost of materials and direct labour, an appropriate proportion of production overheads is included in the inventory values.

(f) Property, plant and equipment

Property, plant and equipment are initially recorded at cost of purchase or construction and are depreciated on a straight-line basis, except for land, which is not depreciated. Estimated useful lives of major classes of depreciable assets are as follows:

Plant and machinery etc	20% on cost

Investment grants or similar assistance for projects are initially recorded as deferred income (in other non-current liabilities) and are subsequently recognised as income over the useful lives of the related assets. Repairs and maintenance costs are recognised as expenses as incurred. Borrowing costs are not capitalised. Assets acquired under finance leases are depreciated over their estimated useful lives. Payments made under operating leases are charged against income on a straight-line basis over the period of the lease.

Property, plant and equipment is reviewed annually for impairment. Any impairment identified is charged in the statement of comprehensive income.

(g) Impairment of tangible assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible assets to determine whether there is an indication of impairment. Where impairment is indicated, the recoverable amount of the asset is estimated which is calculated by the higher of fair value less costs of disposal compared with value in use, to determine the level of the impairment.

In estimating the fair value of an asset the entity uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the entity engages qualified third party valuers to perform such valuations. The board of directors work with these valuers to establish an appropriate valuation and to establish the inputs.

Value in use is calculated using estimated cash flows, generally over a five-year period. These are discounted using an appropriate long-term pre-tax interest rate. When an impairment arises, the useful life of the asset in question is reviewed and, if necessary, the future depreciation charge is accelerated.

When the recoverable amount of an asset is less than its carrying amount, then the carrying amount is reduced to its recoverable value. This reduction is reported in the statement of comprehensive income as an impairment loss.

(h) Trade and other receivables

Trade and other receivables where payment is due within one year do not constitute a financing transaction and are recorded at the undiscounted amount expected to be received, less attributable transaction costs. Any expected credit losses (ECL) are recognised as an expense in profit or loss. Other receivables consist of loans to directors (see note 11). Note 16 describes how credit risk is managed. All trade and other receivables are subsequently measured at amortised cost, net of ECL.

(i) Cash and cash equivalents

Cash and cash equivalents comprises of cash on hand and time, call and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. This definition is also used for the statement of cash flows.

(j) Trade and other payables

Trade and other payables are initially recognised at fair value less attributable transaction costs. They are subsequently measured at amortised cost.

(k) Related parties

For the purposes of these financial statements, a related party could be a person or an entity. Careful consideration is given to the definition of a related party to ensure that all related party relationships, transactions and balances are identified.

(l) Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial assets include trade and other receivables and cash and cash equivalents.

Financial instruments which are basic financial liabilities include trade and other payables.

Basic financial assets and liabilities are initially recognised at transaction price, being equivalent to the fair value at the date of transaction, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of future cash flows discounted at a market rate of interest. Basic financial assets and liabilities are subsequently measured at amortised cost.

(m) Pensions

The company operates a defined contribution pension plan. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. For defined contribution plans, the company pays contributions to privately administered pension funds on a contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

(n) Taxes

Income taxes include all taxes based upon the taxable profits of the company. Other taxes not based on income, such as property and capital taxes, are included within operating expenses or financial expenses according to their nature.

Deferred income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the financial statements. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

(o) Provisions

Provisions are recognised where a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reasonably estimated. Provisions are recorded for the estimated ultimate liability that is expected to arise, taking into account the time value of money. A contingent liability is disclosed where the existence of the obligations will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability.

(p) Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

(q) Judgements and key sources of estimation uncertainty

The following judgements and key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Estimation of useful lives of assets
The company determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Income tax
The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

2 REVENUE

An analysis of the company's revenue for the year, for both continuing and discontinued operations, all arising in the UK, is as follows:

	2023	2022
Continuing operations	**£000**	£000
Revenue from the provision of services	**5,234**	2,846
	5,234	2,846

3 OTHER OPERATING INCOME

Operating profit

Operating profit is stated after charging/(crediting):

	2023	2022
	£000	£000
Staff costs (see note 5)	**214**	153
Loss/(gain) on asset disposals	**28**	(13)
Depreciation of property, plant and equipment	**38**	61
	280	201

4 DIRECTORS' REMUNERATION

	2023	2022
	£000	£000
Remuneration	**18**	18
Contributions to a pension scheme	**80**	47
	98	65

5 STAFF COSTS

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

	2023	2022
	Number	Number
Directors	**2**	**2**
Administrative	**3**	**3**
Engineers	**1**	**1**
Logistics and business coordinators	**-**	**1**
	6	**7**

5 STAFF COSTS - continued

The aggregate payroll costs of these persons were as follows:

	2023 £000	2022 £000
Wages and salaries	**200**	138
Social security	**10**	11
Other pension costs	**4**	4
	214	153

6 INCOME FROM INVESTMENTS

	2023 £000	2022 £000
Interest revenue:		
Bank deposits	**17**	-
Other loans and receivables	**16**	16
	33	16

7 TAXATION

Analysis of tax charge

The tax charge on the profit for the year was as follows:

	2023 £000	2022 £000
Current tax:		
Corporation tax	**290**	130
Deferred tax	**9**	-
Tax on profit	**299**	130

8 INCOME TAXES

Income tax recognised in profit or loss:

	2023 £000	2022 £000
Tax expense comprises:		
Current tax expense in respect of the current year	**290**	130
	290	130
Deferred tax expense in respect of the current year	**9**	-
	9	-
Total income tax	**299**	130

The total charge for the year can be reconciled to the accounting profit as follows:

	2023 £000	2022 £000
Profit from continuing operations	**1,649**	793
Profit from operations	**1,649**	793
Income tax expense calculated at 19%	**313**	150
Effect of capital allowances in excess of depreciation	**1**	(5)
Effect of research and development	**(24)**	(15)
Effect on deferred tax balances	**9**	-
Income tax expense recognised in profit or loss	**299**	130

The tax rate used for the 2022 and 2023 reconciliations above is the corporate tax rate of 19% payable by corporate entities on taxable profits under tax law in that jurisdiction.

8 INCOME TAXES - continued

Deferred tax balances

Deferred liabilities arise from the following:

2022

	Opening balance	Recognised in profit or loss	Closing balance
	£000	£000	£000
Temporary differences:			
Property, plant and equipment	-	-	-
	-	-	-

2023

	Opening balance	Recognised in profit or loss	Closing balance
	£000	£000	£000
Temporary differences:			
Property, plant and equipment	-	9	9
	-	9	9

9 TANGIBLE FIXED ASSETS

	Plant and machinery etc	Total
	£000	£000
COST		
At 1 April 2021	337	337
Additions	185	185
Disposals	(79)	(79)
At 31 March 2022	443	443
Additions	206	206
Disposals	(162)	(162)
At 31 March 2023	487	487
DEPRECIATION		
At 1 April 2021	(255)	(255)
Eliminated on disposal of assets	47	47
Depreciation expense	(61)	(61)
At 31 March 2022	(269)	(269)
Eliminated on disposal of assets	130	130
Depreciation expense	(38)	(38)
At 31 March 2023	(177)	(177)
NET BOOK VALUE		
At 31 March 2023	**310**	**310**
At 31 March 2022	174	174

10 INVENTORIES

	2023 £000	2022 £000
Work in progress	**447**	84
	447	84

11 TRADE AND OTHER RECEIVABLES

	2023 £000	2022 £000
Trade receivables	**843**	548
	843	548
Amounts due from related party transactions	**1,196**	971
Prepayments	**19**	8
Other debtors	**240**	239
	2,298	1,766

The ageing of the receivables for above are as follows:

	2023 £000	2022 £000
60 – 90 days	**487**	3
91 – 120 days	**4**	-
Total	**491**	3
Average age (days)	**59**	70

The company has not provided for any potential credit losses as the directors do not deem this necessary as the company had not had any bad debts in the previous years.

12 TRADE AND OTHER PAYABLES

	2023 £000	2022 £000
Trade payables	**609**	49
Social security and other taxes	**32**	80
Accruals	**210**	114
Other creditors	**2**	-
	853	243

13 ISSUED CAPITAL

	2023	2022
	£	£
100 fully paid A ordinary shares	**100**	100
900 fully paid B ordinary shares	**900**	900
	1,000	1,000

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have a £1 nominal value and the company does not have a limited amount of authorised capital.

14 RESERVES

Share capital represents the number of shares issued at nominal price.

The retained earnings represents accumulated comprehensive income for the year and prior periods, after deduction of dividends paid.

15 RETAINED EARNINGS AND DIVIDENDS

	2023	2022
	£000	£000
Balance at beginning of year	**4,683**	4,120
Payment of dividends	**(60)**	(100)
Related income tax	**(299)**	(130)
Current year profit	**1,649**	793
Balance at end of year	**5,973**	4,683

On 31 March 2023, a dividend of £600 per share, total dividend of £60,000, was paid to holders of fully paid A ordinary shares. In 2022 a dividend of £1,000 per share, total dividend of £100,000, was paid to holders of fully paid A ordinary shares.

16 FINANCIAL INSTRUMENTS

Financial risk management objectives
The company's activities expose it to a variety of financial risks: market risk, including price risk, credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company does not use derivative financial instruments such as forward foreign exchange contracts. The company uses different methods to measure the different types of risk to which it is exposed. These methods include ageing analysis for credit risk.

Price risk
The company is not exposed to any significant price risk.

16 FINANCIAL INSTRUMENTS - continued

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The company obtains guarantees where appropriate to mitigate credit risk.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows.

17 DIRECTORS' ADVANCES, CREDIT AND GUARANTEES

During the year the directors operated loans with the company:

	2023	2022
	£000	£000
Balance brought forward	**971**	793
Amounts advanced	**1,102**	250
Amounts repaid	**(893)**	(88)
Interest charged at 2.00%	**16**	16
Balance carried forward	**1,196**	971

The loans have interest charged at the applicable HMRC rate and are repayable on demand.

18 RELATED PARTY TRANSACTIONS

Key management personnel disclosures
The key management personnel of the company are the directors, details of their remuneration can be found in note 4.

19 MANAGEMENT THREAT/SELF-REVIEW THREAT IN RELATION TO NON AUDIT SERVICES

In common with many other businesses of a similar size, the company uses the auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

20 CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2023	2022
	£000	£000
Cash and bank balances	**4,078**	3,091
	4,078	3,091

21 RECONCILIATION OF PROFIT TO CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£000	£000
Profit for the year	**1,350**	663
Tax on profit on ordinary activities	**299**	130
Finance income	**(33)**	(16)
Operating profit	**1,616**	777
Depreciation and impairment of tangible fixed assets	**38**	61
Loss/(profit) on disposal of tangible fixed assets	**28**	(13)
Increase in stock	**(362)**	(80)
Increase in debtors	**(307)**	(42)
Decrease in creditors	**608**	25
Cash flow from operating activities	**1,621**	728

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

FOR

W J PROJECT SERVICES LIMITED

Company registration number: 06327567

W J PROJECT SERVICES LIMITED

CONTENTS OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

W J PROJECT SERVICES LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2022

DIRECTORS:	Mr A P Jordan Mr L White
REGISTERED OFFICE:	11 Bell Lane Monks Kirby Rugby Warwickshire CV23 0QY
REGISTERED NUMBER:	06327567 (England and Wales)
AUDITORS:	TGFP Chartered Accountants & Statutory Auditors Fulford House Newbold Terrace Leamington Spa Warwickshire CV32 4EA

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report and the audited financial statements of the company for the year ended 31 March 2022.

PRINCIPAL ACTIVITY
The principal activity of the company continued to be that of electrical technical testing & analysis.

DIVIDENDS
Details of dividends paid in the year are disclosed in note 15.

FUTURE DEVELOPMENTS
The company continues to develop its strategy of research and development into improved data systems to further the company's services and profitability.

The directors remain confident that the current strategy implemented to increase sales and profitability is having a positive effect and are committed to invest into its continued success.

DIRECTORS
The directors who have served during the year were as follows:

Mr A P Jordan
Mr L White

THIRD PARTY INDEMNITY PROVISIONS
There were no third-party indemnity provisions in place in the financial year.

RESEARCH AND DEVELOPMENT
The company has been undertaking research and development to create and trial new technology in its sector to collate and communicate information and data from intelligent instruments and switchgears to a remote data storage centre. This trial is an important step in enabling centralised staff to locate and record faults in real time, to allow faster response times when a fault occurs, ultimately improving the client's performance.

FINANCIAL INSTRUMENTS
The business' principal financial instruments comprise of bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations.

Debtors are managed in respect of credit risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). Under company law the 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 company. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

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

SMALL COMPANIES PROVISIONS
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption and the exemption from preparing a strategic report.

DISCLOSURE OF INFORMATION TO THE AUDITORS
We, the directors of the company who held office at the date of approval of these Financial Statements as set out above, each confirm so far as we are aware, that:

- there is no relevant audit information of which the company’s auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company’s auditors are aware of that information.

AUDITORS
The auditors, TGFP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

………………………………………….

Mr A P Jordan - Director

Date: ………………………….

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF W J PROJECT SERVICES LIMITED

Qualified opinion
We have audited the financial statements of W J Project Services Limited (the 'company') for the year ended 31 March 2022 which comprise of the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022, and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion
The company's inventories were not stated at the lower of cost and net realisable value in the year ended 31 March 2021 and our audit opinion on the financial statements was modified accordingly. Our opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 19 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

Other information
The other information comprises of the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information, except to the extent otherwise explicitly stated in our report, and we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors
As explained more fully in the directors' responsibilities statement (set out on page 2), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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.

To mitigate risks we have reviewed all journals made during the year ensuring all are authorised and approved at the appropriate level. We have also reviewed any transactions outside of the business, and we have carried out a detailed analytical review of income and expenses highlighting any variances and obtaining reasons from senior management as to the reasons why.

In respect of non-compliance with laws and regulations we have carried out the following enquiries:
- Review minutes of meetings of those charged with governance.
- Enquiry of management, those charged with governance and the company's solicitors around actual and potential litigation and claims.
- Review the financial statements disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for. This description forms part of our auditor's report.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BENJAMIN R REYNOLDS BSc(Hons) FCA (Senior Statutory Auditor)
for and on behalf of TGFP
Chartered Accountants & Statutory Auditors
Fulford House
Newbold Terrace
Leamington Spa
Warwickshire
CV32 4EA

Date: ……………………………………

W J PROJECT SERVICES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR 31 MARCH 2022

	Notes	2022 £000	2021 £000
TURNOVER	2	**2,846**	2,985
Cost of sales		**(1,725)**	(1,861)
GROSS PROFIT		**1,121**	1,124
Administrative expenses		**(344)**	(720)
PROFIT FROM OPERATIONS	21	**777**	404
Income from investments	6	**16**	16
PROFIT BEFORE TAXATION		**793**	420
Tax on profit	7	**(130)**	(72)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**663**	348

W J PROJECT SERVICES LIMITED

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £000	2021 £000
FIXED ASSETS			
Tangible assets	9	**174**	82
		174	82
CURRENT ASSETS			
Inventories	10	**84**	4
Trade and other receivables	11	**1,766**	1,456
Cash and bank balances	20	**3,091**	2,879
		4,941	4,339
TOTAL ASSETS		**5,115**	4,421
EQUITY AND LIABILITIES			
EQUITY			
Share capital	13	**1**	1
Retained earnings	15	**4,683**	4,120
		4,684	4,121
CURRENT LIABILITIES			
Trade and other payables	12	**243**	219
Current tax payable		**188**	81
		431	300
TOTAL EQUITY AND LIABILITIES		**5,115**	4,421

The financial statements have been prepared in accordance with the provisions applicable to the companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the company on ……………………

Signed on behalf of the board of directors:

…………………………………..

Mr A P Jordan - Director

The notes on pages 11 to 23 form part of these accounts.

W J PROJECT SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Share capital £000	Retained earnings £000	Total equity £000
Balance at 1 April 2020	1	3,818	3,819
Profit for the year	-	420	420
Total comprehensive income for the year	1	4,238	4,239
Ordinary dividends	-	(46)	(46)
Income tax	-	(72)	(72)
Balance at 31 March 2021	1	4,120	4,121
Profit for the year	-	793	793
Total comprehensive income for the year	1	4,913	4,914
Ordinary dividends	-	(100)	(100)
Income tax	-	(130)	(130)
Balance at 31 March 2022	**1**	**4,683**	**4,684**

W J PROJECT SERVICES LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £000	2021 £000
Cash flow from operating activities	21	**728**	368
Taxation paid		**(114)**	(182)
Net cash flow from operating activities		**614**	186
Cash flow from investing activities			
Payments to acquire tangible fixed assets	9	**(185)**	(7)
Asset disposals		**46**	1
Interest received	21	**16**	16
Net cash flow from investing activities		**(123)**	10
Cash flow from financing activities			
Directors withdrawals		**(163)**	(86)
Dividends paid	15	**(100)**	(46)
Interest on director's loan account	17	**(16)**	(12)
Net cash flow from financing activities		**(279)**	(144)
Net increase in cash and cash equivalents		**212**	52
Cash and cash equivalents at start date 2022		**2,879**	2,827
Cash and cash equivalents at end date 2022		**3,091**	2,879

Cash and cash equivalents consists of:

Cash at bank and in hand	20	**3,091**	2,879
Cash and cash equivalents at end date 2022		**3,091**	2,879

1 Summary of significant accounting policies

(a) General information and basis of preparation of the financial statements

W J Project Services Limited is a private company limited by shares incorporated in England, United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements. The nature of the company's operations and principal activities are electrical technical testing & analysis.

These financial statements have been prepared in accordance with UK-adopted international accounting standards (UK-adopted IAS) and those parts of the Companies Act 2006 that are applicable. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment and financial instruments carried at fair value, as described in the accounting policies set out below.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £000.

(b) Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

(c) Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable net of VAT and trade discounts. Revenue is reduced for estimated customer returns, rebates and other similar allowances. The policies adopted for the recognition of revenue are as follows:

Sale of goods
Revenue from the sale of equipment is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on the delivery of the goods.

Rendering of services
When the outcome of a transaction can be estimated reliably, revenue from electrical technical testing & analysis is recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to when the agreed service is completed.

Where the outcome cannot be measured reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

(d) Dividend and interest income

Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established.

(e) Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the stage of the service being provided based on cost incurred by the company.

In addition to the cost of materials and direct labour, an appropriate proportion of production overheads is included in the inventory values.

(f) Property, plant and equipment

Property, plant and equipment are initially recorded at cost of purchase or construction and are depreciated on a straight-line basis, except for land, which is not depreciated. Estimated useful lives of major classes of depreciable assets are as follows:

Plant and machinery etc	20% on cost

Investment grants or similar assistance for projects are initially recorded as deferred income (in other non-current liabilities) and are subsequently recognised as income over the useful lives of the related assets. Repairs and maintenance costs are recognised as expenses as incurred. Borrowing costs are not capitalised. Assets acquired under finance leases are depreciated over their estimated useful lives. Payments made under operating leases are charged against income on a straight-line basis over the period of the lease.

Property, plant and equipment is reviewed annually for impairment. Any impairment identified is charged in the statement of comprehensive income.

(g) Impairment of tangible assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible assets to determine whether there is an indication of impairment. Where impairment is indicated, the recoverable amount of the asset is estimated which is calculated by the higher of fair value less costs of disposal compared with value in use, to determine the level of the impairment.

In estimating the fair value of an asset the entity uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the entity engages qualified third party valuers to perform such valuations. The board of directors work with these valuers to establish an appropriate valuation and to establish the inputs.

Value in use is calculated using estimated cash flows, generally over a five-year period. These are discounted using an appropriate long-term pre-tax interest rate. When an impairment arises, the useful life of the asset in question is reviewed and, if necessary, the future depreciation charge is accelerated.

When the recoverable amount of an asset is less than its carrying amount, then the carrying amount is reduced to its recoverable value. This reduction is reported in the statement of comprehensive income as an impairment loss.

(h) Trade and other receivables

Trade and other receivables where payment is due within one year do not constitute a financing transaction and are recorded at the undiscounted amount expected to be received, less attributable transaction costs. Any expected credit losses (ECL) are recognised as an expense in profit or loss. Other receivables consist of loans to directors (see note 11). Note 16 describes how credit risk is managed. All trade and other receivables are subsequently measured at amortised cost, net of ECL.

(i) Cash and cash equivalents

Cash and cash equivalents comprises of cash on hand and time, call and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. This definition is also used for the statement of cash flows.

(j) Trade and other payables

Trade and other payables are initially recognised at fair value less attributable transaction costs. They are subsequently measured at amortised cost.

(k) Related parties

For the purposes of these financial statements, a related party could be a person or an entity. Careful consideration is given to the definition of a related party to ensure that all related party relationships, transactions and balances are identified.

(l) Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial assets include trade and other receivables and cash and cash equivalents.

Financial instruments which are basic financial liabilities include trade and other payables.

Basic financial assets and liabilities are initially recognised at transaction price, being equivalent to the fair value at the date of transaction, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of future cash flows discounted at a market rate of interest. Basic financial assets and liabilities are subsequently measured at amortised cost.

(m) Pensions

The company operates a defined contribution pension plan. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. For defined contribution plans, the company pays contributions to privately administered pension funds on a contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

(n) Taxes

Income taxes include all taxes based upon the taxable profits of the company. Other taxes not based on income, such as property and capital taxes, are included within operating expenses or financial expenses according to their nature.

Deferred income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the financial statements. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

(o) Provisions

Provisions are recognised where a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reasonably estimated. Provisions are recorded for the estimated ultimate liability that is expected to arise, taking into account the time value of money. A contingent liability is disclosed where the existence of the obligations will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability.

(p) Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

(q) Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

(q) Judgements and key sources of estimation uncertainty - continued

Estimation of useful lives of assets
The company determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Income tax
The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

2 REVENUE

An analysis of the company's revenue for the year, for both continuing and discontinued operations, all arising in the UK, is as follows:

Continuing operations	**2022** **£000**	2021 £000
Revenue from the provision of services	**2,846**	2,985
	2,846	2,985

3 OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2022 **£000**	2021 £000
Staff costs (see note 5)	**153**	178
(Gain)/loss on asset disposals	**(13)**	2
Depreciation of property, plant and equipment	**61**	48
	201	228

4 DIRECTORS' REMUNERATION

	2022 £000	2021 £000
Remuneration	**18**	18
Contributions to a pension scheme	**47**	320
	65	338

5 STAFF COSTS

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

	2022 Number	2021 Number
Directors	**2**	2
Administrative	**3**	3
Engineers	**1**	2
Logistics and business coordinators	**1**	1
	7	8

The aggregate payroll costs of these persons were as follows:

	2022 £000	2021 £000
Wages and salaries	**138**	160
Social security	**11**	14
Other pension costs	**4**	4
	153	178

6 INCOME FROM INVESTMENTS

	2022 £000	2021 £000
Interest revenue:		
Bank deposits	**-**	4
Other loans and receivables	**16**	12
	16	16

7 TAXATION

Analysis of tax charge

The tax charge on the profit for the year was as follows:

	2022 £000	2021 £000
Current tax:		
Corporation tax	**130**	81
Deferred tax	**-**	(9)
Tax on profit	**130**	72

8 INCOME TAXES

Income tax recognised in profit or loss:

	2022 £000	2021 £000
Tax expense comprises:		
Current tax expense in respect of the current year	**130**	81
	130	81
Deferred tax expense in respect of the prior years	**-**	(9)
	-	(9)
Total income tax	**130**	72

The total charge for the year can be reconciled to the accounting profit as follows:

	2022 £000	2021 £000
Profit from continuing operations	**793**	420
Profit from operations	**793**	420
Income tax expense calculated at 19%	**150**	80
Effect of capital allowances in excess of depreciation	**(5)**	7
Effect of research and development	**(15)**	(6)
Effect on deferred tax balances	**-**	(9)
Income tax expense recognised in profit or loss	**130**	72

The tax rate used for the 2021 and 2022 reconciliations above is the corporate tax rate of 19% payable by corporate entities on taxable profits under tax law in that jurisdiction.

8 INCOME TAXES - continued

Deferred tax balances

Deferred liabilities arise from the following:

2021

	Opening balance	Recognised in profit or loss	Closing balance
	£000	£000	£000
Temporary differences:			
Property, plant and equipment	9	(9)	-
	9	(9)	-

2022

	Opening balance	**Recognised in profit or loss**	**Closing balance**
	£000	£000	£000
Temporary differences:			
Property, plant and equipment	-	-	-
	-	-	-

9 TANGIBLE FIXED ASSETS

	Plant and machinery etc	Total
	£000	£000
COST		
At 1 April 2020	342	342
Additions	7	7
Disposals	(12)	(12)
At 31 March 2021	337	337
Additions	185	185
Disposals	(79)	(79)
At 31 March 2022	443	443
DEPRECIATION		
At 1 April 2020	(217)	(217)
Eliminated on disposal of assets	10	10
Depreciation expense	(48)	(48)
At 31 March 2021	(255)	(255)
Eliminated on disposal of assets	47	47
Depreciation expense	(61)	(61)
At 31 March 2022	(269)	(269)
NET BOOK VALUE		
At 31 March 2022	**174**	**174**
At 31 March 2021	82	82

10 INVENTORIES

	2022 £000	2021 £000
Work in progress	**84**	4
	84	4

11 TRADE AND OTHER RECEIVABLES

	2022 £000	2021 £000
Trade receivables	**548**	500
	548	500
Amounts due from related party transactions	**971**	793
Prepayments	**8**	14
Other debtors	**239**	149
	1,766	1,456

The ageing of the receivables for above are as follows:

	2022 £000	2021 £000
60 – 90 days	**3**	43
91 – 120 days	**-**	27
Total	**3**	70
Average age (days)	**70**	61

The company has not provided for any potential credit losses as the directors do not deem this necessary as the company had not had any bad debts in the previous years.

12 TRADE AND OTHER PAYABLES

	2022 £000	2021 £000
Trade payables	**49**	55
Social security and other taxes	**80**	89
Accruals	**114**	72
Other creditors	**-**	3
	243	219

13 ISSUED CAPITAL

	2022	2021
	£	£
100 fully paid A ordinary shares	**100**	100
900 fully paid B ordinary shares	**900**	900
	1,000	1,000

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have a £1 nominal value and the company does not have a limited amount of authorised capital.

14 RESERVES

Share capital represents the number of shares issued at nominal price.

The retained earnings represents accumulated comprehensive income for the year and prior periods, after deduction of dividends paid.

15 RETAINED EARNINGS AND DIVIDENDS

	2022	2021
	£000	£000
Balance at beginning of year	**4,120**	3,818
Payment of dividends	**(100)**	(46)
Related income tax	**(130)**	(72)
Current year profit	**793**	420
Balance at end of year	**4,683**	4,120

On 31 March 2022, a dividend of £1,000 per share, total dividend of £100,000, was paid to holders of fully paid A ordinary shares. In 2021 a dividend of £460 per share, total dividend of £46,000, was paid to holders of fully paid A ordinary shares.

16 FINANCIAL INSTRUMENTS

Financial risk management objectives
The company's activities expose it to a variety of financial risks: market risk, including price risk, credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company does not use derivative financial instruments such as forward foreign exchange contracts. The company uses different methods to measure the different types of risk to which it is exposed. These methods include ageing analysis for credit risk.

Price risk
The company is not exposed to any significant price risk.

16 FINANCIAL INSTRUMENTS - continued

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The company obtains guarantees where appropriate to mitigate credit risk.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows.

17 DIRECTORS' ADVANCES, CREDIT AND GUARANTEES

During the year the directors operated loans with the company:

	2022	2021
	£000	£000
Balance brought forward	**793**	695
Amounts advanced	**250**	161
Amounts repaid	**(88)**	(75)
Interest charged at 2.00% / 2.25%	**16**	12
Balance carried forward	**971**	793

The loans have interest charged at the applicable HMRC rate and are repayable on demand.

18 RELATED PARTY TRANSACTIONS

Key management personnel disclosures
The key management personnel of the company are the directors, details of their remuneration can be found in note 4.

19 MANAGEMENT THREAT/SELF-REVIEW THREAT IN RELATION TO NON AUDIT SERVICES

In common with many other businesses of a similar size, the company uses the auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

20 CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2022	2021
	£000	£000
Cash and bank balances	**3,091**	2,879
	3,091	2,879

21 RECONCILIATION OF PROFIT TO CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£000	£000
Profit for the year	**663**	348
Tax on profit on ordinary activities	**130**	72
Finance income	**(16)**	(16)
Operating profit	**777**	404
Depreciation and impairment of tangible fixed assets	**61**	48
(Profit)/loss on disposal of tangible fixed assets	**(13)**	2
Increase in stock	**(80)**	(1)
Increase in debtors	**(42)**	(188)
Increase in creditors	**25**	103
Cash flow from operating activities	**728**	368

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

FOR

W J PROJECT SERVICES LIMITED

Company registration number: 06327567

W J PROJECT SERVICES LIMITED

CONTENTS OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

W J PROJECT SERVICES LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021

DIRECTORS:	Mr A P Jordan Mr L White
REGISTERED OFFICE:	11 Bell Lane Monks Kirby Rugby Warwickshire CV23 0QY
REGISTERED NUMBER:	06327567 (England and Wales)
AUDITORS:	TGFP Chartered Accountants & Statutory Auditors Fulford House Newbold Terrace Leamington Spa Warwickshire CV32 4EA

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and the audited financial statements of the company for the year ended 31 March 2021.

PRINCIPAL ACTIVITY
The principal activity of the company continued to be that of electrical technical testing & analysis.

DIVIDENDS
Details of dividends paid in the year are disclosed in note 15.

FUTURE DEVELOPMENTS
The company continues to develop its strategy of research and development into improved data systems to further the company's services and profitability.

The directors remain confident that the current strategy implemented to increase sales and profitability is having a positive effect and are committed to invest into its continued success.

DIRECTORS
The directors who have served during the year were as follows:

Mr A P Jordan
Mr L White

THIRD PARTY INDEMNITY PROVISIONS
There were no third-party indemnity provisions in place in the financial year.

RESEARCH AND DEVELOPMENT
The company has been undertaking research and development to create and trial new technology in its sector to collate and communicate information and data from intelligent instruments and switchgears to a remote data storage centre. This trial is an important step in enabling centralised staff to locate and record faults in real time, to allow faster response times when a fault occurs, ultimately improving the client's performance.

FINANCIAL INSTRUMENTS
The business' principal financial instruments comprise of bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations.

Debtors are managed in respect of credit risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). Under company law the 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 company. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

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

SMALL COMPANIES PROVISIONS
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption and the exemption from preparing a strategic report.

DISCLOSURE OF INFORMATION TO THE AUDITORS
We, the directors of the company who held office at the date of approval of these Financial Statements as set out above, each confirm so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, TGFP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

…………………………………….

Mr A P Jordan - Director

Date: …………………………

Qualified opinion
We have audited the financial statements of W J Project Services Limited (the 'company') for the year ended 31 March 2021 which comprise of the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021, and of its profit for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion
The company's inventories are carried in the statement of financial position at £4,000. The company's accounting policy is to state inventories at the lower of cost or net realisable value. Cost is determined by the stage of the service being provided based on cost incurred by the company. Management has not stated the inventories at the lower of cost and net realisable value which constitutes a departure from international accounting standards in conformity with the requirements of the Companies Act 2006. The company's records indicate that, had management stated inventories according to the accounting policy, an amount of £77,114 would have been required to increase the inventories. Accordingly, cost of sales would have been reduced by £77,114. Tax on income and net income would have been increased by £14,652 and £62,462 respectively.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 19 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other matters
The financial statements of the company for the year ended 31 March 2020 are unaudited.

The financial statements that have been audited for the year ended 31 March 2021 are not statutory financial statements and will not be filed with Companies House.

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

Other information
The other information comprises of the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information, except to the extent otherwise explicitly stated in our report, and we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors
As explained more fully in the directors' responsibilities statement (set out on page 2), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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.

To mitigate risks we have reviewed all journals made during the year ensuring all are authorised and approved at the appropriate level. We have also reviewed any transactions outside of the business, and we have carried out a detailed analytical review of income and expenses highlighting any variances and obtaining reasons from senior management as to the reasons why.

In respect of non-compliance with laws and regulations we have carried out the following enquiries:

- Review minutes of meetings of those charged with governance.
- Enquiry of management, those charged with governance and the company's solicitors around actual and potential litigation and claims.
- Review the financial statements disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for. This description forms part of our auditor's report.

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

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BENJAMIN R REYNOLDS BSc(Hons) FCA (Senior Statutory Auditor)
for and on behalf of TGFP
Chartered Accountants & Statutory Auditors
Fulford House
Newbold Terrace
Leamington Spa
Warwickshire
CV32 4EA

Date: ……………………………………

W J PROJECT SERVICES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	**2021 £000**	2020 £000
TURNOVER	2	**2,985**	2,734
Cost of sales		**(1,861)**	(1,793)
GROSS PROFIT		**1,124**	941
Administrative expenses		**(720)**	(332)
PROFIT FROM OPERATIONS	21	**404**	609
Income from investments	6	**16**	28
PROFIT BEFORE TAXATION		**420**	637
Tax on profit	7	**(72)**	(122)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**348**	515

W J PROJECT SERVICES LIMITED

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £000	2020 £000	2019 £000
FIXED ASSETS				
Tangible assets	9	**82**	125	147
		82	125	147
CURRENT ASSETS				
Inventories	10	**4**	4	2
Trade and other receivables	11	**1,456**	1,171	1,220
Cash and bank balances	20	**2,879**	2,827	2,408
		4,339	4,002	3,630
TOTAL ASSETS		**4,421**	4,127	3,777
EQUITY AND LIABILITIES				
EQUITY				
Share capital	13	**1**	1	1
Retained earnings	15	**4,120**	3,818	3,386
		4,121	3,819	3,387
NON CURRENT LIABILITIES				
Deferred tax liabilities	8	**-**	9	11
		-	9	11
CURRENT LIABILITIES				
Trade and other payables	12	**219**	117	189
Current tax payable	7	**81**	182	190
		300	299	379
TOTAL EQUITY AND LIABILITIES		**4,421**	4,127	3,777

The financial statements have been prepared in accordance with the provisions applicable to the companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the company on …………………..

Signed on behalf of the board of directors:

………………………….

Mr A P Jordan - Director

The notes on pages 11 to 23 form part of these accounts.

W J PROJECT SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Share capital £000	Retained earnings £000	Total equity £000
Balance at 1 April 2019	1	3,385	3,386
Profit for the year	-	637	637
Total comprehensive income for the year	1	4,022	4,023
Ordinary dividends	-	(82)	(82)
Income tax	-	(122)	(122)
Balance at 31 March 2020	1	3,818	3,819
Profit for the year	-	420	420
Total comprehensive income for the year	1	4,238	4,239
Ordinary dividends	-	(46)	(46)
Income tax	-	(72)	(72)
Balance at 31 March 2021	**1**	**4,120**	**4,121**

W J PROJECT SERVICES LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £000	2020 £000
Cash flow from operating activities	21	**368**	818
Other tax	7	**-**	56
Taxation paid		**(182)**	(189)
Net cash flow from operating activities		**186**	685
Cash flow from investing activities			
Payments to acquire tangible fixed assets	9	**(7)**	(38)
Asset disposals		**1**	-
Interest received	21	**16**	28
Net cash flow from investing activities		**10**	(10)
Cash flow from financing activities			
Directors withdrawals		**(86)**	(164)
Dividends paid	15	**(46)**	(82)
Interest on directors' loan account	17	**(12)**	(10)
Net cash flow from financing activities		**(144)**	(256)
Net increase in cash and cash equivalents		**52**	419
Cash and cash equivalents at start date 2021		**2,827**	2,408
Cash and cash equivalents at end date 2021		**2,879**	2,827

Cash and cash equivalents consists of:

	Notes	2021 £000	2020 £000
Cash at bank and in hand	20	**2,879**	2,827
Cash and cash equivalents at end date 2021		**2,879**	2,827

1 Summary of significant accounting policies

(a) General information and basis of preparation of the financial statements

W J Project Services Limited is a private company limited by shares incorporated in England, United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements. The nature of the company's operations and principal activities are electrical technical testing & analysis.

For all periods including 31 March 2020, the company prepared its financial statements in accordance with UK-adopted international accounting standards (UK-adopted IAS) and those parts of the Companies Act 2006 that are applicable. These financial statements for the year ended 31 March 2021 are the first the company has prepared in accordance with IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment and financial instruments carried at fair value, as described in the accounting policies set out below.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £000.

(b) Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

(c) Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable net of VAT and trade discounts. Revenue is reduced for estimated customer returns, rebates and other similar allowances. The policies adopted for the recognition of revenue are as follows:

Sale of goods
Revenue from the sale of equipment is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on the delivery of the goods.

Rendering of services
When the outcome of a transaction can be estimated reliably, revenue from electrical technical testing & analysis is recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to when the agreed service is completed.

Where the outcome cannot be measured reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

(d) Dividend and interest income

Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established.

(e) Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the stage of the service being provided based on cost incurred by the company.

In addition to the cost of materials and direct labour, an appropriate proportion of production overheads is included in the inventory values.

(f) Property, plant and equipment

Property, plant and equipment are initially recorded at cost of purchase or construction and are depreciated on a straight-line basis, except for land, which is not depreciated. Estimated useful lives of major classes of depreciable assets are as follows:

Plant and machinery etc	20% on cost

Investment grants or similar assistance for projects are initially recorded as deferred income (in other non-current liabilities) and are subsequently recognised as income over the useful lives of the related assets. Repairs and maintenance costs are recognised as expenses as incurred. Borrowing costs are not capitalised. Assets acquired under finance leases are depreciated over their estimated useful lives. Payments made under operating leases are charged against income on a straight-line basis over the period of the lease.

Property, plant and equipment is reviewed annually for impairment. Any impairment identified is charged in the statement of comprehensive income.

(g) Impairment of tangible assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible assets to determine whether there is an indication of impairment. Where impairment is indicated, the recoverable amount of the asset is estimated which is calculated by the higher of fair value less costs of disposal compared with value in use, to determine the level of the impairment.

In estimating the fair value of an asset the entity uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the entity engages qualified third party valuers to perform such valuations. The board of directors work with these valuers to establish an appropriate valuation and to establish the inputs.

Value in use is calculated using estimated cash flows, generally over a five-year period. These are discounted using an appropriate long-term pre-tax interest rate. When an impairment arises, the useful life of the asset in question is reviewed and, if necessary, the future depreciation charge is accelerated.

When the recoverable amount of an asset is less than its carrying amount, then the carrying amount is reduced to its recoverable value. This reduction is reported in the statement of comprehensive income as an impairment loss.

(h) Trade and other receivables

Trade and other receivables where payment is due within one year do not constitute a financing transaction and are recorded at the undiscounted amount expected to be received, less attributable transaction costs. Any expected credit losses (ECL) are recognised as an expense in profit or loss. Other receivables consist of loans to directors (see note 11). Note 16 describes how credit risk is managed. All trade and other receivables are subsequently measured at amortised cost, net of ECL.

(i) Cash and cash equivalents

Cash and cash equivalents comprises of cash on hand and time, call and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. This definition is also used for the statement of cash flows.

(j) Trade and other payables

Trade and other payables are initially recognised at fair value less attributable transaction costs. They are subsequently measured at amortised cost.

(k) Related parties

For the purposes of these financial statements, a related party could be a person or an entity. Careful consideration is given to the definition of a related party to ensure that all related party relationships, transactions and balances are identified.

(l) Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial assets include trade and other receivables and cash and cash equivalents.

Financial instruments which are basic financial liabilities include trade and other payables.

Basic financial assets and liabilities are initially recognised at transaction price, being equivalent to the fair value at the date of transaction, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of future cash flows discounted at a market rate of interest. Basic financial assets and liabilities are subsequently measured at amortised cost.

(m) Pensions

The company operates a defined contribution pension plan. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. For defined contribution plans, the company pays contributions to privately administered pension funds on a contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

(n) Taxes

Income taxes include all taxes based upon the taxable profits of the company. Other taxes not based on income, such as property and capital taxes, are included within operating expenses or financial expenses according to their nature.

Deferred income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the financial statements. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

(o) Provisions

Provisions are recognised where a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reasonably estimated. Provisions are recorded for the estimated ultimate liability that is expected to arise, taking into account the time value of money. A contingent liability is disclosed where the existence of the obligations will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability.

(p) Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

(q) Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

(q) Judgements and key sources of estimation uncertainty - continued

Estimation of useful lives of assets
The company determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Income tax
The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

2 REVENUE

An analysis of the company's revenue for the year, for both continuing and discontinued operations, all arising in the UK, is as follows:

Continuing operations	**2021 £000**	2020 £000
Revenue from the provision of services	**2,985**	2,734
	2,985	2,734

3 OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2021 £000	2020 £000
Staff costs (see note 5)	**178**	93
Losses on asset disposals	**2**	-
Depreciation of property, plant and equipment	**48**	60
	228	153

4 DIRECTORS' REMUNERATION

	2021 £000	2020 £000
Remuneration	18	17
Contributions to a pension scheme	320	-
	338	17

5 STAFF COSTS

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

	2021 Number	2020 Number
Directors	2	2
Administrative	3	3
Engineers	2	2
Logistics and business coordinators	1	1
	8	8

The aggregate payroll costs of these persons were as follows:

	2021 £000	2020 £000
Wages and salaries	160	73
Social security	14	16
Other pension costs	4	4
	178	93

6 INCOME FROM INVESTMENTS

	2021 £000	2020 £000
Interest revenue:		
Bank deposits	4	18
Other loans and receivables	12	10
	16	28

7 TAXATION

Analysis of tax charge
The tax charge on the profit for the year was as follows:

	2021 £000	2020 £000
Current tax:		
Corporation tax	**81**	182
Correction of prior year provision	**-**	(56)
Deferred tax	**(9)**	(4)
Tax on profit	**72**	122

8 INCOME TAXES

Income tax recognised in profit or loss:

	2021 £000	2020 £000
Tax expense comprises:		
Current tax expense in respect of the current year	**81**	182
	81	182
Correction of prior year provision	**-**	(57)
Deferred tax expense in respect of the prior years	**(9)**	(3)
	(9)	(60)
Total income tax	**72**	122

The total charge for the year can be reconciled to the accounting profit as follows:

	2021 £000	2020 £000
Profit from continuing operations	**420**	637
Profit from operations	**420**	637
Income tax expense calculated at 19%	**80**	121
Effect of capital allowances in excess of depreciation	**7**	4
Effect of research and development	**(6)**	-
Effect on deferred tax balances	**(9)**	(3)
Income tax expense recognised in profit or loss	**72**	122

The tax rate used for the 2020 and 2021 reconciliations above is the corporate tax rate of 19% payable by corporate entities on taxable profits under tax law in that jurisdiction.

8 INCOME TAXES - continued

Deferred tax balances

Deferred liabilities arise from the following:

2020

	Opening balance	Recognised in profit or loss	Closing balance
	£000	£000	£000
Temporary differences:			
Property, plant and equipment	12	(3)	9
	12	(3)	9

2021

	Opening balance	**Recognised in profit or loss**	**Closing balance**
	£000	£000	£000
Temporary differences:			
Property, plant and equipment	9	(9)	-
	9	(9)	-

9 TANGIBLE FIXED ASSETS

	Plant and machinery etc	Total
	£000	£000
COST		
At 1 April 2019	304	304
Additions	38	38
Disposals	-	-
At 31 March 2020	342	342
Additions	7	7
Disposals	(12)	(12)
At 31 March 2021	337	337
DEPRECIATION		
At 1 April 2019	(157)	(157)
Depreciation expense	(60)	(60)
At 31 March 2020	(217)	(217)
Eliminated on disposal of assets	10	10
Depreciation expense	(48)	(48)
At 31 March 2021	(255)	(255)
NET BOOK VALUE		
At 31 March 2021	**82**	**82**
At 31 March 2020	125	125

10 INVENTORIES

	2021 £000	2020 £000
Work in progress	**4**	4
	4	4

11 TRADE AND OTHER RECEIVABLES

	2021 £000	2020 £000
Trade receivables	**500**	312
	500	312
Amounts due from related party transactions	**793**	695
Prepayments	**14**	15
Other debtors	**149**	149
	1,456	1,171

The ageing of the receivables for above are as follows:

	2021 £000	2020 £000
60 – 90 days	**43**	41
91 – 120 days	**27**	-
Total	**70**	41
Average age (days)	**61**	42

The company has not provided for any potential credit losses as the directors do not deem this necessary as the company had not had any bad debts in the previous years.

12 TRADE AND OTHER PAYABLES

	2021 £000	2020 £000
Trade payables	**55**	24
Social security and other taxes	**89**	56
Accruals	**72**	34
Other creditors	**3**	3
	219	117

13 ISSUED CAPITAL

	2021 £	2020 £
100 fully paid A ordinary shares	**100**	100
900 fully paid B ordinary shares	**900**	900
	1,000	1,000

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have a £1 nominal value and the company does not have a limited amount of authorised capital.

14 RESERVES

Share capital represents the number of shares issued at nominal price.

The retained earnings represents accumulated comprehensive income for the year and prior periods, after deduction of dividends paid.

15 RETAINED EARNINGS AND DIVIDENDS

	2021 £000	2020 £000
Balance at beginning of year	**3,818**	3,385
Payment of dividends	**(46)**	(82)
Related income tax	**(72)**	(122)
Current year profit	**420**	637
Balance at end of year	**4,120**	3,818

On 31 March 2021, a dividend of £460 per share, total dividend of £46,000, was paid to holders of fully paid A ordinary shares. In 2020 a dividend of £91 per share, total dividend of £82,000, was paid to holders of fully paid B ordinary shares.

16 FINANCIAL INSTRUMENTS

Financial risk management objectives
The company’s activities expose it to a variety of financial risks: market risk, including price risk, credit risk and liquidity risk. The company’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company does not use derivative financial instruments such as forward foreign exchange contracts. The company uses different methods to measure the different types of risk to which it is exposed. These methods include ageing analysis for credit risk.

Price risk
The company is not exposed to any significant price risk.

16 FINANCIAL INSTRUMENTS - continued

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The company obtains guarantees where appropriate to mitigate credit risk.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows.

17 DIRECTORS' ADVANCES, CREDIT AND GUARANTEES

During the year the directors operated loans with the company:

	2021	2020
	£000	£000
Balance brought forward	**695**	521
Amounts advanced	**161**	174
Amounts repaid	**(75)**	(10)
Interest charged at 2.25% / 2.20%	**12**	10
Balance carried forward	**793**	695

The loans have interest charged at the applicable HMRC rate and are repayable on demand.

18 RELATED PARTY TRANSACTIONS

Key management personnel disclosures
The key management personnel of the company are the directors, details of their remuneration can be found in note 4.

19 MANAGEMENT THREAT/SELF-REVIEW THREAT IN RELATION TO NON AUDIT SERVICES

In common with many other businesses of a similar size, the company uses the auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

20 CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2021 £000	2020 £000
Cash and bank balances	**2,879**	2,827
	2,879	2,827

21 RECONCILIATION OF PROFIT TO CASH FLOW FROM OPERATING ACTIVITIES

	2021 £000	2020 £000
Profit for the year	**348**	515
Tax on profit on ordinary activities	**72**	122
Finance income	**(16)**	(28)
Operating profit	**404**	609
Depreciation and impairment of tangible fixed assets	**48**	60
(Profit)/loss on disposal of tangible fixed assets	**2**	-
(Increase)/decrease in stock	**(1)**	1
(Increase)/decrease in debtors	**(188)**	223
Increase/(decrease) in creditors	**103**	(75)
Cash flow from operating activities	**368**	818

PART IV – SECTION E

Historical Financial Information of Premier Limpet Limited for the year ended 31 December 2021

Premier Limpet Limited

Directors' report and financial statements

for the year ended 31 December 2021

Registered number: 02731668

Company Information

Directors	Anthony Edwards Mark O'Neill
Company secretary	Inca Lockhart-Ross
Registered number	02731668
Registered office	Bond House Hardwicke Road Great Gransden Sandy United Kingdom SG19 3BJ
Independent auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Contents

Directors' report

For the year ended 31 December 2021

The directors present their report and the financial statements for Premier Limpet Limited ('the company') for the year ended 31 December 2021. The comparative information for the year ended 31 December 2020, presented within these financial statements is unaudited.

Results and dividends

The profit for the year, after taxation, amounted to £763,404 (2020 - £870,811).

During the year, the directors declared a dividend of £nil (2020 - £nil).

Directors

The directors who served during the year were:

Anthony Edwards
Mark O'Neill (appointed 11 August 2021)
Desmond Irwin (resigned 31 March 2022)
Robert Edwards (resigned 11 August 2021)

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report, the Strategic report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the 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 company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Future developments

The company continues to seek to provide a high level of service to our distribution partners by consistently offering enhanced levels of support through product quality, product development, service and customer care. To achieve these aims we continue to invest in new processes, equipment, software and most importantly, in our people.

Directors' report (continued)

For the year ended 31 December 2021

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Subsequent events

There have been no significant events affecting the company since the year end.

This report was approved by the board on 14 September 2022 and signed on its behalf by:

A Edwards

Anthony Edwards
Director

Strategic report

for the year ended 31 December 2021

Introduction

Premier Limpet was established in 1992 as the UK's only tape printing company to supply solely through distribution. The company now has 38 printing machines across two sites and produces in excess of 49 million square meters of tape each year.

In August 2021, the company was acquired by Amcomri Group Ltd following the retirement of its majority shareholders.

Business review

The company has had another very successful year, increasing turnover by 10% to £12,027,839 (2020: £10,942,915). Despite challenging economic conditions following the COVID-19 pandemic and the impact of this on raw material costs and supply chain disruption the company remains very profitable.

Principal risks and uncertainties

The Board of Directors and management continually monitor the key risks facing the company The principal risks and uncertainties facing the company are as follows:

- Economic conditions – market uncertainty including the cost of living crisis, war in Ukraine & ongoing impact of the global pandemic. The company manages these risks by keeping aware of media reporting on these situations and adapting our activities where necessary.
- Foreign exchange variances – the company purchases raw materials from Europe and the rest of the world and is subject to risk around foreign currency fluctuations. The company manages this risk by monitoring exchange rates and purchasing currencies when required at the best available rate.

Financial key performance indicators

Key performance indicators are the following:

	2021	**2020**
Sales	£12,027,839	£10,942,915
Net Assets	£4,527,722	£3,764,318

This report was approved by the board on 14 September 2022 and signed on its behalf by:

A Edwards

Anthony Edwards
Director

Buzzacott

Independent auditor's report to the members of Premier Limpet Limited

For the year ended 31 December 2021

Qualified opinion

We have audited the financial statements of Premier Limpet Limited ('the company') for the year ended 31 December 2021, which comprise the Statement of income and retained earnings, the Statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

We were not appointed as auditor of the company until the year ended 31 December 2021, therefore, we were unable to attend the company's stock count at 31 December 2020 and the prior year was unaudited. We were unable to satisfy ourselves by alternative means concerning the stock quantities held at 31 December 2020, which are included in the Statement of financial position at £1,246,158. Consequently we were unable to determine whether any adjustment to this amount at 31 December 2020 was necessary or whether there has been any consequential effect on the cost of sales for the year ended 31 December 2021.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 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.

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

Independent auditor's report to the members of Premier Limpet Limited (continued)

For the year ended 31 December 2021

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report and the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report and the Strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Buzzacott

Independent auditor's report to the members of Premier Limpet Limited (continued)

For the year ended 31 December 2021

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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:

How the audit was considered capable of detecting irregularities including fraud:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the company through discussions with directors and other management at the planning stage;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations; and
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company and group, including the Companies Act 2006, employment legislation, taxation legislation and relevant laws and regulations.

We assessed the extent of compliance with the laws and regulations identified above through
:

- making enquiries of management;
- inspecting legal expenditure and correspondence throughout the year for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations above.

To address the risk of fraud through management bias and override of controls, we:

- determined the susceptibility of the company to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process;
- reviewed journal entries throughout the year to identify unusual transactions;
- performed analytical procedures to identify any large, unusual or unexpected transactions and investigated any large variances from the prior period;
- reviewed accounting estimates and evaluated where judgements or decisions made by management indicated bias on the part of management;
- performed substantive testing on income, tracing order and dispatch records through to receipt of cash in the bank; and
- carried out substantive testing to check the occurrence and cut-off of expenditure.

Buzzacott

Independent auditor's report to the members of Premier Limpet Limited (continued)

For the year ended 31 December 2021

Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, the Financial Conduct Authority and the parent company and group's legal advisors.

There are inherent limitations in our audit procedures described above. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error as they may involve deliberate concealment or collusion. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

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

Other matters

In the previous accounting period the directors of the company took advantage of audit exemption under s477 of the Companies Act. Therefore the prior period financial statements were not subject to audit.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Chapman (Senior statutory auditor)
for and on behalf of
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

14 September 2022

Statement of income and retained earnings

for the year ended 31 December 2021

	Note	2021 £	(Unaudited) 2020 £
Turnover	4	**12,027,839**	10,942,915
Cost of sales		**(9,615,867)**	(8,321,493)
Gross profit		**2,411,972**	2,621,422
Administrative expenses		**(1,407,395)**	(1,546,878)
Operating profit	5	**1,004,577**	1,074,544
Interest receivable and similar income		**-**	692
Interest payable and similar expenses		**(43,816)**	-
Profit before tax		**960,761**	1,075,236
Tax on profit	10	**(197,357)**	(204,425)
Profit after tax		**763,404**	870,811
Retained earnings at the beginning of the year		**3,619,225**	2,748,414
		3,619,225	2,748,414
Profit for the year		**763,404**	870,811
Retained earnings at the end of the year		**4,382,629**	3,619,225

There was no other comprehensive income for 2021 or 2020.

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of income and retained earnings.

The notes on pages 10 to 24 form part of these financial statements.

Statement of financial position
As at 31 December 2021

	Note		2021 £		(Unaudited) 2020 £
Fixed assets					
Intangible assets	11		**-**		-
Tangible assets	12		**806,311**		830,228
Investments	13		**1**		1
			806,312		830,229
Current assets					
Stocks	14	**2,216,961**		1,246,158	
Debtors	15	**7,270,166**		2,010,181	
Cash at bank and in hand	16	**185,110**		2,389,679	
		9,672,237		5,646,018	
Creditors: amounts falling due within one year	17	**(3,602,647)**		(2,688,413)	
Net current assets			**6,069,590**		2,957,605
Total assets less current liabilities			**6,875,902**		3,787,834
Creditors: amounts falling due after more than one year			**(2,248,435)**		-
Provisions for liabilities					
Deferred tax	19	**(23,060)**		(23,516)	
Other provisions	20	**(76,685)**		-	
			(99,745)		(23,516)
Net assets			**4,527,722**		3,764,318
Capital and reserves					
Called up share capital	21		**63,125**		63,125
Share premium account	22		**81,968**		81,968
Profit and loss account	22		**4,382,629**		3,619,225
			4,527,722		3,764,318

The financial statements were approved and authorised for issue by the board on 14 September 2022 and were signed on its behalf by:

A Edwards

Anthony Edwards
Director

The notes on pages 10 to 24 form part of these financial statements.

Notes to the financial statements
For the year ended 31 December 2021

1. General information

Premier Limpet Limited is a private company limited by shares and incorporated in England and Wales. The registered office and principal place of business is Bond House, Hardwicke Road, Great Gransden, Sandy, United Kingdom, SG19 3BJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting, Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland,' ('FRS 102') and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The company is a parent company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established in the UK and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.3 FRS 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Amcomri Group Limited as at 31 December 2021 and these financial statements may be obtained from Companies House.

Notes to the financial statements

For the year ended 31 December 2021

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

Notes to the financial statements

For the year ended 31 December 2021

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	-	10%
Plant and machinery	-	10% to 25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Notes to the financial statements
For the year ended 31 December 2021

2. Accounting policies (continued)

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.15 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

Notes to the financial statements

For the year ended 31 December 2021

2. Accounting policies (continued)

2.17 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

In the opinion of the directors, there are no key sources of estimation uncertainty.

Notes to the financial statements

For the year ended 31 December 2021

4. Turnover

The whole of the turnover is attributable to the principal activity of the company.

Analysis of turnover by country of destination:

	2021	(Unaudited) 2020
	£	£
United Kingdom	**11,863,211**	10,757,549
Rest of Europe	**164,628**	185,366
	12,027,839	10,942,915

5. Operating profit

The operating profit is stated after charging:

	2021	(Unaudited) 2020
	£	£
Depreciation	**40,015**	31,923
Directors' pension contributions	**100,000**	100,000
Other operating lease rentals	**82,600**	85,400
Exchange differences	**(213,339)**	-

6. Auditor's remuneration

	2021	(Unaudited) 2020
	£	£
Fees payable to the company's auditor for the audit of the company's annual financial statements	**14,500**	-

Fees payable to the company's auditor and its associates in respect of:

	2021	(Unaudited) 2020
Taxation compliance services	**2,250**	-
All other services	**1,000**	-
	3,250	-

Notes to the financial statements
For the year ended 31 December 2021

7. Employees

Staff costs during the year, including directors' remuneration, were as follows:

	2021 £	(Unaudited) 2020 £
Wages and salaries	**1,835,131**	1,776,332
Social security costs	**182,747**	96,527
Cost of defined contribution scheme	**151,304**	150,246
	2,169,182	2,023,105

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

	2021 No.	(Unaudited) 2020 No.
Administrators	**15**	15
Directors	**3**	3
Factory	**37**	37
	55	55

8. Directors' remuneration

	2021 £	(Unaudited) 2020 £
Directors' emoluments	**235,117**	249,631
Company contributions to defined contribution pension schemes	**100,000**	100,000
	335,117	349,631

During the year retirement benefits were accruing to 3 directors (2020 (Unaudited) - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £220,793 (2020 (Unaudited) - £171,819).

Notes to the financial statements

For the year ended 31 December 2021

9. Interest payable and similar expenses

	2021 £	(Unaudited) 2020 £
Other interest payable	**43,816**	-
	43,816	-

10. Taxation

	2021 £	(Unaudited) 2020 £
Corporation tax		
Current tax on profits for the year	**197,813**	201,425
	197,813	201,425
Total current tax	**197,813**	201,425
Deferred tax		
Origination and reversal of timing differences	**(456)**	3,000
Total deferred tax	**(456)**	3,000
Taxation on profit on ordinary activities	**197,357**	204,425

Notes to the financial statements

For the year ended 31 December 2021

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	(Unaudited) 2020 £
Profit on ordinary activities before tax	**960,761**	1,075,236
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	**182,545**	204,425
Effects of:		
Fixed asset timing differences	**(686)**	-
Expenses not deductible for tax purposes	**9,964**	-
Remeasurement of deferred tax	**5,534**	-
Total tax charge for the year	**197,357**	204,425

Factors that may affect future tax charges

On 10 June 2021, the Finance Bill 2021 received Royal Assent. The bill confirms an increase in the corporation tax rate from 1 April 2023. From this date, the rate will taper from 19% for businesses with profits of less than £50,000 to 25% for businesses with profits over £250,000.

Notes to the financial statements

For the year ended 31 December 2021

11. Intangible assets

	Goodwill £
At 1 January 2021	**2,000**
Disposals	**(2,000)**
At 31 December 2021	**-**
At 1 January 2021	**2,000**
On disposals	**(2,000)**
At 31 December 2021	**-**
Net book value	
At 31 December 2021	**-**
At 31 December 2020	-

Notes to the financial statements
For the year ended 31 December 2021

12. Tangible fixed assets

	Freehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 January 2021	**703,732**	**720,615**	**1,424,347**
Additions	-	**20,598**	**20,598**
Disposals	-	**(15,795)**	**(15,795)**
At 31 December 2021	**703,732**	**725,418**	**1,429,150**
Depreciation			
At 1 January 2021	-	**594,119**	**594,119**
Charge for the year	-	**40,015**	**40,015**
Disposals	-	**(11,295)**	**(11,295)**
At 31 December 2021	-	**622,839**	**622,839**
Net book value			
At 31 December 2021	**703,732**	**102,579**	**806,311**
At 31 December 2020	703,732	126,496	830,228

13. Fixed asset investments

	Investment in subsidiary company £
Cost or valuation	
At 1 January 2021	**1**
At 31 December 2021	**1**

Notes to the financial statements

For the year ended 31 December 2021

13. Fixed asset investments (continued)

Subsidiary undertaking

At 31 December 2021, the following was a subsidiary undertaking of the company:

Name	Country of incorporation	Class of shares	Holding
Limpet Printed Tapes Limited	UK	Ordinary	100%

14. Stocks

	2021 £	(Unaudited) 2020 £
Raw materials and consumables	**2,216,961**	1,246,158
	2,216,961	1,246,158

15. Debtors

	2021 £	(Unaudited) 2020 £
Trade debtors	**2,153,131**	1,950,578
Amounts owed by group undertakings	**4,694,358**	-
Other debtors	**375,885**	59,603
Prepayments and accrued income	**46,792**	-
	7,270,166	2,010,181

16. Cash and cash equivalents

	2021 £	(Unaudited) 2020 £
Cash at bank and in hand	**185,110**	2,389,679
	185,110	2,389,679

Notes to the financial statements
For the year ended 31 December 2021

17. Creditors: amounts falling due within one year

	2021 £	(Unaudited) 2020 £
Trade creditors	**2,468,306**	1,313,323
Corporation tax	**197,813**	201,425
Other taxation and social security	**716,543**	985,499
Accruals and deferred income	**219,985**	188,166
	3,602,647	2,688,413

18. Creditors: amounts falling due after more than one year

	2021 £	(Unaudited) 2020 £
Amounts owed to group undertakings	**250,000**	-
Other creditors	**1,998,435**	-
	2,248,435	-

All creditors falling due after more than one year are secured by fixed and floating charges over the assets of the company.

19. Deferred taxation

	2021 £
At beginning of year	**(23,516)**
Charged to profit or loss	**456**
At end of year	**(23,060)**

Notes to the financial statements

For the year ended 31 December 2021

19. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2021 £	(Unaudited) 2020 £
Accelerated capital allowances	**(23,060)**	(23,516)
	(23,060)	(23,516)

20. Provisions

	Other provisions £
Charged to profit or loss	**76,685**
At 31 December 2021	**76,685**

21. Share capital

	2021 £	(Unaudited) 2020 £
Allotted, called up and fully paid		
63,125 (2020 - 63,125) Ordinary shares shares of £1.00 each	**63,125**	63,125

22. Reserves

Share premium account

Share premium represents the premium paid on shares issued.

Profit and loss account

Includes all current and prior period retained profits and losses.

23. Contingent liabilities

The company had no contingent liabilities at 2021 or 2020.

Notes to the financial statements
For the year ended 31 December 2021

24. Capital commitments

The company had no capital commitments at 2021 or 2020.

25. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the fund and amounted to £151,304 (2020 - £150,246). Contributions totalling £nil (2020 - £nil) were payable to the fund at the reporting date and are inducted in creditors.

26. Commitments under operating leases

At 31 December 2021, the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021	(Unaudited) 2020
	£	£
Not later than 1 year	**111,440**	105,055
Later than 1 year and not later than 5 years	**286,141**	374,656
	397,581	479,711

27. Related party transactions

The company has taken advantage of the exemption in FRS 102 Section 33 Related Party Disclosures from disclosing transactions with wholly owned members of the group headed by Amcomri Group Limited.

Included within creditors at the reporting date are loans from the directors totalling £nil (2020 (unaudited) - £245).

At 31 December 2021, the company owed £250,000 (2020 (unaudited) - £nil) to companies related by virtue of common control.

Key management personnel

There are no members of key management personnel other than the directors.

28. Controlling party

The smallest group of undertakings for which consolidated group accounts, which include the company, have been drawn up is headed by Amcomri Group Limited. Amcomri Group Limited has the same registered office as the company.

The ultimate controlling party is Paul McGowan by virtue of his controlling interest in Amcomri Group Limited.

PART IV – SECTION F

Historical Financial Information of JA Harrison & Company (Manchester) Limited for the period ended 31 December 2021

J.A. Harrison & Company (Manchester) Limited

Annual report and financial statements

For the period ended 31 December 2021

Registered number: 01236981

Company Information

Directors	Steve Jones Carole Shepherd Kieth Shepherd
Registered number	01236981
Registered office	Britain Works Greengate Industrial Estate Greenside Way Middleton Manchester M24 1SW
Independent auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Contents

Directors' report

For the period ended 31 December 2021

The directors present their report and the financial statements of J.A. Harrision & Company Limited ('the company') for the 15 month period ended 31 December 2021.

The comparative figures are for the year ended 30 September 2020.

Principal activity

The principal activity of the company continued to be that of gasket manurfacturers and mill furnishers.

Results and dividends

The profit for the period, after taxation, amounted to £547,670 (year ended 30 September 2020 - £445,636).

During the period, the directors declared a dividend of £126,370 (year ended 30 September 2020 - £174,157).

Directors

The directors who served during the period were:

Steve Jones (appointed 7 May 2021)
Carole Shepherd
Kieth Shepherd
Andrew Blythe (resigned 8 May 2021)
Paul Ratcliffe (resigned 8 May 2021)
Alan Shepherd (resigned 8 May 2021)
Elain Shepherd (resigned 8 May 2021)
Janet Shepherd (resigned 8 May 2021)
Martin Shepherd (resigned 8 May 2021)
Harry Wild (resigned 8 May 2021)
Jan Williams (resigned 8 May 2021)

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the Strategic report, financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the 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 company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' report (continued)

For the period ended 31 December 2021

Directors' responsibilities statement (continued)

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

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 5 September 2022 and signed on its behalf by:

Kieth Shepherd
Director

Strategic report

For the period ended 31 December 2021

Introduction

The company is a supplier and manufacturer of gaskets, seals and sealing technologies to companies in many key industrial sectors. Our manufacturing base is in Manchester but we also have a complimentary facility in Cardiff, South Wales.

Our strategy for the business is threefold. Firstly to increase market share by organic growth, selected acquisitions, diversification into new products and both market and geographic expansion. Secondly to grow revenues, margins and profits through continuous improvement in manufacturing methodologies and by the use of the recently installed ERP system. Finally it is to exploit the opportunities given by the move to the new State of the Art facility in Manchester in 2017.

Business review

The period to 31 December 2021 brought continued growth in sales and gross margin with sales up 9% on the previous pro rated year and gross margin up from 31.4% to 35.7%. Sales orders and enquiries returning to normal levels following the dip caused by the Covid pandemic. Operating profit improvements were also seen.

The company has maintained its market share in key industrial sectors and continues to deliver high quality products and services and exemplary customer service. The decision to expand into new markets processing metal components added to the increase in sales.

The company believes diversifying into new markets and expanding the product portfolio will enable continued growth and have a positive effect on profit in the years to come.

Principal risks and uncertainties

The management team monitors the on-going operational and financial performance of the company as an agenda item during regular business review meetings and believes that major risks and uncertainties are being addressed as and when they arise.

The principal risks and uncertainties impacting the company along with the procedures in place to mitigate these risks and uncertainties are described below:

Adverse economic conditions

- Diversity of product range and operations
- Diversification and widening of customer base

Changes in industry standards

- Long term supply agreements with major suppliers
- In house quality and product developments
- Proactive management of stock levels
- Interaction with customers

Failure of a major supplier

- Detailed financial and quality review of key suppliers
- Multi sourcing arrangements in place to counter supply chain disruption

Strategic report (continued)
For the period ended 31 December 2021

Principal risks and uncertainties (continued)

Stock loss

- Stock held two locations
- Insurance cover sufficient to replace lost stock immediately

Reliance on and retention of key personnel

- Active encouragement of promotion within the company
- Continued vocational training, personal development and staff appraisal systems
- Competitive remuneration packages, including a generous pension package

Financial key performance indicators

Working Capital Requirement

The company has invested substantially to ensure increased product demands can be met and enable access into new, supporting, markets.

The company has maintained a positive cash position and utilises external working capital funding through a debtor facility. This is supported by a strong balance sheet and the continually improving trading performance should further increase the cash position into 2022.

Other key performance indicators

Research and Development

The company is totally committed to research and development and several members of the management team are engaged in ensuring that the company's products are at the forefront of a very competitive market.

Human Resources

In the recruitment of staff and future career development, individuals are considered having regard to their aptitude and abilities, irrespective of sex, race, marital status or disability.

Health and Safety

The company seeks to comply with all relevant health and safety legislation to ensure, as far as reasonably practicable, that safe working rules are established, maintained and adhered to in order to secure the safety of employees, contractors and visitors within all areas of the company's responsibility. All employees are educated in aspects of health and safety within their environment and beyond, with suitable procedures in place to cover incidents, should they arise.

This report was approved by the board on 5 September 2022 and signed on its behalf by:

Kieth Shepherd
Director

Buzzacott

Independent auditor's report to the members of J.A. Harrison & Company (Manchester) Limited

For the period ended 31 December 2021

Opinion

We have audited the financial statements of JA Harrison and Company Limited ('the Company') for the period ended 31 December 2021, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 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.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditor's report to the members of J.A. Harrison & Company (Manchester) Limited (continued)

For the period ended 31 December 2021

Other information (continued)

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of J.A. Harrison & Company (Manchester) Limited (continued)

For the period ended 31 December 2021

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the company through discussions with the directors and other management at the planning stage;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations; and
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company including the Companies Act 2006 and taxation legislation.

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal expenditure and correspondence throughout the period for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- determined the susceptibility of the company to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process
- performed analytical procedures to identify any large, unusual or unexpected transactions and investigated any large variances from the prior period;
- reviewed journal entries to identify any unusual transactions;
- reviewed accounting estimates and evluated where judgements or decisions made by management indicated bias on the part of the company's management;
- performed substantive testing on income, tracing order and dispatch records through to receipt of cash in the bank; and
- carried out substantive testing to check the occurence and cut-off of expenditure.

Independent auditor's report to the members of J.A. Harrison & Company (Manchester) Limited (continued)

For the period ended 31 December 2021

Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error as they may involve deliberate concealment or collusion. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Chapman (Senior statutory auditor)
for and on behalf of
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

5 September 2022

Statement of comprehensive income

For the period ended 31 December 2021

	Note	**15 month period ended 31 December 2021 £**	Year ended 30 September 2020 £
Turnover	4	**10,058,316**	7,370,712
Cost of sales		**(6,466,246)**	(5,056,815)
Gross profit		**3,592,070**	2,313,897
Administrative expenses		**(3,079,422)**	(2,435,615)
Other operating income	5	**180,521**	308,228
Other operating charges		**(50,000)**	-
Operating profit	6	**643,169**	186,510
Amounts written off investments		**-**	(132,091)
Interest receivable and similar income	10	**171**	172,202
Interest payable and similar expenses	11	**(288,206)**	(34,604)
Profit before tax		**355,134**	192,017
Tax on profit	12	**192,536**	253,619
Profit for the financial period		**547,670**	445,636

There was no other comprehensive income for 2021 or 2020.

The notes on pages 12 to 29 form part of these financial statements.

Statement of financial position

As at 31 December 2021

	Note		31 December 2021 £		30 September 2020 £
Fixed assets					
Intangible assets	14		**136,104**		161,104
Tangible assets	15		**3,107,698**		3,237,201
			3,243,802		3,398,305
Current assets					
Stocks	16	**1,602,116**		1,302,144	
Debtors	17	**5,931,949**		1,727,054	
Cash at bank and in hand	18	**117,550**		1,075,109	
		7,651,615		4,104,307	
Creditors: amounts falling due within one year	19	**(1,884,639)**		(2,661,949)	
Net current assets			**5,766,976**		1,442,358
Total assets less current liabilities			**9,010,778**		4,840,663
Creditors: amounts falling due after more than one year	20		**(3,732,000)**		(36,344)
Provisions for liabilities					
Deferred tax	23	**(86,396)**		(61,221)	
			(86,396)		(61,221)
Net assets			**5,192,382**		4,743,098
Capital and reserves					
Called up share capital	24		**29,400**		27,000
Share premium account	25		**25,584**		-
Capital redemption reserve	25		**41,683**		41,683
Profit and loss account	25		**5,095,715**		4,674,415
			5,192,382		4,743,098

The financial statements were approved and authorised for issue by the board on and were signed on its behalf by:5 September 2022.

Kieth Shepherd
Director

The notes on pages 12 to 29 form part of these financial statements.

Statement of changes in equity

For the period ended 31 December 2021

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 October 2019	**27,000**	**-**	**41,683**	**4,402,936**	**4,471,619**
Profit for the year	-	-	-	**445,636**	**445,636**
Dividends	-	-	-	**(174,157)**	**(174,157)**
At 1 October 2020	**27,000**	**-**	**41,683**	**4,674,415**	**4,743,098**
Profit for the period	-	-	-	**547,670**	**547,670**
Dividends	-	-	-	**(126,370)**	**(126,370)**
Shares issued during the period	**2,400**	**25,584**	-	-	**27,984**
At 31 December 2021	**29,400**	**25,584**	**41,683**	**5,095,715**	**5,192,382**

The notes on pages 12 to 29 form part of these financial statements.

Notes to the financial statements

For the period ended 31 December 2021

1. General information

J.A. Harrison & Company (Manchester) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Britain Works, Greengate Industrial Estate, Greenside Way, Middleton, Manchester, M24 1SW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', ('FRS 102') and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 FRS 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
  the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7;
- the requirement of paragraph 24(b) of IFRS 6 Exploration for and Evaluation of Mineral Resources to disclose
- the operating and investing cash flows arising from the exploration for and evaluation of mineral resources (when applying this standard in accordance with paragraph 34.11 of FRS 102).

This information is included in the consolidated financial statements of Amcomri Group Limited as at 31 December 2021 and these financial statements may be obtained from Companies House.

Notes to the financial statements

For the period ended 31 December 2021

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

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 and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

Notes to the financial statements

For the period ended 31 December 2021

2. Accounting policies (continued)

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.10 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.Enter text here - user input

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.11 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Notes to the financial statements

For the period ended 31 December 2021

2. Accounting policies (continued)

2.11 Current and deferred taxation (continued)

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of comprehensive income over its useful economic life.

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold and long leasehold property	- 2% straight line
Works equipment	- 20% reducing balance
Other equipment	- 20% reducing balance

2.14 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.15 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Notes to the financial statements
For the period ended 31 December 2021

2. Accounting policies (continued)

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.17 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.18 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Notes to the financial statements
For the period ended 31 December 2021

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factos that are considered to be relevant. Actual results may differ from these estimates.

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

4. Turnover

The whole of the turnover is attributable to the prinicpal activity of the company.

Analysis of turnover by country of destination:

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
United Kingdom	**8,910,321**	6,675,463
Rest of Europe	**762,135**	352,600
Rest of the world	**385,860**	342,649
	10,058,316	7,370,712

5. Other operating income

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
JRS rants received	**131,728**	279,656
Other grants received	**-**	28,572
Sundry income	**48,793**	-
	180,521	308,228

Notes to the financial statements

For the period ended 31 December 2021

6. Operating profit

The operating profit is stated after charging:

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Operating lease charges	**161,078**	119,285
Profit on disposal of tangible fixed assets	-	271
Exchange differences	**8,671**	15,069
Depreciation	**267,649**	220,210
Amortisation	**25,000**	29,868

7. Auditor's remuneration

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Fees payable to the Company's auditor or the audit of the Company's annual financial statements	**11,500**	13,000

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

Auditor's remuneration for the year ended 30 September 2020 was for the previous auditor of the company.

Notes to the financial statements
For the period ended 31 December 2021

8. Employees

Staff costs, including directors' remuneration during the period, were as follows:

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Wages and salaries	**2,988,561**	2,420,633
Social security costs	**262,227**	215,897
Cost of defined contribution scheme	**79,715**	97,639
	3,330,503	2,734,169

The average monthly number of employees, including the directors, during the period was as follows:

	15 month period ended 31 December 2021 No.	Year ended 30 September 2020 No.
Management & administration	**15**	14
Sales & marketing	**17**	27
Production	**52**	51
	84	92

9. Directors' remuneration

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Directors' emoluments	**411,473**	531,236
Company contributions to defined contribution pension schemes	**2,010**	5,007
	413,483	536,243

The number of directors for whom retirement benefits are acruing under defined contribtuon schemes amounted to 3 (2020 - 7).

The highest paid director received remuneration of £102,908 (2020 - £76,402).

Notes to the financial statements

For the period ended 31 December 2021

10. Interest receivable and similar income

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Interest receivable from bank deposits	**171**	111
Income from shares in group undertakings	**-**	172,091
	171	172,202

11. Interest payable and similar expenses

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Interest on finance lease and hire purchase contracts	**-**	3,654
Interest payable from loans from group undertakings	**166,238**	-
Other interest payable	**121,968**	30,950
	288,206	34,604

Notes to the financial statements
For the period ended 31 December 2021

12. Taxation

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Corporation tax		
Current tax on profits for the year	**(217,711)**	-
Adjustments in respect of previous periods	**-**	(187,732)
	(217,711)	(187,732)
Total current tax	**(217,711)**	(187,732)
Deferred tax		
Origination and reversal of timing differences	**5,841**	(26,620)
Changes to tax rates	**19,334**	14,955
Previously unrecognised tax loss, tax credit or timing differences	**-**	(54,222)
Total deferred tax	**25,175**	(65,887)
Taxation on loss on ordinary activities	**(192,536)**	(253,619)

Notes to the financial statements

For the period ended 31 December 2021

12. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period/year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	15 month period ended 31 December 2021 £	Year ended 30 September 2020 £
Profit on ordinary activities before tax	**355,134**	192,017
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	**67,475**	36,483
Effects of:		
Expenses not deductible for tax purposes	**4,075**	-
Capital allowances for period/year in excess of depreciation	**1,833**	17,714
Utilisation of tax losses	**-**	(73,361)
Non-taxable income	**(32)**	-
R&D tax credits	**(217,711)**	-
Tax deduction arising from exercise of employee options	**(68,295)**	-
Unrelieved tax losses carried forward	**-**	(61,678)
Movements in deferred tax	**20,119**	-
Adjustments in respect of prior periods	**-**	(187,732)
Effect of change in corporation tax rate	**-**	14,955
Total tax charge for the period/year	**(192,536)**	(253,619)

Factors that may affect future tax charges

At 31 December 2021, the company had gross surplus tax losses of approximately £286,000 (2020 - £286,000) which are available to offset against future trading profits; a deferred tax asset has been recognised in relation to unusued losses in the year.

On 10 June 2021, the Finance Bill 2021 received Royal Assent. The Bill confirms an increase in the corporation tax rate from 1 April 2023. From this date, the rate will taper from 19% for businesses with profits of less than £50,000 to 25% for businesses with profits over £250,000.

Notes to the financial statements
For the period ended 31 December 2021

13. Dividends

	Period ended 31 December 2021 £	Year ended 30 September 2020 £
Ordinary dividends	**126,370**	174,157

14. Intangible assets

	Goodwill £
Cost	
At 1 October 2020	**743,199**
At 31 December 2021	**743,199**
Amortisation	
At 1 October 2020	**582,095**
Charge for the period	**25,000**
At 31 December 2021	**607,095**
Net book value	
At 31 December 2021	**136,104**
At 30 September 2020	161,104

Notes to the financial statements

For the period ended 31 December 2021

15. Tangible fixed assets

	Freehold and long leaseold property £	Works equipment £	Other equipment £	Total £
Cost or valuation				
At 1 October 2020	**2,698,324**	**1,667,381**	**536,746**	**4,902,451**
Additions	**-**	**18,570**	**119,576**	**138,146**
At 31 December 2021	**2,698,324**	**1,685,951**	**656,322**	**5,040,597**
Depreciation				
At 1 October 2020	**160,375**	**1,117,187**	**387,688**	**1,665,250**
Charge for the period	**67,442**	**127,549**	**72,658**	**267,649**
At 31 December 2021	**227,817**	**1,244,736**	**460,346**	**1,932,899**
Net book value				
At 31 December 2021	**2,470,507**	**441,215**	**195,976**	**3,107,698**
At 30 September 2020	2,537,949	550,194	149,058	3,237,201

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	31 December 2021 £	30 September 2020 £
Works equipment	**74,947**	82,835
	74,947	82,835

16. Stocks

	31 December 2021 £	30 September 2020 £
Raw materials and consumables	**1,602,116**	1,302,144

Notes to the financial statements

For the period ended 31 December 2021

17. Debtors

	31 December 2021 £	30 September 2020 £
Trade debtors	**1,822,446**	1,660,133
Amounts owed by group companies	**4,044,826**	8,810
Other debtors	**37,826**	45,433
Prepayments and accrued income	**17,863**	3,690
Tax recoverable	**8,988**	8,988
	5,931,949	1,727,054

Included within other debtors includes advances to directors of £Nil (2020 - £21,497). No interest has been charged on amounts owing to the company.

18. Cash and cash equivalents

	31 December 2021 £	30 September 2020 £
Cash at bank and in hand	**117,550**	1,075,109

19. Creditors: amounts falling due within one year

	31 December 2021 £	30 September 2020 £
Bank loans	-	920,992
Other loans	**354,222**	-
Government grants	**147,255**	147,255
Trade creditors	**961,196**	884,615
Amounts owed to group undertakings	**100**	100
Other taxation and social security	**321,149**	542,497
Obligations under finance lease and hire purchase contracts	**21,253**	22,500
Other creditors	-	1,008
Accruals and deferred income	**79,464**	142,982
	1,884,639	2,661,949

Notes to the financial statements

For the period ended 31 December 2021

20. Creditors: amounts falling due after more than one year

	31 December 2021 £	30 September 2020 £
Bank loans	**-**	27,288
Other loans	**3,694,188**	-
Net obligations under finance leases and hire purchase contracts	**37,812**	9,056
	3,732,000	36,344

21. Loans

Analysis of the maturity of loans is given below:

	31 December 2021 £	30 September 2020 £
Amounts falling due within one year		
Bank loans	-	920,992
Other loans	**354,222**	-
Amounts falling due after one year		
Bank loans	-	27,288
Other loans	**3,694,188**	-
	4,048,410	948,280

The other loans are secured by fixed and floating charges over the assets of the company.

Notes to the financial statements
For the period ended 31 December 2021

22. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	31 December 2021 £	30 September 2020 £
Within one year	**21,253**	26,351
Between 1-5 years	**40,005**	8,443
Less: future finance charges	**(3,313)**	(3,418)
	57,945	31,376

Obligations under hire purchase contracts represent rentals payable by the company for certain items of plant and machinery. Contracts include purchase options at the end of the contract period, an no restrictions are placed on the use of the assets. The average term is four years. All contracts are on a fixed repayment bassis and no arrangements have been entered into for contingent rental payments.

Obligations under hire purchase contracts are secured by fixed charges on the assets concerned.

23. Deferred taxation

	2021 £
At beginning of year	**(61,221)**
Charged to profit or loss	**(25,175)**
At end of year	**(86,396)**

The provision for deferred taxation is made up as follows:

	31 December 2021 £	30 September 2020 £
Accelerated capital allowances	**(120,417)**	(115,443)
Tax losses carried forward	**32,889**	54,222
Short term timing differences	**1,132**	-
	(86,396)	(61,221)

Notes to the financial statements
For the period ended 31 December 2021

24. Share capital

	31 December 2021 £	30 September 2020 £
Allotted, called up and fully paid		
29,400 (2020 - 27,000) Shares shares of £1.00 each	**29,400**	27,000

During the period, the company issued 2,400 shares at par.

25. Reserves

Share premium account

Share premium represents the premium paid on shares issued.

Capital redemption reserve

Includes the nominal value of all shares redeemed in current and prior periods.

Profit and loss account

Includes all current and prior period retained profits and losses.

26. Contingent liabilities

The company had no contingent liabilities at 31 December 2021 or 30 September 2020.

27. Capital commitments

The company had no capital commitments at 31 December 2021 or 30 September 2020.

28. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the companu in independently administered funds. The pension cost charge represents contributions payable by the company to the fund and amounted to £79,715 (2020 - £97,639). Contributions totalling £7,573 (2020 - £1,008) were payable to the fund at the reporting date and are inducted in creditors.

Notes to the financial statements

For the period ended 31 December 2021

29. Commitments under operating leases

At 31 December 2021 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	31 December 2021 £	30 September 2020 £
Not later than 1 year	**53,281**	78,902
Later than 1 year and not later than 5 years	**22,500**	57,930
Later than 5 years	**-**	37,500
	75,781	174,332

30. Related party transactions

During the period the company paid rent of £56,250 (2020 - £45,000) for properties owned by the Trustees of the J.A. Harrison & Company (Manchester) Limited SSAS. Directors of the company are trustees and beneficiaires of this pension scheme.

At 31 December 2021, £4,043,106 (30 September 2020 - £nil) was due to companies under common control. At 31 December 2021, net amounts totalling £57,779 (30 September 2020 - £nil) was due to the company from companies under common control. All of these transactions were made on an arms length basis and are included within trade debtors and trade creditors.

Key management personnel

The remuneration of key management, including directors totalled £593,220 (period ended 30 September 2020 - £536,243)

31. Controlling party

The smallest group of undertakings for which consolidated group accounts, which include the company, have been drawn up is headed by Amcomri Group Limited. Amcomri Group Limited has the same registered office as the company.

The ultimate controlling party is Paul McGowan by virtue of his controlling interest in Amcomri Group Limited.

PART IV – SECTION G

RECONCILIATION OF UK GAAP MANAGEMENT ACCOUNTS TO AUDITED FY23 STATUTORY RESULTS

The table below provides a reconciliation of the audited FY23 statutory accounts to management accounts as prepared under UK GAAP:

FY23	*Presentation – UK GAAP £'m*	*IFRS 16 Leases[1] £'m*	*Adjusted Totals £'m*	*Exceptional non trading expenses[2] £'m*	*IFRS 3 Acquisition costs[3] £'m*	*IAS38 Amortisation of intangibles[4] £'m*	*Audited FY23 Statutory £'m*
Revenue	47.1	–	47.1	–	–	–	47.1
COGS	(31.9)	–	(31.9)	–	–	–	(31.9)
Gross profit	15.2	–	15.2	–	–	–	15.2
Operating expenses	(10.2)	0.8	(9.4)	–	–	–	(9.4)
EBITDA	**5.0**	**0.8**	**5.8**[5]	**–**	**–**	**–**	**5.8**
Exceptional non-trading expenses	–	–	–	(1.1)	–	–	(1.1)
IFRS3 acquisition costs	–	–	–	–	(0.3)	–	(0.3)
FA depreciation	(0.5)	–	(0.5)	–	–	–	(0.5)
IFRS16 assets depreciation	(0.0)	(0.7)	(0.7)	–	–	–	(0.7)
Amortisation of intangibles	(0.0)	–	–	–	–	(0.2)	(0.2)
EBIT	**4.5**	**0.1**	**4.6**[6]	**(1.1)**	**(0.3)**	**(0.2)**	**3.0**
Interest income	0.0	–	–	–	–	–	–
Interest charges	(1.4)	–	(1.4)	–	–	–	(1.4)
IFRS16 interest recognition	–	(0.2)	(0.2)	–	–	–	(0.2)
Exceptionals	(1.1)	–	(1.1)	1.1	–	–	–
Profit before tax	**2.0**	**(0.1)**	**1.9**	**–**	**(0.3)**	**(0.2)**	**1.4**
Tax	(0.6)	–	(0.6)	–	–	–	(0.6)
Profit after tax	**1.4**	**(0.1)**	**1.3**	**–**	**(0.3)**	**(0.2)**	**0.8**

Notes:

1. **IFRS 16 – Leases**. The depreciation expense on the right-of-use assets is recognised within operating expenses in the statement of comprehensive income in the audited financial statements.
2. **Exceptional non trading expenses** – Presentational disclosure of exceptional non trading expenses included within operating profit on the statement of comprehensive income in the audited financial statements.
3. **IFRS 3 – Business combinations**. Costs incurred in relation to acquisitions must be expensed in the period they are incurred (Kestrel Valve, Spiral Weld, WJPS).
4. **IAS38 – Intangible assets**. Recognising amortisation on the 'customer relationship' intangible asset.
5. **Adjusted EBITDA** referred to throughout this document is calculated as EBITDA adjusted for exceptional non-trading expenses and IFRS 3 acquisition costs. Adjusted EBITDA for FY21, FY22 and FY23 was £2.7 million, £4.6 million and £5.8 million, respectively.
6. **Adjusted EBIT** referred to throughout this document is calculated as EBIT adjusted for exceptional non-trading expenses, IFRS 3 acquisition costs, IFRS 3 gain on bargain purchase and IAS 38 amortisation of intangibles. Adjusted EBIT for FY21, FY22 and FY23 was £2.0 million, £3.7 million and £4.6 million, respectively.

The table below provides a reconciliation of the unaudited H124 statutory accounts to management accounts as prepared under UK GAAP:

H124	*Presentation – UK GAAP £'m*	*IFRS 16 Leases[1] £'m*	*Adjusted Totals £'m*	*IAS38 Amortisation of intangibles[2] £'m*	*IFRS 3 Gain on bargain purchase[3] £'m*	*Unaudited H124 Statutory £'m*
Revenue	27.3	–	27.3	–	–	27.3
COGS	(17.0)	–	(17.0)	–	–	(17.0)
Gross profit	10.2	–	10.2	–	–	10.2
Operating expenses	(6.7)	0.4	(6.3)	–	–	(6.3)
EBITDA	**3.5**	**0.4**	**4.0[4]**	**–**	**–**	**3.9**
FA depreciation	(0.4)	–	(0.4)	–	–	(0.4)
IFRS16 assets depreciation	–	(0.3)	(0.3)	–	–	(0.4)
Amortisation of intangibles	–	–	–	(0.2)	(0.3)	(0.5)
Gain on bargain purchase	–	–	–	–	0.6	0.6
EBIT	**3.1**	**0.1**	**3.2[5]**	**(0.2)**	**0.3**	**3.3**
Interest income	–	–	–	–	–	–
Interest charges	(1.1)	–	(1.1)	–	–	(1.1)
IFRS16 interest recognition	–	(0.1)	(0.1)	–	–	(0.1)
Exceptionals	(0.2)	–	(0.2)	–	–	(0.2)
Profit before tax	**1.8**	**–**	**1.8**	**(0.2)**	**0.3**	**1.9**
Tax	(0.5)	–	(0.5)	–	–	(0.5)
Profit after tax	**1.3**	**–**	**1.3**	**(0.2)**	**0.3**	**1.4**

Notes:

1. **IFRS 16 – Leases**. The depreciation expense on the right-of-use assets is recognised within operating expenses in the statement of comprehensive income in the audited financial statements.
2. **IAS38 – Intangible assets**. Recognising amortisation on the 'customer relationship' intangible asset.
3. **IFRS 3 – Business combination**. Gain on bargain purchase is recognised in the profit and loss statement in the period of acquisition of the business, any negative goodwill previously amortised under UK GAAP is reversed.
4. **Adjusted EBITDA** referred to throughout this document is calculated as EBITDA adjusted for exceptional non-trading expenses and IFRS 3 acquisition costs.
5. **Adjusted EBIT** referred to throughout this document is calculated as EBIT adjusted for exceptional non-trading expenses, IFRS 3 acquisition costs, IFRS 3 gain on bargain purchase and IAS 38 amortisation of intangibles.

PART V

ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

The Directors, whose names and functions are set out on page 10 of this document, and the Company, whose registered office is set out on page 10 of this document, accept responsibility, both individually and collectively, for all the information contained in this document, and compliance with the AIM Rules for Companies. To the best of the knowledge and belief of the Directors and the Company (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. THE COMPANY

2.1 The Company was incorporated and registered in England and Wales on 30 September 2022 as a private company limited by shares under the Act under the name Larvotto Limited with registration number 14390325.

2.2 On 4 November 2022, the Company changed its name to Amcomri Group Limited.

2.3 On 20 November 2024, the Company was re-registered as a public limited company under the Act and changed its name to Amcomri Group plc.

2.4 The Company is a public limited company and accordingly the liability of its members is limited to the amount paid up or to be paid on their shares. The principal legislation under which the Company operates and which the Placing Ordinary Shares will be issued is the Act and regulations made thereunder.

2.5 The Company's principal activity is that of a holding company. It is the ultimate parent company of the Group comprising the Company and the subsidiary undertakings set out in paragraph 3 of this Part V. Further details of the history and background of the Company are set out in paragraphs 2 and 3 of Part I. Further particulars on the operations and principal activities of each member of the Group are set out at paragraph 3 below.

2.6 The registered office and corporate headquarters of the Company is 46-48 Beak Street, London, W1F 9RJ.

2.7 The accounting reference date of the Company is 31 December.

2.8 The telephone number of the Company is c/o Walbrook Public Relations + 44 (0)20 7933 8780.

2.9 The Company's website address is https://amcomrigroup.com. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this document.

2.10 The International Securities Identification Number ("**ISIN**") for the Ordinary Shares is GB00BMBWCV32. The Stock Exchange Daily Official List ("**SEDOL**") number is BMBWCV3.

2.11 The Company's Legal Entity Identifier ("**LEI**") is 64887R4549E0TZ3ZZV74.

3. THE GROUP

3.1 The Company is the holding company of the Group. The following table contains details of the Group Companies (both direct and indirect) as at Admission, each of which is incorporated in England & Wales:

Company name	*Principal activity*	*Ownership and Voting Interest*
Alliance & Heatshield Engineering (South Wales) Limited(1)	Dormant	100% (indirect)
Amcomri 14 Limited	Holding company	100%
Bex Design & Print Ltd	Industrial screen and digital printer of membrane switches, graphic overlays, plates & labels	100%
Blundell Production Holdings Limited	Holding company	90%
Blundell Production Equipment Limited(2)	Import and distribution of capital equipment required for printed circuit board production	100% (indirect)
Claro Precision Engineering Limited	Precision engineering	100%
Drurys Engineering Limited	Manufacturing, machining and assembly	100%
Dunville Limited	Holding company	100%
Etrac Limited(3)	Testing & repair of railway vehicle electric traction & control equipment	100% (indirect)
Etrac Trading Limited(4)	Holding company	100% (indirect)
IVS Swansea Limited	Industrial valve maintenance and overhaul services	100%
JA Harrison & Company (Manchester) Limited(5)	Industrial gaskets and sealing solutions manufacturing and supply	100% (indirect)
Kestrel Valve and Engineering Services Limited	Control valve repair and service	100%
Premier Limpet Limited	Adhesive tape manufacturing	100%
TP Matrix Limited(6)	Electronic obsolescence management, overhaul and repair with focus in the rail sector	100% (indirect)
South Wales Industrial Valves Services Limited(7)	Industrial valve reconditioning, maintenance and service	100% (indirect)
Spiral Weld Limited	Welding	100%
WJ Project Services Limited(8)	Low & high voltage systems, protection testing, including railway, national grid & distribution network operator interfaces	100% (indirect)
WJPS Holdings Limited	Holding company	100%

(1) Alliance & Heatshield Engineering (South Wales) Limited is a wholly owned subsidiary of JA Harrison & Company (Manchester) Limited.

(2) Blundell Production Limited is a wholly owned subsidiary of Blundell Production Holdings Limited.

(3) Etrac Limited is a wholly owned subsidiary of Etrac Trading Limited.

(4) Etrac Trading Limited is a wholly owned subsidiary of Amcomri 14 Limited.

(5) JA Harrison & Company (Manchester) Limited is a wholly owned subsidiary of Dunville Limited.

(6) TP Matrix Limited is a wholly owned subsidiary of Amcomri 14 Limited.

(7) South Wales Industrial Valves Services Limited is a wholly owned subsidiary of IVS Swansea Limited.

(8) WJ Project Services Limited is a wholly owned subsidiary of WJPS Holdings Limited.

4. GROUP REORGANISATION

In 2023, the Company carried out an intra-group reorganisation, the steps of which are summarised below:

4.1 **Capital Reduction**

On 1 March 2023, the Company carried out a reduction of capital by way of a directors' solvency statement, for the purposes of creating distributable reserves, whereby it reduced its issued share capital from £100 to £0.00001, by cancelling and extinguishing 9,999,999 of the Company's shares in issue at the time.

4.2 **Share Allotment**

Following the capital reduction, the Company allotted and issued 9,763,029 new Ordinary Shares in the capital of the Company to the shareholders noted in paragraph 5.1.3 below, resulting in the issued share capital of the Company being 9,763,030 Ordinary Shares.

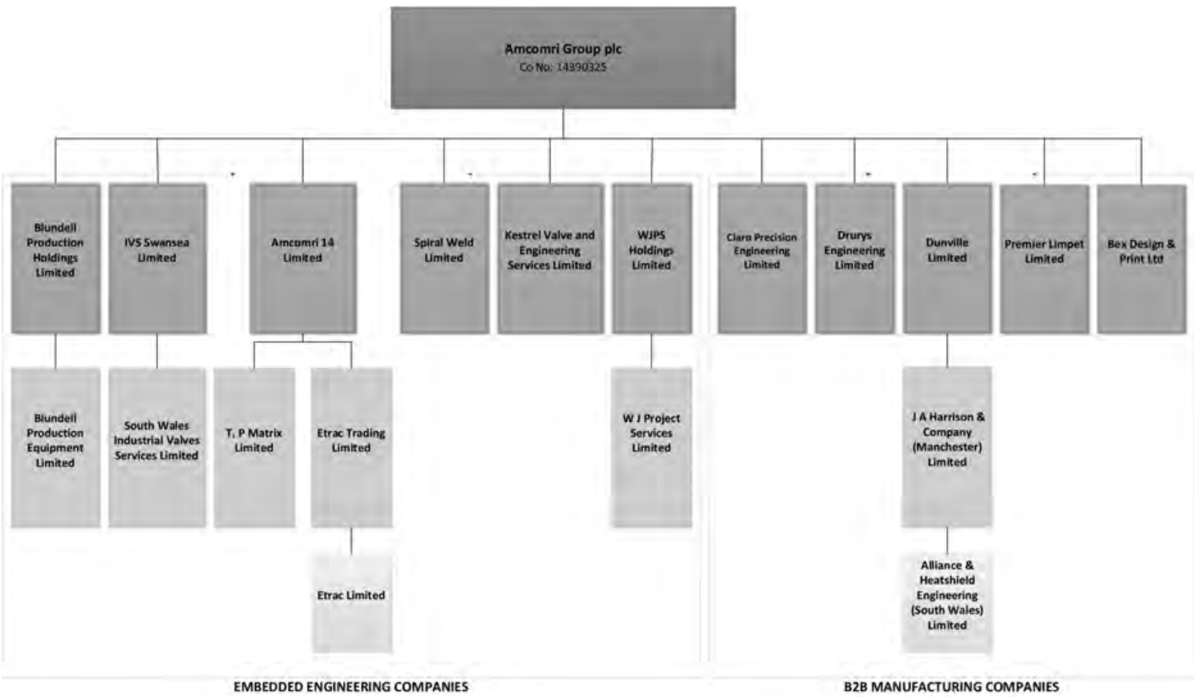
4.3 **Demerger**

In August 2023, the Group entered into a demerger agreement ("**Demerger Agreement**") with Fawley Industrial Limited ("**Fawley**"), pursuant to which Fawley transferred the entirety of its shareholding in Premier Limpet Limited ("**Premier Limpet**"), Dunville Limited ("**Dunville**"), Blundell Production Equipment Limited ("**BPEL**"), BPH, Amcomri 14 Limited ("**Amcomri 14**") and IVS to the Company with all rights, and free from all encumbrances. The consideration under the Demerger Agreement was the issue by the Company of new Ordinary Shares to the shareholders of Fawley, on the basis of one Ordinary Share for every ordinary share of £0.642 each in the capital of the Fawley, one Ordinary Share for every A ordinary share of £0.01035 each in the capital of Fawley and one Ordinary Share for every B ordinary share of £0.01035 in the capital of Fawley (the "**Demerger**").

4.4 **Minority Shareholder Share for Share Exchange**

Following the Demerger, the Company entered into share exchange agreements with the minority shareholders in IVS and certain minority shareholders of BPH, pursuant to which the Company acquired 100 B ordinary shares in the capital of BPH and 5,000 B ordinary shares, 5,000 C ordinary shares and 8,109 D ordinary shares in the capital of IVS.

4.5 The organisational structure of the Group is illustrated in the following chart:



5. SHARE CAPITAL

5.1 The following is a summary of the changes to the issued share capital of the Company between the date of incorporation and the date of this document:

5.1.1 on incorporation, the Company had 10,000,000 Ordinary Shares of £0.00001 each in issue;

5.1.2 on 28 February 2023, the Company carried out a reduction of capital by way of solvency statement reducing the entire issued share capital of the Company to £0.00001;

5.1.3 on 28 March 2023, 9,763,029 Ordinary Shares were issued to the following shareholders in the amounts of:

(a) 6,900,997 Ordinary Shares to Amcomri Holdings;

(b) 487,175 Ordinary Shares to Mark O'Neill;

(c) 97,630 Ordinary Shares to Inca Lockhart-Ross;

(d) 585,782 Ordinary Shares to Paul Mc Gowan;

(e) 1,208,175 Ordinary Shares to Stephill Investments Limited; and

(f) 483,270 Ordinary Shares to Laurence Howard,

5.1.4 on 31 August 2023, 9,763,030 Ordinary Shares were issued to the following shareholders in the amounts of:

(a) 6,900,998 Ordinary Shares to Amcomri Holdings;

(b) 487,175 Ordinary Shares to Mark O'Neill;

(c) 97,630 Ordinary Shares to Inca Lockhart-Ross;

(d) 585,782 Ordinary Shares to Paul Mc Gowan;

(e) 1,208,175 Ordinary Shares to Stephill Investments Limited; and

(f) 483,270 Ordinary Shares to Laurence Howard,

5.1.5 on 30 November 2023, 1,441,746 Ordinary Shares were issued to certain existing shareholders of IVS Swansea and BPH in consideration for the transfer of certain shares in IVS Swansea and BPH, pursuant to the share exchange agreements summarised at paragraph 4.4 of this Part V;

5.1.6 on 22 December 2023, pursuant to written resolutions of the Shareholders, 5,098,039 Ordinary Shares were issued at a conversion price of £1.02, following conversion of the Loan Notes in the amount of £5,200,000. The Company has the authority issue further Loan Notes up to the amount of £1,800,000, however the Company currently has no intention of issuing any further Loan Notes;

5.1.7 in connection with Admission, the Company has undertaken a reorganisation of its share capital (the "**Reorganisation**"). Pursuant to the Reorganisation:

(a) on 13 November 2024, 49,994,290,710 bonus Ordinary Shares ("**Bonus Shares**") were allotted and issued to the existing shareholders of the Company pursuant to ordinary resolutions approving the capitalisation of the Company's reserves and authorising the Directors to allot the Bonus Shares, and a special resolution disapplying statutory pre-emption rights in respect of the Bonus Shares (the "**Bonus Issue**");

(b) on 13 November 2024, following the Bonus Issue, the shareholders subscribed for 10,445 'top up' shares pursuant to a subscription letter (the "Subscription Shares"), the Subscription Shares were allotted and issued pursuant to ordinary resolutions authorising the Directors to allot the Subscription Shares, and a special resolution disapplying statutory pre-emption rights (the "Subscription Issue");

(c) on 13 November 2024, following the Bonus Issue and Subscription Issue, 50,020,367,000 Ordinary Shares were consolidated at a ratio of one new Ordinary Share of £0.01 each for every 1,000 existing ordinary shares of £0.00001 each, following which the Company has in issue 50,020,367 Ordinary Shares of £0.01 each;

5.2 Details of the total number of Share Options (all to be granted for nil consideration) pursuant to the LTIP immediately following Admission are as follows:

Share Option holder	*Date of grant*	*Expiry of Share Option*	*Number of Share Options granted*	*Exercise price per Ordinary Share (£)*
Hugh Whitcomb	20 December 2024	20 December 2034	414,546	£0.01
Mark O'Neill	20 December 2024	20 December 2034	160,000	£0.01
Siobhán Tyrrell	20 December 2024	20 December 2034	116,364	£0.01
Mark Mullen	20 December 2024	20 December 2034	126,000	£0.01
Steve Jones	20 December 2024	20 December 2034	112,728	£0.01

5.3 Prior to Admission, the Company will convene a general meeting to seek shareholder approval on the following terms in connection with the Placing:

5.3.1 subject to and conditional on Admission, the Directors be and they are hereby generally and unconditionally authorised in accordance with the provisions of section 551 of the Companies Act, in substitution for all subsisting authorities to the extent unused and without prejudice to any allotments of shares already made or offered or agreed to be made pursuant to the terms of any prior authorities conferred on them, to exercise all of the powers of the Company to allot shares in the Company, or grant rights to subscribe for or to convert any security into shares in the Company (such shares and rights to subscribe for or to convert any security into shares of the Company being "**Relevant Securities**"), up to an aggregate nominal amount of £219,585.45, provided that this authority shall be limited to the grant of Relevant Securities in connection with the issue of the Placing Shares and provided that this authority, unless it is, prior to its expiry, duly revoked or varied or is renewed, shall expire on the earlier of the conclusion of the next annual general meeting of the Company and the date which is 15 months from the date of passing of the resolutions, except that the Directors can during such period make offers or arrangements which could or might require the allotment or grant of Relevant Securities after the expiry of such period;

5.3.2 subject to the passing of the Resolution detailed at 5.3.1 above, in substitution for all subsisting authorities to the extent unused and subject to and conditional on Admission, in accordance with section 570 of the Companies Act, the Directors be and they are hereby given power to allot Relevant Securities for cash, within the meaning of section 560(1) of the Companies Act, pursuant to the general authority given to them by the Resolution detailed at 5.3.1 above as if section 561(1) of the Companies Act did not apply to the allotment, provided that this power is limited to up to an aggregate nominal amount of £219,585.45 in connection with the Placing and provided that this authority, unless it is, prior to its expiry, duly revoked or varied or is renewed, shall expire on the earlier of the conclusion of the next annual general meeting of the Company and the date which is 15 months from the date of passing of the Resolutions, except that the Directors can during such period make offers or arrangements which could or might require the allotment or grant of Relevant Securities after the expiry of such period; and

5.4 Prior to Admission, the Company will convene a general meeting to seek shareholder approval on the following terms:

5.4.1 the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act, in substitution for all subsisting authorities to the extent unused and without prejudice to any allotments of shares already made or offered or agreed to be made pursuant to the terms of any prior authorities conferred on them, to exercise all of the powers of the Company to allot or grant Relevant Securities in the Company as follows:

(a) up to an aggregate nominal amount of £239,461.83 (being equal to the nominal value of approximately one third of the number of Ordinary Shares in issue following Admission (excluding treasury shares)) (such amount to be reduced by the nominal value of any allotments or grants made under paragraph 5.4.1(b) below in excess of such amount); and

(b) comprising Relevant Securities up to an aggregate nominal amount of £478,923.66 (being equal to approximately the nominal value of two-thirds of the number of Ordinary Shares in issue following Admission (excluding treasury shares)) (such amount to be reduced by the nominal value of any allotments made under 5.4.1(a) above) in connection with an offer by way of a rights issue:

   (i) to Shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

   (ii) to holders of other Relevant Securities as required by the rights of those securities or as the Directors otherwise consider necessary,

provided always that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange in any territory or any other matter, such authority to expire at the earlier of the date which is 15 months from the date of the passing of the resolution and the conclusion of the next annual general meeting of the Company, except that the Company may at any time before such expiry make an offer or agreement which would or might require Relevant Securities to be allotted or granted after such expiry and the Directors may allot or grant relevant securities in pursuance of such an offer or agreement as if this authority had not expired,

5.4.2 subject to the passing of the resolution detailed at paragraph 5.4.1, in substitution for all subsisting authorities to the extent unused, the Directors be generally empowered pursuant to section 561 of the Companies Act to allot or grant Relevant Securities for cash, such authority to be limited to:

(a) the allotment or grant of Relevant Securities and sale of treasury shares in connection with rights issues, open offers and any other pre-emptive issues, but taking account of exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in or under the laws of any territory, or the requirements of any recognised regulatory body or any stock exchange in, any territory or any other matter;

(b) the allotment or grant of Relevant Securities and sale of treasury shares up to a nominal amount of £71,838.55 representing approximately 10 per cent. of the aggregate nominal amount of the share capital of the Company (excluding treasury shares) following Admission;

   (i) an allotment or grant of Relevant Securities and sale of treasury shares up to a nominal amount of £71,838.55 representing approximately 10 per cent. of the aggregate nominal amount of the share capital of the Company (excluding treasury shares) following Admission, such authority to be used only for the purpose of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date on which the resolution was passed; and

   (ii) an allotment of Relevant Securities or sale of treasury shares up to a nominal amount equal to 20 per cent. of any allotment or grant of Relevant Securities or sale of treasury shares from time to time under paragraph 5.4.2(a) or 5.4.2(b) above, such authority to be used only for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice,

such authority to expire upon the earlier of the conclusion of the next annual general meeting of the Company and the date which is 15 months from the date of passing of the resolution, except that the Directors can during such period make offers or arrangements which could or might require the allotment or grant of Relevant Securities after the expiry of such period.

5.5 The provisions of section 561 of the Act (to the extent not disapplied pursuant to section 570 of the Act) confer on Shareholders certain rights of pre-emption in respect of the allotment of equity securities (as defined in section 560(1) of the Act) which are, or are to be, paid up in cash and apply to the authorised but unissued equity share capital of the Company. These provisions have been disapplied to the extent referred to in paragraph 5.3.1 and 5.3.4 above.

5.6 Certain of the Ordinary Shares issued by the Company were issued for non-cash consideration in respect of the share exchange agreements (referred to above).

5.7 The issued and fully paid up share capital of the Company, as at the date of this document and as it is expected to be immediately following Admission, is as follows:

	As at the date of this document		*Immediately following Admission*	
	Number	*Nominal Value (£)*	*Number*	*Nominal Value (£)*
Ordinary Shares	50,020,367	500,203.67	71,838,549	718,385.49

5.7.1 The Ordinary Shares are in registered form and capable of being held in uncertificated form. Application has been made to Euroclear for the Ordinary Shares to be enabled for dealings through CREST as a participating security. No temporary documents of title will be issued. It is expected that definitive share certificates will be posted to those Shareholders who have requested the issue of Ordinary Shares in certificated form within 10 Business Days following Admission. The Registrar is responsible for maintaining the share register.

5.7.2 The legislation under which the Ordinary Shares are, or will be, issued is the Act and regulations made thereunder.

5.7.3 The rights attaching to the issued Ordinary Shares are uniform in all respects and all of the Ordinary Shares form a single class for all purposes. All the issued Ordinary Shares will rank in full for all dividends or other distributions hereafter declared.

5.7.4 There are no restrictions on transfer of the Ordinary Shares.

5.7.5 Save as set out in this document:

(a) no unissued share or loan capital of the Company is under option or is agreed conditionally or unconditionally to be put under option;

(b) there are no shares in the capital of the Company currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived;

(c) there are no outstanding convertible securities issued by the Company; and

(d) no share capital or loan capital of the Company is in issue and no such issue is proposed.

5.8 None of the Ordinary Shares have been sold or made available to the public in conjunction with the application for Admission.

5.9 Save as disclosed in this document, no commission, discounts, brokerages or other specific terms have been granted by the Company in connection with the issue or sale of any of its share or loan capital.

5.10 The Placing Price of 55 pence per Ordinary Share represents a premium of £0.54 over the nominal value of £0.01 per Ordinary Share and is payable in full on Admission, under the terms of the Placing.

5.11 The net asset value of an Existing Ordinary Share as at 30 June 2024, being the date up to which the historical financial information contained in this document was prepared, was £0.42. The number of Ordinary Shares in issue immediately following Admission will be 71,838,549.

6. ARTICLES OF ASSOCIATION

The Articles, which were adopted by the Company with effect from the re-registration of the Company as a public limited company, include provisions to the following effect:

6.1 Objects

The Articles contain no restriction on the objects of the Company.

6.2 Capital structure

The share capital of the Company is represented by an unlimited number of Ordinary Shares having the rights described in the Articles.

6.3 Voting rights

Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote, and on a poll every member shall have one vote for every Ordinary Share of which he is the holder. Votes may be given personally or by proxy.

6.4 Dividends

Subject to the Act and as set out in the Articles, the Company may by ordinary resolution declare dividends, but no dividend shall exceed the amount recommended by the Board. No dividend may be paid otherwise than in accordance with the Act. The Board may at any time declare and pay such interim dividends as appears to be justified by the position of the Company.

Except as otherwise provided by the rights attached to the shares, all dividends shall be declared and paid according to the amounts paid up on the nominal amount of the shares on which the dividend is paid but no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the nominal amount of the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

Any dividend or other moneys payable in respect of a share may be paid by:

6.4.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the Board may otherwise decide;

6.4.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the Board may otherwise decide;

6.4.3 by means of a relevant system in respect of shares in uncertificated form in such manner as may be consistent with the facilities and requirements of the relevant system or as the Board may otherwise decide; or

6.4.4 by any electronic or other means as the Board may decide, to an account, or in accordance with the details, specified by the distribution recipient either in writing or as the Board may otherwise decide.

6.5 Winding up

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he or she with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

6.6 **Redemption**

Subject to the provisions of the Act and the Articles, the Company can issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Shareholder on such terms and in such manner as the Board may determine.

6.7 **Variation of class rights**

Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class of shares in issue may (unless otherwise provided by the terms of issue of the shares of that class) from time to time be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-fourths in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of such holders (but not otherwise).

The special rights conferred upon the holders of any shares or class of shares shall, unless otherwise provided by the Articles or the terms of issue of the shares concerned, be deemed to be varied by a reduction of capital paid up on those shares but shall be deemed not to be varied by the creation or issue of further shares ranking *pari passu* with them or subsequent to them. The special rights conferred on the holders of Ordinary Shares shall be deemed not to be varied by the creation or issue of any further shares ranking in priority to them nor shall any consent or sanction of the holders of ordinary shares be required to any variation or abrogation effected by a resolution on which only the holders of Ordinary Shares are entitled to vote.

6.8 **Issue of shares**

Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine, or in the absence of such determination, or so far as any such resolution does not make specific provision, as the Board may determine.

6.9 **Form and transfer of shares**

The Board may issue shares as certificated or uncertificated shares, subject to any restrictions on transfers described below:

6.9.1 a share held in certificated form may be transferred by an instrument of transfer in any usual form or in any other form which the Board may approve, which shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. A share held in uncertificated form may be transferred by means of a relevant system or in any other manner which is permitted by the Act and is from time to time approved by the Board. The transferor shall be deemed to remain the holder of the share until the transferee is entered on the Company's register of members as its holder; and

6.9.2 every member (other than a person who is not entitled to a certificate under the Act) is entitled, on becoming a holder of any shares in certificated form and without payment, to a certificate for all shares of each class held by him or her in certificated form. If a share certificate is worn out, defaced, lost, destroyed or stolen it may be renewed without fee but on such terms as to evidence and indemnity as the Board requires. In the case of loss, theft, or destruction, the person to whom the new certificate is issued may be required to pay any exceptional out of pocket expenses incidental to the investigation of evidence of loss, theft or destruction and the preparation of an appropriate form of indemnity. Every share certificate is sent at the risk of the person entitled thereto.

The Board may, in the case of shares held in certificated form, in its absolute discretion refuse to register the transfer of a share which is not fully paid provided that, where any such shares are admitted to the Official List of the FCA or admitted to trading on AIM or ICAP Securities and Derivative

Exchange (or ISDX), such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.

The Board may also refuse to register a transfer of shares held in certificated form unless the instrument of transfer is:

6.9.1 duly stamped or duly certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty, lodged at the Transfer Office or at such other place as the Board may appoint and (save in the case of a transfer by a person to whom no certificate was issued in respect of the shares in question) accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do;

6.9.2 in respect of only one class of share; and

6.9.3 in favour of not more than four transferees.

If the Board refuses to register a transfer of shares held in certificated form, it shall as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal together with its reasons for the refusal.

No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share or for making any entry in the Company's register of members affecting the title to any share.

The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Board refuses to register shall be returned to the person lodging it when notice of the refusal is given.

For all purposes of the Articles relating to the registration of transfers of shares, the renunciation of the allotment of any shares by the allottee in favour of some other person shall be deemed to be a transfer and the Board shall have the same powers of refusing to give effect to such a renunciation as if it were a transfer.

If a member dies the survivor or survivors where he or she was a joint holder, and his or her personal representatives where he or she was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his or her interest; but nothing contained in the Articles shall release the estate of a deceased member from any liability in respect of any share which had been held (whether solely or jointly) by him or her.

6.10 **Purchase of own shares**

Subject to the provisions of the Act and to any rights for the time being attached to any shares, the Company may with the sanction of a special resolution enter into any contract for the purchase of its own shares.

6.11 **Calls on shares**

Subject to the terms of allotment, the Board may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to at least 14 clear days' notice having been given specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his or her shares. If any sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid. Interest shall be paid at a rate fixed by the terms of allotment of the share or in the notice of the call; or if no rate is fixed, at the appropriate rate. Directors may at their discretion waive payment of any such interest in whole or in part.

6.12 **Forfeiture**

If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board determines either to the person who was before the forfeiture, the holder or to any other person and at any time before sale, re-allotment or other disposition the forfeiture may be cancelled on such terms as the Board thinks fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the Board may authorise some person to execute an instrument of transfer or otherwise effect the transfer of the share to that person.

A person, any of whose shares have been forfeited, shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate, if any, for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him or her to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate from the date of the forfeiture until payment but the Board may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

A statutory declaration by a Director or the secretary that a share has been forfeited or sold to satisfy a lien of the Company on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share.

6.13 **Directors**

The number of Directors must not be less than two but (unless determined by ordinary resolution) is not subject to any maximum. For the purposes of any meeting of the Board, the chair of such meeting shall, at all times, be an independent non-executive Director (save in circumstances where the executive Directors, acting unanimously, consider in their absolute discretion that it would be impractical for the chair to be an independent non-executive Director.

The Directors may be paid all travelling, hotel and other expenses as they may incur in connection with their attendance at meetings of the Board or of committees of the Board or general meetings or separate meetings of the holders of any class of shares or debentures of the Company or otherwise in connection with the discharge of their duties.

The Board may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director, employee or former employee who has held but no longer holds any executive office or employment with the Company or with anybody corporate which is or has been a subsidiary undertaking or a predecessor in business of the Company or of any subsidiary undertaking, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him or her, and may (as well before as after he or she ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit. The power conferred by the Act to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries, in connection with the cessation or the transfer to any person of the whole or party of the undertaking of the Company or any subsidiary shall be exercised by the Board.

At each annual general meeting one third of the Directors for the time being (or if their number is not a multiple of three, the number nearest to one third) shall retire from office by rotation. A Director who retires at an annual general meeting shall be eligible for re-election. Any Director may be removed from office by ordinary resolution of the Company. The Directors are not subject to a mandatory retirement age.

6.14 **Directors' interests**

A Director who, to his knowledge, is in any way directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company shall disclose the nature of his interest to the other Directors.

A Director may not vote (or be counted in the quorum) in respect of any resolution of the Directors or committee of the Directors concerning a contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he or she has an interest which (together with any interest of any person connected with him or her) is, to his knowledge, a material interest (otherwise than by his interest in shares or debentures or other securities of or otherwise in or through the Company). This is subject to certain exceptions including (i) where the contract, arrangements, transaction or proposal concerns general employee privileges or insurance policies for the benefit of Directors or (ii) in circumstances where a Director acts in a personal capacity in the giving of a guarantee, security or indemnity for the benefit of the Company or any of its subsidiary undertakings.

Any Director may act by himself or his firm (or herself or her firm) in a professional capacity for the Company, other than as auditor, and he or his firm (or she and her firm) shall be entitled to remuneration for professional services as if he or she were not a Director provided that such remuneration has been approved in advanced by the Board in writing.

Subject to the provisions of the Act, and provided that he or she has disclosed to the Board the nature and extent of any interest of his or hers in accordance with the Articles, a Director notwithstanding his office:

6.14.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is otherwise interested;

6.14.2 may be a director or other officer of, or employed by or party to any transaction or arrangement with, or otherwise interested in any body corporate promoted by the Company or in which the Company is otherwise interested; and

6.14.3 shall not be, by reason of his office, accountable to the Company for any benefits derived from any such office or employment or from any transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.

An interest of a person connected with a Director shall be treated as an interest of the Director. Section 252 of the Act shall determine whether a person is connected with a Director.

6.15 **Authorisation of interests**

The Directors may authorise, to the fullest extent permitted by law, any matter proposed to them which would otherwise result in a Director infringing his duty under the Act to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest.

Authorisation of a matter is effective only if: (i) the matter has been proposed to the Directors at a meeting of the Directors or for the authorisation of the Directors by resolution in writing and in accordance with the Board's normal procedures or in such other manner as the Board may approve; (ii) any requirement as to quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director; and (iii) the matter has been agreed to without the Director in question and any other interested Director voting or would have been agreed to if their votes had not been counted.

6.16 **Disclosure of interests**

A person other than the member holding a share shall be treated as appearing to be interested in that share if:

6.16.1 the member has informed the Company, whether under any statutory provision relating to disclosure of interests or otherwise, that the person is, or may be, or has been at any time during the three years immediately preceding the date upon which the disclosure notice is issued, so interested;

6.16.2 the Board (after taking account of any information obtained from the member or, pursuant to a disclosure notice, from any other person) knows or has reasonable cause to believe that the person is, or may be, or has been at any time during the three years immediately preceding the date upon which the disclosure notice is issued, so interested; or

6.16.3 in response to a disclosure notice, the member or any other person appearing to be so interested has failed to establish the identities of all those who are so interested and (after taking into account the response and any other relevant information) the Board has reasonable cause to believe that such person is or may be so interested.

6.17 **Indemnification of Directors**

Subject to, and to the fullest extent permitted by, law, every Director and every director of any associated company, former Director, alternate Director secretary or other officer of the Company (other than an auditor) may (at the discretion of the Board) be fully indemnified out of the assets of the Company against all or any part of any costs, charges, losses, damages and liabilities incurred by him or her in relation to anything done, omitted or alleged to have been done by him or her in the actual or purported execution or discharge of his duties or exercise of his powers in relation to the Company or in connection with the Company's activities as trustee of any occupational pension scheme, subject to the exclusions set out in the Articles.

6.18 **Borrowing powers**

The Directors may exercise all the powers of the Company to borrow money and to give guarantees, hypothecate, mortgage, charge or pledge the assets, property and undertaking of the Company or any part thereof and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

6.19 **Annual General Meetings and General Meetings**

An annual general meeting shall be held at such time and place as the Board may determine.

The Board may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith convene a general meeting. If there are not sufficient Directors capable of acting to call a general meeting, any Director may call a general meeting. If there is no Director able to act, any two members may call a general meeting for the purpose of appointing Directors.

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. A quorum is two members present in person or by proxy and entitled to vote upon the business to be transacted at the meeting.

An annual general meeting shall be called by at least 21 days' clear notice in writing. A meeting of the Company other than an annual general meeting shall be called by not less than 14 days' clear notice. The notice shall specify the place, the day and the time of the meeting and, in the case of special business, the general nature of that business. A notice calling an annual general meeting shall specify the meeting as such and a notice for the passing of a special resolution shall specify the intention to propose the resolution as a special resolution and the terms of the resolution. Every member entitled to attend and vote is entitled to appoint one or more proxies to attend, vote and speak instead of him or her and that a proxy need not be a member.

The accidental omission to give notice of a meeting, or to send an instrument of proxy or invitation to appoint a proxy as provided by the Articles, to any person entitled to receive notice, or the non-receipt of notice of a meeting or instrument of proxy or invitation to appoint a proxy by such a person, shall not invalidate the proceedings at that meeting.

Every notice of meeting shall state with reasonable prominence that a member entitled to attend and vote is entitled to appoint one or more proxies to attend, vote and speak instead of him or her and that a proxy need not be a member.

6.20 **Annual Accounts and Financial Statements**

Save as provided herein, a copy of the annual accounts of the Company together with a copy of the Auditor's report and the Directors' report and any other documents required to accompany or to be annexed to them shall, not less than 21 days before the date of the general meeting at which copies of those documents are to be laid, be sent to every member and to every debenture holder of the Company and to every other person who is entitled to receive notices from the Company of general meetings. Notwithstanding, such copies of the documents need not be sent:

6.20.1 to a person who is not entitled to receive notices of general meetings and of whose address the Company is unaware; or

6.20.2 to more than one of the joint holders of shares or debentures in respect of those shares or debentures,

provided that any member or debenture holder to whom a copy of such documents has not been sent shall be entitled to receive a copy free of charge on application at the Company's registered office.

The Company may send a strategic report with supplementary information to any of the persons otherwise entitled to be sent copies of the documents referred to in the Articles instead of or in addition to those documents and, where it does so, the statement shall be delivered or sent to such person not less than 21 days before the general meeting at which copies of those documents are to be laid.

6.21 **Power to sell shares**

The Company shall be entitled to sell at the best price reasonably obtainable any shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or otherwise by operation of law if and provided that:

6.21.1 for a period of 12 years, no cash dividend payable in respect of the shares has been claimed, no cheque or warrant sent by the Company through the post in a pre-paid envelope addressed to the member or to the person entitled to the shares at his address on the Register or (if different) the last known address given by the member or the person so entitled to which cheques and warrants are to be sent has been paid, each attempt to make a payment in respect of the shares by means of bank transfer or other method for the payment of dividends or other moneys in respect of shares has failed and no communication has been received by the Company from the member or the person so entitled (in his capacity as member or person entitled);

6.21.2 in such period of 12 years at least three dividends (whether interim or final) have become payable on the shares;

6.21.3 the Company has at the expiration of the said 12 years by advertisement in both a national newspaper and in a newspaper circulating in the area in which the address referred to in the Articles is located given notice of its intention to sell such shares; and

6.21.4 during the period of three months following the publication of the said advertisements the Company has received no communication in respect of such share from such member or person entitled.

If at any time during or after the said period of 12 years further shares have been issued in right of those held at the commencement of that period or of any issued in right during that period and, since the date of issue, the requirements in the Articles have been satisfied in respect of such further shares, the Company may also sell the further shares.

To give effect to a sale pursuant to the Articles, the Board may authorise some person to execute an instrument of transfer or otherwise effect the transfer of the shares to be sold. If the shares concerned are in uncertificated form, in accordance with the CREST Regulations, the Company may issue a written notification to the Operator (as defined in the CREST Regulations) requiring conversion of the shares into certificated form. The purchaser shall not be bound to see to the application of the purchase moneys and the title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled to the shares for an amount equal to the net proceeds, which shall be a debt of the Company, and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created and no interest shall be payable in respect of the debt, and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) for the benefit of the Company as the Board may from time to time determine.

7. SIGNIFICANT SHAREHOLDERS

7.1 The Company is aware of the following persons who, immediately prior to Admission and/or on Admission, have interests in voting rights over three per cent. or more of the issued share capital of the Company:

	Immediately prior to Admission		*Immediately following Admission*	
Significant Shareholder	*Number of Existing Ordinary Shares*	*Percentage of Existing Ordinary Shares*	*Number of Ordinary Shares*	*Percentage of Enlarged Share Capital*
Amcomri Holdings Limited[1]	20,233,470	40.45%	20,233,470	28.17%
Hilco Inc.[2]	9,406,864	18.81%	9,406,864	13.09%
Stephill Investments Limited[3]	4,636,976	9.27%	4,636,976	6.45%
Paul Mc Gowan[1]	2,017,342	4.03%	3,835,524	5.34%
Oranmore Limited[1]	–	–	3,818,182	5.31%
Octopus Investments Limited	–	–	3,818,182	5.31%
Mark O’Neill	1,869,778	3.74%	1,869,778	2.60%
Laurence Howard	1,854,791	3.71%	1,854,791	2.58%
Rhiannon Mc Gowan	1,786,446	3.57%	1,786,446	2.49%
Niall Mc Gowan	1,786,446	3.57%	1,786,446	2.49%
Tiernan Mc Gowan	1,786,446	3.57%	1,786,446	2.49%

Notes:

1. On Admission Paul Mc Gowan will hold 20,233,470 Ordinary Shares through his private investment company, Amcomri Holdings, which also holds 3,818,182 Ordinary Shares through its wholly owned subsidiary, Oranmore Limited and a further 3,835,524 Ordinary Shares in his own name. Each of Paul Mc Gowan’s children (Rhiannon, Tiernan and Niall Mc Gowan) are interested in 4.044 per cent. of Amcomri Holdings. Paul Mc Gowan holds the remaining 87.87 per cent. of Amcomri Holdings.
2. Jeffrey Hecktman’s shareholding is registered in the name of Hilco Inc.
3. Hugh Whitcomb’s family shareholding is registered in the name of Stephill Investments Limited.

7.2 Save as disclosed above, the Directors are not aware of any person or persons who, directly or indirectly, have an interest in the Company which represents 3 per cent. or more of its issued share capital or voting rights who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company.

7.3 Neither the Directors nor any significant shareholders have different voting rights to other holders of the share capital of the Company.

7.4 Save as disclosed in this document, there are no arrangements known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.

7.5 The Company’s share capital consists of one class of ordinary share with equal voting rights (subject to the Articles). No significant shareholder of the Company has any different voting rights from the other Shareholders.

8. DISCLOSURE OF INTERESTS IN THE COMPANY

Directors' and other interests

8.1 The following table sets out the interests of the Directors and their families (within the meaning set out in the AIM Rules for Companies) (including any interest known to that Director which could with reasonable diligence be ascertained by him or her) in the issued share capital of the Company as at the date of this document and immediately following Admission:

	As at the date of this document		*Immediately following Admission*	
Director	*Number of Ordinary Shares*	*Percentage of Ordinary Shares*	*Number of Ordinary Shares*	*Percentage of Ordinary Shares*
Paul Mc Gowan	22,250,812	44.48%	27,887,176	38.82%
Hugh Whitcomb	4,636,976	9.27%	4,636,976	6.45%
Mark O'Neill	1,869,778	3.74%	1,869,778	2.60%
Siobhán Tyrrell	–	–	181,818	0.25%
Total	**28,757,566**	**57.49%**	**34,575,748**	**48.13%**

8.2 The following table sets out details of the Share Options held over the Ordinary Shares by each of the Directors as at the date of this document and immediately following Admission:

	As at the date of this document			*Immediately following Admission*		
Director	*Number of Ordinary Shares under option*	*Exercise Price*	*Expiry Date*	*Number of Ordinary Shares under option*	*Exercise Price*	*Expiry Date*
Hugh Whitcomb	–	–	–	414,546	£0.01	20 December 2034
Mark O'Neill	–	–	–	160,000	£0.01	20 December 2034
Siobhán Tyrrell	–	–	–	116,364	£0.01	20 December 2034
Total	**–**	**–**	**–**	**690,910**		

8.2.1 Save as disclosed in this document, none of the Directors nor any member of their families, nor any person connected with them within the meaning of section 252 of the Act, has any interest in the issued share capital of the Company.

8.2.2 Save as disclosed in this document, as at the date of this document, no Director has an option over or warrant to subscribe for any Ordinary Shares in the Company.

8.2.3 Save as disclosed in this document, there are no agreements, arrangements or understandings (including compensation agreements) between any of the Directors, recent directors, shareholders or recent shareholders of the Company connected with or dependent upon the Placing or Admission.

8.2.4 No Director or any member of their family holds or has held any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of Ordinary Shares.

8.3 The Directors hold or have held the following directorships, and are or were members of the following partnerships, within the five years preceding the date of this document:

Name	*Current Directorships or Partnerships*	*Previous Directorships or Partnerships*
Tanya Raynes	Amcomri Group plc Airpart Supply Limited Commercial Leasing Ltd Courier Facilities Limited Elm Grove Securities Ltd Pula Aviation Services Limited Time Finance plc	Riverbourne Community Farm CIC Strategic Finance Solutions Limited

Name	*Current Directorships or Partnerships*	*Previous Directorships or Partnerships*
Paul Patrick Mc Gowan	Alyway Limited Amcomri (BVI) Investments Limited Amcomri 14 Limited Amcomri Asset Management Limited Amcomri Business Services Group Limited Amcomri Developments Limited Amcomri Entertainment Inc. Amcomri GP BVI Limited Amcomri Group plc Amcomri Holdings Limited Amcomri Lettings Limited Amcomri Management Services Limited Amcomri Media Group Limited Amcomri Monaco SARL Amcomri Productions Limited Amcomri Limited Partnership Appreciated Media Global Limited ARK Finco (BVI) Limited ARK Finco UK Limited Barraud GP Limited Bay Consultant Limited Black Thorn Capital Limited Boxwood Capital Investments Limited Boxwood Capital Limited Brunello LP Burgess & Leigh Limited Charrat Limited Clipper Marine Limited Denby Brands Limited Denby Holdings Limited Denby Potteries Limited Denby Retail Limited Dunville Limited Durfield Limited Fawley Industrial Limited Filefigure 10 Limited Filefigure 30 Limited Filefigure Limited Hartland Equity Limited HAG UK 04 Limited HB Brands Limited Hilco Advisory Services Limited Hilco AG UK Limited Hilco Capital (Australia) PTY Limited Hilco Capital (Canada) ULC Hilco Capital Espana SL Hilco Capital Europe Limited Hilco Capital Ireland Limited Hilco Capital Limited Hilco Coinvest Limited Hilco Collection Services Limited	Abacus Media Rights Limited Aldercrest Capital Nominees Ltd Amcomri 1 Limited Amweb Limited ARK UK Group Limited ARK UK Holdings Limited Ashfort Capital Investments Ltd Atcliffe Capital Limited Barakaldo Limited Barry Island Property Company Ltd Birchgate Capital Nominees Ltd Boraridge Limited Calceus Investments Limited Canterbury Capital Management Limited Country Living Interior Products Limited Denby Property Limited Dry Like Me Holdings Limited F.L.I. Global Limited Filefigure International Limited Floors from Canada Limited Globalgame Credit Limited H Ecommerce Realisations Limited H Online Realisations Limited H Retail Realisations Limited Hilco Commercial Lender Services Limited Hilco Developments Limited Hilco Wholesale Limited Homebase (UK & I) Holdings Limited HUK 11 Limited HUK 14 Limited HUK 16 Limited HUK 17 Limited HUK 40 Limited HUK 49 Limited HUK 61 Limited HUK 72 Limited HUK 96 Limited HUK 98 Limited HUK 99 Limited HUK 101 Limited Hyper Value Retail Limited Kendal Capital Limited Locan Investments Limited Mermaid Digital Limited Mermaid Global Limited Mermaid Home Entertainment Services Limited Mortimer Management Group Limited

Name	*Current Directorships or Partnerships*	*Previous Directorships or Partnerships*
Paul Patrick Mc Gowan (continued)	Hilco Commercial Limited Hilco GP Limited Hilco Investments Limited Hilco Ireland Limited Hilco LP Limited Hilco Profit Recovery Limited Hilco Property Limited Hilco Retail Services Limited Hilco Trading LLC Hilco UK Limited HMV IP Holdings ULC Holm Oak Capital Limited HUK 10 Limited HUK 31 Limited HUK 32 Limited HUK 39 Limited HUK 46 Limited HUK 47 Limited HUK 57 Limited HUK 70 Limited HUK 77 Limited HUK 84 Limited HUK 89 Limited HUK 90 Limited HUK 91 Limited HUK 92 Limited HUK 94 Limited HUK 102 Limited HUK 103 Limited HUK 106 Limited HUK 107 Limited HUK 108 Limited HUK 109 Limited HUK 110 Limited HUK 111 Limited HUK 112 Limited HUK 113 Limited HUK 114 Limited HUK 115 Limited HUK 116 Limited HUK 117 Limited HUK 118 Limited HUK 119 Limited HUK 120 Limited HUK 121 Limited HUK 122 Limited HUK 123 Limited HUK 124 Limited HUK 125 Limited HUK 126 Limited HUK 127 Limited HUK 128 Limited HUK 129 Limited HUK 131 Limited HUK 132 Limited HUK 133 Limited HUK 134 Limited	Olympus Ecommerce Limited Painted Lady Investments Limited Pavenmont Limited Poole Pottery Retail Limited Pure H Loyalty Realisations Limited Retail Agents 250 Limited Retail Procurement Services Limited Stonemont Limited The Coventry Boring & Metalling Company Limited (dissolved) The Food Retailer Group Limited The Food Retailer Limited The Food Retailer Services Limited The Historic Engine Company Ltd The Jewellery Outlet Limited UK Windows & Doors Group Limited (in administration) Xtra-Vision Vending Limited Zanavale Limited

Name	Current Directorships or Partnerships	Previous Directorships or Partnerships
Paul Patrick Mc Gowan (continued)	HUK 135 Limited HUK 136 Limited HUK 137 Limited HUK 138 Limited HUK 139 Limited HUK 140 Limited HUK 142 Limited HUK 143 Limited HUK 144 Limited HUK 145 Limited HUK 148 Limited HUK 149 Limited HUK 151 Limited IVS Swansea Limited Katy London Limited Larkin's Bars Limited Leamington Media Nominees Limited MCDH GP Limited Mermaid (Brands) Limited Mulino Investments Limited Northfield Properties (GP) Inc. OO Retail Limited Oranmore Limited Pavenmont Ltd Pinnacle Capital Resources Ltd Rahanna House and Gardens Limited Red Ash GP Limited Retail Agents 210 Limited Retail Agents Limited Retail Consultancy Limited Retail Investments Limited Retail Procurement Services Ireland Ltd Rowan GP I Limited Sandbrook Homes Limited Scottslane Limited Sevelen Capital Limited SHOO 634 Limited Steptronic Footwear Limited (in liquidation) Street Holdings Limited The Courtyard At Broomhill Limited The Denby Pottery Company Limited Tropico Limited Trillium GP Limited Trinity Pictures Distribution Limited Valco GP Limited Valco GP II Limited Valco GP III Limited Valco GP IV Limited Vinery Investments Limited WH 424 Limited WH 453 Limited	

Name	*Current Directorships or Partnerships*	*Previous Directorships or Partnerships*
Hugh Mark Whitcomb	Amcomri 14 Limited Amcomri Group plc Bex Design & Print Ltd Blundell Production Equipment Limited Blundell Production Holdings Limited Claro Precision Engineering Limited Drurys Engineering Limited Dunville Limited Etrac Limited Etrac Trading Limited Fawley Industrial Limited Fiennes Restoration Holdings Limited Fiennes Restoration Limited (in administration) HNB Advisory Ltd IVS Swansea Limited South Wales Industrial Valves Services Limited Stephill Investments Limited T P Matrix Limited WJ Project Services Limited WJPS Holdings Limited	Bath Road Management Limited Driveflex Limited OMV Holdings Limited Robert Walker Engineering Limited Sensorcare Systems Limited T P Railtech Limited T.P. Serviceco Limited
Siobhán Tyrrell	Amcomri Group plc	–
Mark Patrick O'Neill	Amcomri 14 Limited Amcomri Group plc Bex Design & Print Ltd Claro Precision Engineering Limited Drurys Engineering Limited Harrisons Investments Limited Kestrel Valve and Engineering Services Limited Premier Limpet Limited WJ Project Services Limited WJPS Holdings Limited	–
Fraser James Gray	Amcomri Group plc Blaven Capital Limited Denholm Energy Services Ltd Maven Capital (Cardiff) LP Maven Capital (Telfer House) LLP Maven Capital (Llandudno) LLP Maven C.I. EN1 LP Maven Co-Invest Design LP Maven Co-Invest DPP Limited Partnership Maven Co-Invest RMEC Limited Partnership Maven Co-Invest Glacier 4 Limited Partnership	Bonhill Group PLC Bow Brig LLP Maven Co-Invest Cursor Limited Partnership Maven Co-Invest Endeavour Limited Partnership Maven Co-Invest Fletcher Limited Partnership Maven Co-Invest Flexlife Limited Partnership Maven Co-Invest Glacier Limited Partnership Maven Co-Invest Glacier 2 Limited Partnership

Name	*Current Directorships or Partnerships*	*Previous Directorships or Partnerships*
Fraser James Gray (continued)	Maven Co-Invest Vodat Limited Partnership Maven Co-Invest XK Limited Partnership Maven Income and Growth VCT 4 PLC Maven Property (Carters Yard) LP	Maven Co-Invest Glacier 3 Limited Partnership Maven Co-Invest Space Limited Partnership Maven Co-Invest Torridon Capital LP Maven Income and Growth VCT 6 PLC Richard Irvin FM Ltd The Reel One Partnership LLP Zebra Realisations LLP
Peter Tierney	Amcomri Group plc Hammars Hill Energy Limited SLD 2000 Limited Tracware Limited	Deregallera Holdings Ltd Deregallera Ltd Deregallera Technology Ltd DG Innovate Plc Leading Technology Developments Ltd Lewmar Europe Limited Lewmar Group Limited Lewmar Limited Lewmar Marine Limited Lewmar Marine Trustees Limited Taylor Made Holdings UK Limited Trend Marine Products Limited

8.4 Save as set out in paragraph 8.5 of this Part V, as at the date of this document, none of the Directors:

(a) has any unspent convictions in relation to indictable offences;

(b) has been declared bankrupt or has entered into an individual voluntary arrangement;

(c) was a director of any company at the time of or within the 12 months preceding any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors with which such company was concerned;

(d) was a partner in a partnership at the time of or within the 12 months preceding any compulsory liquidation, administration or voluntary arrangement of that partnership;

(e) has had any asset which has been subject to a receivership or was a partner in a partnership at the time of or within the 12 months preceding any asset of the partnership being subject to a receivership; or

(f) has been the subject of any public criticism by any statutory or regulatory authority (including any recognised professional body) nor has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

8.5 Details of directorships held by Paul Mc Gowan, Hugh Whitcomb and Mark O'Neill disclosed pursuant to paragraph 8.4:

Company	*Date of appointment (and resignation) as director*	*Insolvency-related process*	*Outcome*
Paul Mc Gowan			
Allied Carpets Retail Limited	3 March 2009	Administrators appointed on 14 March 2011. Administration moved to creditors' voluntary liquidation on 7 March 2012.	The estimated total deficiency with regards to members was approximately £10.04m. Secured creditors received £0.116m out of a total claim of £7.9m, and there were no preferential creditors. Company dissolved following liquidation on 22 August 2015.
Allied Flooring Ltd	25 June 2009	Administrators appointed on 14 March 2011. Administration moved to creditors' voluntary liquidation on 7 March 2.	The estimated total deficiency with regards to members was approximately £8.99m. Secured creditors received £0.03m out of the total claim of £8.9m, unsecured creditors received £209,756 out of the total claim of £295,120 and there were no preferential creditors. Company dissolved following liquidation on 20 August 2015.
Amweb Limited	3 February 2016	Company placed into liquidation on 8 March 2019	The estimated total deficiency with regards to members was approximately £239,344. While there were no secured creditors, unsecured creditors received a total claim of £59,439, trade & expense creditors received £40,411 out of the total claim of £227,347, and preferential creditors received a claim of £10,881. Company dissolved following liquidation on 2 April 2020.

Company	*Date of appointment (and resignation) as director*	*Insolvency-related process*	*Outcome*
Budget D.I.Y. Limited	10 March 2006	Administrators appointed on 24 November 2006. Administrators appointed as liquidators on 19 November 2007.	The estimated total deficiency with regards to members was approximately £2.42m. Unsecured creditors received £0.1m. Preferential creditors received £0.04m. Distributions to ordinary shareholders totalled £100. Company dissolved on 17 April 2011.
D H Realisations Limited	30 January 2009	Administrators appointed on 18 February 2009. Administration moved to dissolution on 25 January 2010.	No repayments to unsecured creditors due to insufficiency of funds. Company dissolved following liquidation on 1 May 2010.
Fashion Rocks Retail Limited	2 December 2011	Administrators appointed on 8 February 2012. Administration moved to creditors' voluntary liquidation on 3 January 2013.	No repayments to unsecured creditors due to insufficiency of funds. Company dissolved following liquidation on 7 May 2014.
FR Etail Limited	2 December 2011	Administrators appointed on 19 December 2011. Administration moved to creditors' voluntary liquidation on 25 September 2012.	The estimated total deficiency with regards to members was approximately £0.53m. Unsecured creditors received an interim dividend of 8.30p totalling £44,879 and a final dividend of 1.39p totalling £7,500 and there were no preferential creditors. Company dissolved following liquidation on 4 October 2014.
FR Retail Limited	2 December 2011	Administrators appointed on 19 December 2011. Administration moved to creditors' voluntary liquidation on 25 September 2012.	The estimated total deficiency with regards to members was approximately £4.25m. Unsecured creditors received an interim dividend of 12.59p totalling £598,509 and a final dividend of 0.001p totalling £4,572. Company dissolved following liquidation on 4 October 2014.

Company	*Date of appointment (and resignation) as director*	*Insolvency-related process*	*Outcome*
Home Flooring Solutions Limited	3 March 2009 Resigned on 9 October 2013	Administrators appointed on 11 October 2013. Administration moved to dissolution on 10 March 2015.	The estimated total deficiency with regards to secured creditors was approximately £2.12m, preferential creditors was £2,996, and non-preferential unsecured creditors of £1.01m. Assets subject to floating charges totalled £102,999. Distributions to ordinary shareholders totalled £100. Company dissolved on 20 June 2015.
H Ecommerce Realisations Limited (formerly HMV Ecommerce Limited)	25 November 2014	Administrators appointed on 28 December 2018. Administration moved to dissolution on 21 December 2021.	The estimated total deficiency with regards to members was approximately £26.63m. There was no distribution to either secured creditors, unsecured creditors, or preferential creditors due to insufficient funds. Company dissolved on 4 April 2022.
H Online Realisations Limited	18 October 2013	Administrators appointed on 16 January 2019. Administration moved to dissolution on 15 December 2020.	The estimated total deficiency with regards to members was approximately £46.86m. There was no distribution to unsecured creditors due to insufficient funds and there were no preferential creditors. Company dissolved following liquidation on 22 March 2021.
H Retail Realisations Limited (formerly HMV Retail Limited)	1 February 2013	Administrators appointed on 28 December 2018. Administration moved to dissolution on 22 December 2022.	The estimated total deficiency with regards to members was approximately £83.44m. The secured creditors were paid £24m out of the total of £46.8m, unsecured creditors were paid £465K out of the total of £53.23m and preferential creditor claims of £204,894 were paid in full. Company dissolved following liquidation on 4 April 2023.

Company	*Date of appointment (and resignation) as director*	*Insolvency-related process*	*Outcome*
Hyper Value (Holdings) Limited	14 December 2006	Company placed into liquidation on 8 June 2010. Company subsequently wound up on 5 September 2011 with liquidator appointed on 26 October 2011 following a creditor petition on 6 July 2011.	The estimated total deficiency with members was £192,812. There were no secured or preferential creditors. Unsecured creditors claims totalled £794,884 which were agreed and admitted. Dissolved on 29 March 2017.
Lear Acquisitions Limited	2 May 2008	Liquidator appointed in a voluntary creditor and member liquidation on 2 December 2008.	The estimated total deficiency with regards to members was approximately £83.17m. No refunds to the creditors have been recognised. Company dissolved following liquidation on 30 June 2011.
Lear Holdings Limited	2 May 2008	Liquidator appointed in a creditors' voluntary liquidation	The asset realisation value was £246,966, cost of realisations was £41,342 and distribution amount was £46,188. Company dissolved following liquidation on 30 June 2011.
Lear Trustees Limited	2 May 2008	Liquidator appointed in a creditors' voluntary liquidation on 2 December 2008.	The estimated total deficiency with regards to members was £583,928. No refunds to the creditors were recognised. Company dissolved following liquidation on 13 October 2010.
Lifestyle Products Limited	29 June 2011	Administrators appointed on 12 July 2011. Administration moved to dissolution on 11 January 2013.	The estimated total deficiency with regards to members was approximately £1.63m. The secured creditors were paid £185,635 out of the total of £1.40m identified claim. Company dissolved following liquidation on 16 April 2013.

Company	*Date of appointment (and resignation) as director*	*Insolvency-related process*	*Outcome*
MK One Limited	2 May 2008	Liquidator appointed in a creditors' voluntary liquidation on 12 December 2008.	The estimated total deficiency with regards to members was £393,703. No refunds to the creditors were recognised. Company dissolved following liquidation on 13 October 2010.
Mortimer Management Group Limited and The Jewellery Outlet Limited	12 June 2015	Administrators appointed on 14 January 2019. Administration moved to dissolution on 14 January 2022.	Secured creditors' claims were approximately £1.41m paid in full, unsecured creditors' claims were expected to be approximately £2.44m for Mortimer & £1.04m for Jewellery Outlet, which were unpaid, while preferential creditor received claims of £2,472 for Mortimer & £8,218 for Jewellery Outlet along with 100p of dividends. Company dissolved following liquidation on 14 April 2022.
Northworld Investments Limited	2 May 2008	Liquidator appointed on 2 December 2008.	The estimated total deficiency with regards to members was approximately £53.5m. No refunds to the creditors have been recognised. Company dissolved following liquidation on 13 October 2010.
Northworld Limited	2 May 2008	Administrators appointed on 20 May 2008. Administration moved to creditors' voluntary liquidation on 20 May 2009	The estimated total deficiency with regards to members was approximately £79.6m. Preferential debts of £40,589 along with a preferential dividend of 100p were received by the liquidators, unsecured liquidators agreed to the claim of £47.4m along with the dividend of 11p. Company dissolved following liquidation on 23 November 2012.

Company	*Date of appointment (and resignation) as director*	*Insolvency-related process*	*Outcome*
Pier Group International Limited	2 December 2008	Liquidators appointed on 5 May 2009.	The asset realisations and cost of realisations were £9,195. Company dissolved following liquidation on 9 May 2012.
Pure H Loyalty Realisations Limited	5 February 2013	Administrators appointed 16 January 2019. Administration moved to dissolution on 15 December 2020.	The estimated total deficiency with regards to members was approximately £46.9m. There was no distribution to unsecured creditors due to insufficient funds and there were no preferential creditors. Secured creditors were estimated to suffer a significant shortfall against their secured debt across the administrations in the wider group of £46.8m. Company dissolved following liquidation on 22 March 2021.
SE 2012 Holdings Limited	12 December 2011	Administrators appointed 29 May 2012. Administration moved to dissolution on 23 November 2012.	The estimated total deficiency / surplus with regards to members was £2.00. There were no repayments to any class of creditors due to insufficiency of funds and assets. Company dissolved following administration on 28 February 2013.
Stoke Clearance Operations Limited	25 January 2012	Administrators appointed 9 October 2014. Administration moved to dissolution on 29 September 2016.	The estimated total deficiency with regards to members was approximately £3.51m for Operations and £3.78m for Retail. The Retail secured creditors were paid £228,000, and Retail unsecured creditors were paid a dividend of £57,599 with agreed claims totalling £2.87m. Company dissolved following administration on 11 January 2017.

Company	*Date of appointment (and resignation) as director*	*Insolvency-related process*	*Outcome*
Stoke Clearance Retail Limited	12 December 2011	Administrators appointed 9 October 2014. Administration moved to dissolution on 29 September 2016.	The estimated total deficiency with regards to members was approximately £3.51m for Operations and £3.78m for Retail. The Retail secured creditors were paid £228,000, and Retail unsecured creditors were paid a dividend of £57,599 with agreed claims totalling £2.87m. Company dissolved following administration on 11 January 2017.
Steptronic Footwear Limited	1 March 2022	Administrator appointed on 11 March 2022. Administration moved to creditors' voluntary liquidation on 2 March 2023.	Company remains in liquidation.
The Coventry Boring & Metalling Company Limited	22 January 2019 Resigned 2 January 2020	Liquidator appointed on 9 April 2021.	The estimated total deficiency with regards to ordinary shareholders and creditors was approximately £0.66m. Company dissolved following liquidation on 22 March 2023.
The Furnishings Place Limited	24 October 2007	Liquidator appointed pursuant to a creditors' voluntary liquidation on 15 September 2008.	The estimated total deficiency with regards to members was approximately £34.5m. No amount was paid back to any of the members. Company dissolved following liquidation on 7 September 2010.
The Pier Retail Group Limited	2 December 2008	Liquidators appointed pursuant to a voluntary liquidation on 5 May 2009.	The total unsecured creditors amount was £150,286, the asset realisation value was £180,536, and cost of realisations was £30,250. Company dissolved following liquidation on 9 May 2012.

Company	*Date of appointment (and resignation) as director*	*Insolvency-related process*	*Outcome*
The Pier (Retail) Limited	2 December 2008	Administrators appointed on 3 December 2008. Administration moved to creditors' voluntary liquidation on 3 July 2009.	The total unsecured creditors amount was approximately £1.98m, total preferential creditors amount was £312,601, the asset realisation value was approximately £2.79m, cost of realisations was £484,547 and the distribution amount was £14,134. Company dissolved following liquidation on 19 March 2012.
Thenewname Holdings Limited	21 December 2006	Court ordered the company to be wound-up due to insolvency on 23 August 2007. Administrators appointed 8 November 2007. Administration moved to dissolution on 30 May 2012.	No information about the creditors' claims was available. Company dissolved following liquidation on 6 September 2012.
Thenewname Realisations Limited	21 December 2006	Administrators appointed on 29 January 2007. Administration moved to creditors' voluntary liquidation on 6 July 2007.	A total amount of £3.12m was paid to the secured creditors, preferential creditors were paid in full through a claim of £56,304, unsecured creditors received £424,336 along with a dividend of 4.7734p, and there were no unclaimed dividends payable to the creditors at the end of winding up. Company dissolved following liquidation on 22 February 2011.

Company	*Date of appointment (and resignation) as director*	*Insolvency-related process*	*Outcome*
Trident Fashions Public Limited Company	12 September 2003 Resigned on 5 April 2004	Administrators appointed on 17 September 2003. Company voluntary arrangement approved and effective from 1 December 2003. Company exited administration on 17 March 2005. Administrators were subsequently appointed on 7 April 2005 by a qualifying floating charge holder. Liquidators appointed on 27 August 2010.	Company exited administration circa. twelve months after Mr Mc Gowan's resignation as a director. Company dissolved following liquidation on 4 May 2014.
Xtra-Vision Ireland Limited	6 June 2013 Resigned on 7 September 2020	Liquidators appointed 27 January 2016.	Company dissolved following liquidation on 7 September 2020.
Xtra-Vision Vending Limited	6 June 2013 Resigned on 7 September 2020	Liquidators appointed 27 January 2016.	Preferential creditors were €33k, unsecured creditors were €99k and secured creditors were €1.6m. Company dissolved following liquidation on 7 September 2020.
Hugh Whitcomb			
Fiennes Restoration Limited	17 February 2022	Administrators appointed on 1 February 2023.	Company remains in administration.
Omni Machine Vision Ltd	4 September 2009 Resigned on 23 January 2015	Liquidators appointed pursuant to a creditors' voluntary liquidation on 7 February 2014.	Claims from creditors stood at £125,573. The amount available to satisfy these claims was Nil. Company dissolved following liquidation on 23 January 2015.

Company	*Date of appointment (and resignation) as director*	*Insolvency-related process*	*Outcome*
Mark O'Neill			
HMV Retail NI Stores Limited	23 January 2014	Administrative receiver appointed on 13 October 2016 who ceased to act on 12 April 2018. On 3 May 2018, a resolution was passed to voluntarily wind up the company and a liquidator was appointed.	The estimated total deficiency with regards to secured creditors was approximately £1.47m and non-preferential unsecured creditors of approximately £995k. The secured creditors released their obligations on the company. The company was unable to pay unsecured creditors from its assets. Company dissolved following liquidation on 3 August 2018.

8.6 **Arrangements with Directors**

8.6.1 Save as disclosed in this document, no Director is or has been interested in any transactions which are or were unusual in their nature or conditions or significant to the business of the Company or the Group during the current or immediately preceding financial year or which were effected during any earlier financial year and remain in any respect outstanding or unperformed.

8.6.2 There are no outstanding loans or guarantees provided by the Company or the Group, or to or for, the benefit of any of the Directors.

8.6.3 There are no actual or potential conflicts of interest between any director's duties to the Company and any private interests and/or other duties they may have.

8.6.4 No Director nor any member of his immediate family nor any person connected with him or her (within the meaning of section 252 of the Act) has a Related Financial Product (as defined in the AIM Rules for Companies) referenced to Ordinary Shares.

9. DIRECTORS' SERVICE AGREEMENTS AND TERMS OF APPOINTMENT

The Directors have entered into service contracts or letters of appointment (as the case may be) which are summarised below.

9.1 **Executive Directors**

9.1.1 ***Hugh Whitcomb***

Pursuant to Hugh Whitcomb's existing service agreement dated 1 January 2021, Mr Whitcomb was appointed to the Board of the Company as an executive Director on 3 April 2023. Pursuant to a new service agreement with the Company dated 16 December 2024 (which replaces his original agreement), Mr Whitcomb receives a salary of £285,000 in connection with his role as Chief Executive Officer of the Company, payable in equal monthly instalments in arrears. The Company may, in its absolute discretion, invite Mr Whitcomb to participate in a bonus (or other incentive scheme) operated by the Company and subject to such conditions as the Company may, in its absolute discretion, determine from time to time. Mr Whitcomb's appointment is terminable by either party by giving to the other 12 months' prior written notice, during which period Mr Whitcomb shall have no entitlement to receive any bonus payment. In addition, conditional on Admission, Mr Whitcomb will receive an IPO cash bonus of £65,625. Mr Whitcomb's service agreement contains customary conduct-related termination rights, as well as confidentiality undertakings and prohibitions on competing, soliciting and dealing with customers and poaching employees (which apply for a period of 12 months from the date of termination of Mr Whitcomb's employment). Mr Whitcomb is also prohibited from acquiring any material business and assets from, making any investment (direct or indirect) in, or providing finance or funding to any acquisition target the Group is proposing to, or actively engaged in material negotiations in respect of making an investment in, or acquiring business and / or assets from, in the 12 months prior to the termination of employment.

9.1.2 ***Mark O'Neill***

Pursuant to a service agreement with the Company dated 16 December 2024, Mark O'Neill is employed by the Company as investment director. Mr O'Neill was appointed to the Board on 13 November 2024. Mr O'Neill receives a salary of £205,000, payable in equal monthly instalments in arrears. The Company may, in its absolute discretion, invite Mr O'Neill to participate in a bonus (or other incentive scheme) operated by the Company and subject to such conditions as the Company may, in its absolute discretion, determine from time to time. Mr O'Neill's employment is terminable by either party by giving to the other 6 months' prior written notice, during which period Mr O'Neill shall have no entitlement to receive any bonus payment. In addition, conditional on Admission, Mr O'Neill will receive an IPO cash bonus of £72,500. Mr O'Neill's service agreement contains customary conduct-related termination rights, as well as confidentiality undertakings and prohibitions on competing, soliciting and dealing with customers and poaching employees (which apply for a period of 12 months from the date of termination of Mr O'Neill's employment). Mr O'Neill is also prohibited from acquiring any material business and assets from, making any investment (direct or indirect) in, or providing finance or funding to any acquisition target the Group is proposing to, or actively engaged in material negotiations with, in respect of making an investment in, or acquiring business and/or assets from, in the 12 months prior to the termination of employment.

9.1.3 ***Siobhán Tyrrell***

Pursuant to a service agreement with the Company dated 16 December 2024, Siobhán Tyrrell is employed by the Company as chief financial officer. Ms Tyrrell was appointed to the Board on 13 November 2024. Ms Tyrrell receives a salary of £190,000, payable in equal monthly instalments in arrears. The Company may, in its absolute discretion, invite Ms Tyrrell to participate in a bonus (or other incentive scheme) operated by the Company and subject to such conditions as the Company may, in its absolute discretion, determine from time to time. Ms Tyrrell's employment is terminable by either party by giving to the other 6 months' prior written notice, during which period Ms Tyrrell shall have no entitlement to receive any bonus payment. In addition, conditional on Admission, Ms Tyrrell will receive an IPO cash bonus of £66,250. Ms Tyrrell's service agreement contains customary conduct-related termination rights, as well as confidentiality undertakings and prohibitions on competing, soliciting and dealing with customers and poaching employees (which apply for a period of 12 months from the date of termination of Ms Tyrrell's employment). Ms Tyrrell is also prohibited from acquiring any material business and assets from, making any investment (direct or indirect) in, or providing finance or funding to any acquisition target the Group is proposing to, or actively engaged in material negotiations with, in respect of making an investment in, or acquiring business and/or assets from, in the 12 months prior to the termination of employment.

9.2 **Non-executive directors**

9.2.1 ***Tanya Raynes***

Pursuant to a non-executive letter of appointment with the Company dated 14 November 2024, Ms Raynes was appointed by the Company as an independent non-executive Director. The appointment is effective from 13 November 2024, and is for an initial term of three years, subject to shareholder review and re-election and is terminable earlier by either side giving three months' prior written notice at any time. If Admission has not occurred by 00:00 on 16 December 2024 (or such later time or date as may be confirmed by the Company), Ms Raynes' appointment will terminate with immediate effect and neither party shall have any claim against the other save for any rights which have accrued prior to such termination. In this event, the length of notice will be one month. The fee payable to Ms Raynes will be £84,000 per annum before tax, payable monthly in arrears and an additional £5,000 will be payable when Ms Raynes is appointed as Chair for any Board committee. This fee is based on the anticipated time commitment of 2 days per month.

9.2.2 ***Paul Mc Gowan***

Pursuant to a non-executive letter of appointment with the Company dated 19 November 2024, Mr Mc Gowan was appointed by the Company as a non-executive Director. The appointment is effective from 13 November 2024, and is for an initial term of three years, subject to shareholder review and re-election and is terminable earlier by either side giving three months' prior written notice at any time. If Admission has not occurred by 00:00 on 16 December 2024 (or such later time or date as may be confirmed by the Company), Mr Mc Gowan's appointment will terminate with immediate effect and neither party shall have any claim against the other save for any rights which have accrued prior to such termination. In this event, the length of notice will be one month. The fee payable to Mr Mc Gowan will be £100,000 per annum before tax, payable monthly in arrears. This fee is based on the anticipated time commitment of 12 days per month. In addition, conditional on Admission, Mr Mc Gowan will receive an IPO cash bonus of £65,000.

9.2.3 ***Fraser Gray***

Pursuant to a non-executive letter of appointment with the Company dated 14 November 2024, Mr Gray has been appointed by the Company as an independent non-executive director. The appointment is effective from 13 November 2024, and is for an initial term of three years, subject to shareholder review and re-election and is terminable earlier by either side giving three months' prior written notice at any time. If Admission has not occurred by 00:00 on 16 December 2024 (or such later time or date as may be confirmed by the Company), Mr Gray's appointment will terminate with immediate effect and neither party shall have any claim against the other save for any rights which have accrued prior to such termination. In this event, the length of notice will be one month. The fee payable to Mr Gray will be £44,000 per annum before tax, payable monthly in arrears and an additional £5,000 will be payable when Mr Gray is appointed as Chair for any Board committee. This fee is based on the anticipated time commitment of 2 days per month.

9.2.4 ***Peter Tierney***

Pursuant to a non-executive letter of appointment with the Company dated 14 November 2024, Mr Tierney has been appointed by the Company as an independent non-executive Director. The appointment is effective from 13 November 2024, and is for an initial term of three years, subject to shareholder review and re-election and is terminable earlier by either side giving three months' prior written notice at any time. If Admission has not occurred by 00:00 on 16 December 2024 (or such later time or date as may be confirmed by the Company), Mr Tierney's appointment will terminate with immediate effect and neither party shall have any claim against the other save for any rights which have accrued prior to such termination. In this event, the length of notice will be one month. The fee payable to Mr Tierney will be £44,000 per annum before tax, payable monthly in arrears and an additional £5,000 will be payable when Mr Tierney is appointed as Chair for any Board committee. This fee is based on the anticipated time commitment of 2 days per month.

9.3 Save for these agreements, there are no other service agreements between any Director and the Company and none are proposed to be entered into.

10. LONG TERM INCENTIVE PLAN

On 16 December 2024, the Company established the LTIP, subject to Admission.

The LTIP is intended to be the primary vehicle for the incentivising the employees of the Group in the form of Ordinary Shares. The principal features of the LTIP are described below.

10.1 Administration

The remuneration committee will administer the LTIP and be responsible for making all decisions relating to awards, acting under the delegated authority of the Board. The remuneration committee may delegate authority to particular individuals or to a sub-committee to carry out day-to-day administrative matters in connection with the LTIP.

10.2 **Eligibility to Participate**

All employees and Executive Directors of the Group are eligible to participate in the LTIP.

The remuneration committee shall select employees and Executive Directors to be granted awards on any occasion on a discretionary basis.

10.3 **At-IPO Awards**

Subject to Admission it is intended that the first incentive awards under the LTIP (the "**At-IPO Awards**") will be granted to Hugh Whitcomb, Mark O'Neill, Siobhán Tyrrell, Mark Mullen and Steve Jones as Share Options with an exercise price equal to the nominal value per Ordinary Share. Share Options will be granted over such number of Ordinary Shares as is equal to 34-80 per cent. of the employees' base salary, based on the Placing Price.

The At-IPO Awards will vest, in whole or in part, following the third anniversary of grant, subject to measurement of performance which will be assessed:

(a) as to 50 per cent. of the At-IPO Award, by reference to Adjusted EBITDA over the three financial years ended 31 December 2026 at levels determined by the remuneration committee; and

(b) for the remaining 50 per cent. of the At-IPO Award a performance target requiring an increase in Total Shareholder Return over the three years from the date of grant of at least 8 per cent. per annum (with full vesting at 18 per cent. per annum).

On vesting, the At-IPO Awards will be capable of exercise at any time until the tenth anniversary of Admission, subject to a requirement for any new Ordinary Shares acquired as a result of exercise of an At-IPO Award be held by the awardee for a period of three months from exercise (save for any Ordinary Shares required to be disposed of to meet exercise related taxation).

10.4 **Types of Award**

The following types of award can be made under the LTIP:

(a) conditional share awards; or

(b) options (which may be market value options or nominal cost options); or

(c) cash awards.

Awards are not pensionable.

No dividend equivalents will be paid.

10.5 **Timing of Awards**

Awards may be made only:

(a) during the period of 42 days beginning with the date of Admission;

(b) during the period of 42 days beginning with the first dealing day on which the London Stock Exchange is open for business following the public announcement of the results of the Company for any period;

(c) as soon as reasonably practicable after the person to whom it is made first becomes an employee;

(d) during the period of 42 days after the approval by shareholders of any new directors' remuneration policy of the Company as published in the Company's annual report and accounts and in force from time to time; and

(e) during any other period in which the remuneration committee has decided to grant an award due to exceptional circumstances which justify such a decision.

In each case, the grant of an award shall be subject to the Company not at that time being restricted by reason of the Market Abuse Regulation and/or any statute, order or regulation (including any regulation, order or requirement imposed on the Company by any regulatory authority) and/or the Share Dealing Code from granting an award. Where any such restrictions apply and which prevent the grant of awards within the periods outlined above, awards may be granted as soon as reasonably practicable following such restrictions ceasing to apply.

Awards may not be made after the tenth anniversary of the date of Admission.

10.6 **Performance Conditions**

All awards granted will be subject to one or more performance conditions which will be linked to the achievement of performance targets ordinarily measured over a performance period of three years. The remuneration committee will review and set the relevant performance conditions prior to the grant of the relevant award.

The remuneration committee may vary or waive any performance condition, provided that any varied performance condition shall be a fairer measure of performance than the original performance condition, will afford a more effective incentive, and shall be no more or less demanding than the original performance condition when set.

The LTIP does not permit the automatic waiver of a performance condition.

10.7 **Release of Awards**

Awards will be released and Share Options can be exercised to the extent vested on the later of:

(a) the third anniversary of the grant date; and

(b) the date on which the performance conditions are tested by the remuneration committee following the end of the applicable performance period.

Except in the case of awards granted to Executive Directors, the remuneration committee retains flexibility to set different vesting dates for awards at the award grant date. If vesting falls within a period when dealing restrictions apply, the date of vesting will be postponed until the first business day after such restrictions cease to apply.

Awards granted in the form of Share Options may normally be exercised from the date of vesting until the tenth anniversary of the date of grant (unless the remuneration committee specifies shorter exercise periods).

Awards may be cash settled in whole or in part on a net of tax basis and, in the case of Share Options, net of the exercise price.

Awards may be granted on the basis that some or all of the Ordinary Shares in respect of which the award vests will be held for a further period post-vesting. The At-IPO Awards shall be granted on the basis that any shares in respect of which the award vests will be held for a further period of three months post-vesting. The remuneration committee may permit disposals of Ordinary Shares within the post-vesting holding period on an exceptional basis.

10.8 **Overall Limits**

The total number of Ordinary Shares issued or issuable under the LTIP and any other employees' share scheme operated by the Group (excluding any rights to subscribe for Ordinary Shares granted prior to or in connection with Admission such as the At-IPO Awards and any other employees' share scheme awards made prior to Admission) may not exceed 10 per cent. of the Company's ordinary share capital in any 10-year period.

Ordinary Shares transferred out of treasury to satisfy awards are treated as newly issued shares for the purposes of this limit.

Awards that have lapsed do not count against these limits.

10.9 **Individual Limits**

The total value of Ordinary Shares subject to awards made to any individual employee in respect of any financial year may not normally exceed 100 per cent. of the individual's base salary at the date the award is made. However, in exceptional circumstances, awards may be made over Ordinary Shares worth up to 150 per cent. of the individual's base salary.

10.10 **Malus and Clawback**

The remuneration committee has power to cancel or reduce any unvested awards (malus) and to claw back the value of any awards that have vested (clawback) within a three year period of such vesting. In summary, the remuneration committee will be able to exercise this power where it considers appropriate in cases of:

(a) material misstatement of the Group's financial results for any period;

(b) an error of calculation having occurred when assessing the performance conditions;

(c) the award holder having committed fraud or misconduct;

(d) the behaviour of the award holder having materially failed to reflect the governance or values of the Company or having caused injury to the reputation of the Group; and/or

(e) the Company having suffered an instance of material corporate failure.

10.11 **Termination of Employment and Death of Award Holder**

If an award holder ceases employment before an award has been released, the award will ordinarily lapse entirely.

However, if the award holder terminates employment in "good leaver" circumstances, part of the award will lapse on a time-apportioned basis (unless the remuneration committee determines otherwise) and the balance of the award will continue in existence and be released on the normal release date (unless the remuneration committee determines that the award should be released on an earlier date) and the remuneration committee will determine the extent to which the relevant performance conditions have been achieved at the leaving date on such reasonable basis as it determines (which may include having regard to the extent to which the remuneration committee considers that the performance conditions would have been satisfied over the full length of the performance period, taking into account such factors as the remuneration committee considers appropriate).

The good leaver circumstances are:

(a) death;

(b) injury, ill health or disability;

(c) the award holder's employing company ceasing to be a member of the Group;

(d) the business that employs the award holder being transferred outside the Group; and

(e) any other circumstances that the remuneration committee considers appropriate.

If the award holder dies, the vested shares will be released to the award holder's personal representatives. Share Options must be exercised by the award holder's personal representatives within 12 months after the date of death (and within 6 months of leaving in other "good leaver" circumstances).

10.12 **Change of Control**

If a change of control, scheme or arrangement, voluntary winding-up or delisting of all of the Ordinary Shares occurs (together, a "**Corporate Event**"), part of all outstanding awards will lapse on a time-apportioned basis (unless the remuneration committee acting fairly and reasonably, decides that a lesser (or no) reduction is appropriate) and the remuneration committee will determine the extent to which the relevant performance conditions have been achieved at the date of the relevant Corporate Event on such reasonable basis as it determines (which may include having regard to the extent to which the remuneration committee considers that the performance conditions would have been satisfied over the full length of the performance period, taking into account such factors as the remuneration committee considers appropriate).

The remuneration committee may determine that the above treatment will also apply on the occurrence of a demerger or merger with another company, a special dividend or other event which may, in the opinion of the remuneration committee, affect the current or future value of awards.

10.13 **Variation of Share Capital**

In the event of a capitalisation issue, rights issue, sub-division or consolidation of the Ordinary Shares, reduction of capital, demerger or payment of a special dividend or any other variation of capital that affects the value of an award, the remuneration committee will make such adjustments as it considers appropriate to outstanding awards and, in the case of Share Options, the exercise price.

10.14 **Overseas Equivalent LTIP**

The remuneration committee may establish further schemes based on the LTIP but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any Ordinary Shares made available under such further schemes are treated as counting against the limits on individual and overall participation in the LTIP.

10.15 **Amendments**

The remuneration committee may alter or amend any of the provisions of the LTIP at any time at its discretion, provided that it may not amend the following provisions of the LTIP to the material advantage of participants, without having first obtained the consent of a majority of shareholders by way of ordinary resolution:

(a) the eligibility to participate;

(b) the individual and overall limitations on the making of awards;

(c) the basis for determining participants' entitlements to, and the terms of the Ordinary Shares or cash comprised in an award;

(d) the adjustment of rights in the event of a variation of the Company's ordinary share capital;

(e) the amendment provisions of the LTIP,

except for minor amendments which benefit the administration of the LTIP, to take account of changes in legislation, or any which are intended to secure beneficial tax or regulatory treatment for the Company, any member of its Group or for any participant in the LTIP.

The remuneration committee may also not amend the provisions of the LTIP (or the terms attaching to any existing awards) to the material disadvantage of existing participants without first having obtained the written consent of a majority of the affected participants.

11. EMPLOYEES

11.1 As at the date of this document, the Group employs 359 employees.

11.2 The following table shows the number of permanent employees of the Group for each financial year specified below:

Year	*Number of employees*
2023	300
2022	290
2021	219

11.3 All employees are based in the UK. The following table shows the number of permanent employees by main category of activity as at 31 December 2023:

Principal activity	*Number of employees*
Directors and subsidiary Directors	14
Administration and sales	210
Production	76

11.4 The Group does not employ a significant number of temporary employees, however does have a number of key contractors.

11.5 There are no current arrangements involving the employees of the Group, save in relation to the LTIP, in the capital of the Company.

12. DILUTION OF ORDINARY SHARE CAPITAL

12.1 The Group may choose to issue additional Ordinary Shares in subsequent public offerings or private placements to fund acquisitions or as consideration for acquisitions. In addition, the Group may issue additional Ordinary Shares to satisfy entitlements of participants in the LTIP arising on crystallisation of a series of incentive shares. Placings or other issues of Ordinary Shares would result in the dilution of the interests of current Shareholders.

13. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within CREST if any Shareholder so wishes. However, CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so.

14. TAKEOVER CODE, SQUEEZE OUT AND SELL OUT RULES, CONCERT PARTIES

14.1 The Takeover Code

The Takeover Code applies to the Company.

The Takeover Code applies to all takeovers and merger transactions, however effected, where, *inter alia*, the offeree company is a public company which has its registered office in the United Kingdom, the Isle of Man or the Channel Islands, if the company has its securities admitted to trading on a regulated market or a multilateral trading facility in the United Kingdom or on any stock exchange in the Channel Islands or the Isle of Man. The Takeover Code will therefore apply to the Company from Admission and its Shareholders will be entitled to the protection afforded by the Takeover Code.

14.2 Mandatory takeover bids

Under Rule 9 of the Takeover Code, where: (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons in which he is already interested and in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company subject to the Takeover Code; or (ii) any person who, together with persons acting in concert with him or her, is interested in shares which in the aggregate carry not less than 30 per cent. but not more than 50 per cent. of the voting rights of such a company, if such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he or she is interested, then, except with the consent of the Takeover Panel, he or she, and any person acting in concert with him or her, must make a general offer in cash to the holders of any class of equity share capital whether voting or nonvoting and also to the holders of any other class of transferable securities carrying voting rights to acquire the balance of the shares not held by him or her and his or her concert party.

Save where the Takeover Panel permits otherwise, an offer under Rule 9 of the Takeover Code must be in cash and at the highest price paid within the 12 months prior to the announcement of the offer for any shares in the company by the person required to make the offer or any person acting in concert with him or her.

14.3 **Squeeze out**

Under sections 974 to 991 of the Act, if within certain time limits, an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the shares (in value and by voting rights) to which such offer relates, it may then compulsorily acquire the outstanding shares not assented to the offer. The offeror would accept the compulsory acquisition by sending a notice to outstanding holders of shares telling them that it will compulsorily acquire their shares and then, six weeks from the date of the notice, it would execute a transfer of the outstanding shares in its favour and pay the consideration for the shares to the Company, which would hold the consideration on trust for the outstanding holders of shares. The consideration offered to the holders whose shares are compulsorily acquired under the Act must, in general, be the same as the consideration that was available under the takeover offer.

14.4 **Sell out**

In addition, pursuant to section 983 of the Act, if an offeror acquires or agrees to acquire not less than 90 per cent. of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his shares on the same terms as the takeover offer. Certain time limits apply to this entitlement. The offeror would be required to give any holder of shares notice of his right to be bought out within one month of that right arising. Sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises his/her rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

As at the date of this document, the Company is not in receipt of, nor subject to, a takeover offer (as defined in section 974 of the Act).

15. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or any member of the Group (as applicable) (a) in the two years immediately preceding the publication of this document and which are, or may be, material; or (b) at any time and which contain any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this document.

15.1 **Acquisition of J.A. Harrison & Company (Manchester) Limited ("JA Harrison")**

Dunville (a subsidiary of the Company) (as buyer) entered in a share purchase agreement, dated 8 May 2021 ("**JA Harrison Acquisition Agreement**") with the shareholders of JA Harrison (as sellers) to acquire 80 per cent. of the issued shares of JA Harrison. Keith Shepherd and Carole Shepherd (the "**JA Harrison Minority Shareholders**") retained 20 per cent. of the issued shares of JA Harrison in the form of class B ordinary shares (the "**Retained JA Harrison Minority Shareholding**").

JA Harrison is in the business of manufacturing and supplying gaskets, manufacturing seals, other sealing technology solutions, and related plastic components to a range of specialist industry sectors. The acquisition of JA Harrison was completed on 8 May 2021.

Concurrent with the completion of the JA Harrison acquisition, Dunville entered into a shareholders agreement, dated 8 May 2021 (the "**JA Harrison Shareholders Agreement**") with JA Harrison, Carole Shepherd and Keith Shepherd with respect to the governance of JA Harrison and rights and undertakings with respect to the management and operations of JA Harrison and its subsidiaries (together, the "**JA Harrison Group Companies**"), obligations relating to the purchase and sale of the Retained JA Harrison Minority Shareholding upon a change of control events or exit events; and reporting obligations on budget, accounting and other information to Dunville.

For so long as Carole Shepherd and Keith Shepherd together hold more than 10 per cent. of the fully diluted equity of JA Harrison and except in the event that Keith Shepherd is a bad leaver, Keith Shepherd shall have the right to be appointed a director. Each of Keith Shepherd and Carole Shephard currently serve as a director on the board of JA Harrison. The board of JA Harrison currently consists of 3 directors. The Memorandum and Articles of Association of JA Harrison do not fix the maximum number of directors and provides that the holders of the class A ordinary shares shall be entitled to one board seat. Dunville holds all of the class A ordinary shares.

In the event a person or group acting in concert seek to obtain ownership of shares of JA Harrison constituting a majority of the vote ("**Controlling Interest**") or increase its then existing Controlling Interest, the JA Harrison Shareholders Agreement contains drag rights providing for the obligation of such prospective purchaser to offer ("**JA Harrison Approved Offer**") to purchase the Retained JA Harrison Minority Shareholding. When a JA Harrison Approved Offer is made, the holders of a majority of the A shares have drag-along rights that require the holders of the JA Harrison Minority Shareholding to sell their shares to the offeror. There are also tag-along rights allowing Carole Shepherd and Keith Shepherd to require Dunville to include the Retained JA Harrison Minority Shareholding in any sale of shares of JA Harrison to a purchaser offering or agreeing to acquire a majority of the shares of JA Harrison. Upon the sale of shares of JA Harrison constituting a majority of the votes or in the event of a listing of the shares of the Company, Dunville or the proposed transferee will be required to purchase the JA Harrison Minority Stake.

If Keith Shepherd or Carole Shepherd cease for any reason to be an employee, director, or consultant of any JA Harrison Group Company, the JA Harrison Shareholders Agreement generally provides that the shares held by Keith Shepherd and Carole Shephard will be subject to a compulsory sale to Dunville. The Articles of Association contain provisions implementation the procedures applicable to such a mandatory sale.

JA Harrison has undertaken to the shareholders of JA Harrison that, subject to certain materiality thresholds, it will not and will not permit any of its subsidiaries to take actions with respect to a broad range of corporate, finance and operational matters without the consent of Dunville, including borrowing funds, passing resolutions for winding up the JA Harrison, change the nature of JA Harrison's business, granting incumbrances over JA Harrison assets, loan funding, terminating material contracts, establishing or amending pension plans, instituting or settling litigation, changing auditors, appointing or terminating directors, offers or employees of JA Harrison or any JA Harrison subsidiary, incurring capital expenditures, selling assets of the JA Harrison and its subsidiaries and establishing new subsidiaries. In addition, no JA Harrison Group Company may take any of the following actions without the unanimous consent of the shareholders of JA Harrison, which would consist of the following: Dunville, Carole Shephard and Keith Shepherd: amending the JA Harrison Shareholders Agreement or the articles of JA Harrison, material changes to the business of any JA Harrison Group Company or the sale of all or substantially all of the business of any JA Harrison Group Company, issue or grant options or other rights over shares or other capital securities of any JA Harrison Company, vary share capital or related right, entering in any contract or arrangement outside the ordinary course of business, entering into any agreement or arrangement with Amcomri 16 other than in the ordinary course or trading or on arm's length terms, entering into any joint venture of partnership, granting encumbrances of the assets or shares of any JA Harrison Group Company. The JA Harrison Shareholders Agreement also provides that the shares of Dunville may not be sold to a third party without the consent of all shareholders of JA Harrison.

The shareholders of JA Harrison also agreed to a time frame and process for the preparation of budgets, management accounts, information provider to lenders, and audited financial statements.

In light of the proposed Admission of the Company and pursuant to the terms of the JA Harrison Shareholders Agreement, on 29 October 2024, Dunville purchased the Retained JA Harrison Minority Shareholding from Keith Shepherd and Carole Shepherd. Under the terms of the share purchase agreements for the purchase of the Retained JA Harrison Minority Shareholding, a consideration of £484,750 is payable to each of Keith Shepherd and Carole Shepherd (the "**JA Harrison Deferred Consideration**"). In the event Admission takes place, the JA Harrison Deferred Consideration is payable on or before 30 March 2025. If Admission does not take place, the JA Harrison Deferred Consideration is payable on or before 30 June 2025.

15.2 **Acquisition of Bex Design & Print Ltd ("Bex")**

Amcomri 16 entered in a share purchase agreement, dated 11 March 2022 (the "**Bex Acquisition Agreement**") with Bex Holdings Limited to purchase all of the issued shares in the capital of Bex.

Bex is in the business of industrial graphics and print products, manufacturing a range of products, including membrane switches, graphic overlays, anodised plates and reel labels. The acquisition was completed on 11 March 2022.

The Bex Acquisition Agreement contained customary warranties and indemnities in favour of Amcomri 16, and the liability of the seller, Bex Holdings Limited, is subject to customary limitations and qualifications. The warranties covered matters including capacity to sell and ownership of shares, constitution and structure, compliance with legal requirements, accounts, indebtedness and guarantees, regulatory compliance, contracts, assets, property (including intellectual property), information technology, environmental health and safety, subsidiaries, employment, pensions, insurance, customers and suppliers, disputes and investigations, insolvency and taxation.

15.3 **Acquisition of Etrac**

Amcomri 14 (as purchaser) entered in a share purchase agreement, dated 15 June 2022 (the "**Etrac Acquisition Agreement**") with Dominic James Cosgrove and Harriet Katrina Cosgrove to purchase all the issued shares of Etrac.

Etrac is in the business of testing and repairing electric traction and control equipment in the railway industry. The acquisition was completed on 15 June 2022.

The Etrac Acquisition Agreement contained customary warranties and indemnities in favour of Amcomri 14, and the liability of the sellers is subject to customary limitations and qualifications. The warranties covered matters including capacity to sell and ownership of shares, constitution and structure, compliance with legal requirements, accounts, indebtedness and guarantees, regulatory compliance, contracts, assets, property (including intellectual property), information technology, environmental health and safety, subsidiaries, employment, pensions, insurance, customers and suppliers, disputes and investigations, insolvency and taxation.

15.4 **Acquisition of Kestrel Valve and Engineering Services Ltd ("Kestrel Valve")**

The Company (as buyer) entered in a share purchase agreement, dated 6 April 2023 (the "**Kestrel Valve Acquisition Agreement**") with the shareholders of Kestrel Valve providing for the purchase of all outstanding shares of Kestrel Valve by the Company.

Kestrel Valve is in the business of reconditioning and repairing valves and pumps and providing related engineering support services. The acquisition was completed on 5 June 2023.

The Kestrel Valve Acquisition Agreement contained customary warranties and indemnities in favour of the Company, and the liability of the sellers is subject to customary limitations and qualifications. The warranties covered matters including capacity to sell and ownership of shares, constitution and structure, compliance with legal requirements, accounts, indebtedness and guarantees, regulatory compliance, contracts, assets, property (including intellectual property), information technology, environmental health and safety, subsidiaries, employment, pensions, insurance, customers and suppliers, disputes and investigations, insolvency and taxation.

15.5 **Acquisition of WJ Project Services Limited**

WJPS Holdings Limited ("**WJPS Holdings**") (as buyer) and the Company (as guarantor) entered into a share purchase agreement, dated 10 October 2023 (the "**WJPS Acquisition Agreement**") with the shareholders of W J Project Services Limited ("**WJPS**") providing for the purchase of the entire issued share capital of WJPS by WJPS Holdings. Please refer to note 20 in the notes to the Historical Financial Information of the Group, as set out in Part IV of Section B of this document for details of the consideration paid in respect of the acquisition of WJPS.

Pursuant to the WJPS Acquisition Agreement, part of the consideration for WJPS was settled by issuing the Loan Notes to the sellers of WJPS (the "**WJPS Sellers**"). The Loan Notes may be converted into Ordinary Shares in the Company at any time until 10 October 2026. Upon conversion, the WJPS Sellers are entitled to receive Ordinary Shares in the Company at a 10 per cent. discount to the Placing Price.

In respect of the WJPS deferred consideration, an amount of up to £1.1 million is payable in two instalments (each up to a maximum of £550,000). The relevant payment for each instalment is calculated by reference to the EBITDA of WJPS for the relevant period (being the 12-month period ending on the first and second anniversary of completion, respectively).

WJPS is in the business of testing low & high voltage systems and protection testing, including railway, national grid & distribution network operator interfaces. The WJPS Acquisition Agreement contained customary warranties and indemnities in favour of WJPS Holdings, and the liability of the sellers is subject to customary limitations and qualifications. The warranties covered matters including capacity to sell and ownership of shares, constitution and structure, compliance with legal requirements, accounts, indebtedness and guarantees, regulatory compliance, contracts, assets, property (including intellectual property), information technology, environmental health and safety, subsidiaries, employment, pensions, insurance, customers and suppliers, disputes and investigations, insolvency and taxation.

15.6 **Acquisition of Claro Precision Engineering, Drurys Engineering and other acquisitions**

On 19 March 2024, Amcomri 18 Limited (now renamed Claro Precision Engineering Limited), a subsidiary of the Company, acquired the assets and businesses owned by subsidiaries of Pexion Ltd (in administration). A business trading as Claro Precision Engineering was acquired for £550,000. Similarly, the business and assets of a business trading as Drurys Engineering was acquired for £700,000.

The maximum total consideration paid for all acquisitions by the Group is £28,710,500, comprising £20,902,000 of upfront consideration and £7,808,500 of deferred consideration, of which £3,849,500 deferred consideration remains outstanding as at the date of this document, as follows:

Acquisition	*Outstanding Consideration (£)*
JA Harrison*	969,500
Etrac**	280,000
Kestrel Valve**	300,000
WJ Project Services***	2,300,000
Total	3,849,500

* to be paid from the net proceeds of the Placing by Q1 FY25

** to be paid from operating cash flows

*** to be paid through a combination of operating cash flows and existing Shawbrook facilities (subject to potential conversion of £1.2 million Loan Note)

15.7 **Rockpool Acquisitions PLC**

The Company was a party to a countersigned letter dated 11 November 2022 comprising Heads of Agreement committing those who were shareholders in the Company at that time to exchange their Ordinary Shares for shares in Rockpool Acquisitions PLC ("Rockpool"). The transaction envisaged by this agreement did not proceed, leading to a claim by Rockpool for recovery of certain costs. The Company has agreed a settlement with Rockpool details of which are set out in paragraph 19 of this Part V.

15.8 **Placing Agreement**

Pursuant to an agreement dated 16 December 2024 and made between the Company, the Directors and Cavendish, Cavendish has conditionally agreed, *inter alia*, on Admission becoming effective not later than 8.00 a.m. on 20 December 2024 (or such later date as Cavendish and the Company may agree, being no later than 8.00 a.m. on 6 January 2025), as agent for the Company, to use its reasonable endeavours to procure acquirers of the Placing Shares at the Placing Price.

Under the Placing Agreement, the Company and the Directors have given Cavendish certain customary representations, warranties and undertakings regarding, *inter alia*, the accuracy of the information contained in this document and the Company's business and assets. In addition, the Company has given Cavendish certain indemnities. The Placing Agreement may be terminated prior to Admission by Cavendish in certain limited circumstances, including where the representations, warranties and undertakings are not true and accurate in all material respects or have become misleading, or where a force majeure event or a material adverse change in the Group's business, financial condition or prospects has arisen. If the Placing Agreement is terminated, the Placing will not proceed and no Placing Shares will be issued under the Placing. The Placing Agreement is governed by English law and is subject to the exclusive jurisdiction of the English courts.

Under the Placing Agreement and subject to it becoming unconditional, the Company has agreed to pay to Cavendish, a placing commission on the proceeds of the Placing payable to the Company and a corporate finance fee. The Company will pay certain other costs and expenses (including all applicable VAT) of, or incidental to, the Placing including all fees and expenses payable in connection with Admission, expenses of the Registrars, printing and advertising expenses, postage and all other legal, accounting and other professional fees and expenses.

15.9 **Relationship Agreement**

On 16 December 2024, the Company, Paul Mc Gowan, Amcomri Holdings and Oranmore (together, the "**Substantial Shareholders**") entered into a relationship agreement, conditional upon Admission, pursuant to which the Substantial Shareholders have undertaken, amongst other things, that:

15.9.1 the Group shall be managed for the benefit of Shareholders as a whole and shall be capable at all times of carrying on its business independently of the Substantial Shareholders (and/or any of their connected persons);

15.9.2 all transactions, agreements and arrangements between any member of the Group and the Substantial Shareholders (and/or any of their connected persons) shall be on an arm's length basis and on normal commercial terms;

15.9.3 at least two Directors who are considered to be independent shall at all times be appointed to the Board;

15.9.4 any dispute between the Substantial Shareholders (or any of their connected persons) and the Group shall be dealt with by a committee comprising only independent Directors;

15.9.5 the remuneration committee nomination committee and audit & risk committee established by the Board from time to time and any other board committee shall, where practicable, be comprised of a majority of independent Directors and shall be chaired by an independent Director;

15.9.6 the Substantial Shareholders shall not exercise their voting rights to make any variations to the articles of association of the Company that would be contrary to the maintenance of the Company's independence from the Substantial Shareholders, prevent the election of independent Directors or would be inconsistent with, undermine or breach any provision of the relationship agreement or the AIM Rules for Companies; and

15.9.7 for so long as Paul Mc Gowan is interested in voting rights representing more than 50 per cent. of the rights to vote at a general meeting of the Company attaching to Ordinary Shares, Mr Mc Gowan shall have the right to appoint a representative to attend as an observer at each and any meeting of the Board and at each and any meeting of any governance Board committee.

The relationship agreement is effective for so long as the Substantial Shareholders and their connected persons hold in aggregate Ordinary Shares carrying 30 per cent. or more of the Company's voting share capital.

15.10 **Registrar Agreement**

On 16 December 2024, the Company entered into a registrar agreement with the Registrar, pursuant to which the Registrar has agreed to act as the registrar of the Company with effect from Admission for an initial period of 12 months and thereafter terminable by either party on three months' written notice.

15.11 **Nominated Adviser and Broker Agreement**

The Company and Cavendish have entered into a nominated adviser and broker engagement letter dated 16 December 2024, pursuant to which, and conditional upon Admission, the Company has appointed Cavendish to act as its nominated adviser and broker for the purposes of the AIM Rules for Companies. The Company has agreed to pay Cavendish an annual advisory fee for its services as nominated adviser and broker under such agreement, payable quarterly in advance from the date of Admission.

15.12 **Concert Party Agreement**

The Company, Cavendish and Hugh Whitcomb, Paul Mc Gowan, Mark O'Neill and Jeffrey Hecktman (the "**Concert Party Members**") have entered into a concert party agreement dated 7 November 2024, pursuant to which the Concert Party Members have undertaken not to acquire, announce an intention to acquire, offer, propose or agree to acquire, or enter into any agreement, arrangement or undertaking to acquire any interest in any securities of the Company, resulting in any Concert Party Member having in total, an interest in the shares carrying 30 per cent. or more of the voting rights of the Company, but less than 50 per cent. of the voting rights of the Company.

The Concert Party Members have additionally undertaken to not, and to use reasonable endeavours to procure any persons connected ("**Connected Persons**") to them do not, make a disposal of the Ordinary Shares held by the relevant Concert Party Member or their Connected Persons for as long as Cavendish continues to act as nominated adviser and/or broker to the Company during the First Restricted Period (as defined therein). Pursuant to the agreement, the Concert Party Members have each also covenanted and undertaken that during the Second Restricted Period (as defined therein), they will use their respective reasonable endeavours to ensure that none of their Connected Persons make a disposal of the shares held by them, without the prior written consent of Cavendish.

15.13 **Warrant Agreement**

The Company and Cavendish have entered into a warrant agreement dated 16 December 2024 which creates warrants to subscribe for 140,363 Ordinary Shares, exercisable up to and including the third anniversary of Admission ("**Warrants**"). The Warrants have been issued to Cavendish conditional upon Admission. Under the terms of the warrant agreement the Warrants become exercisable from the date of Admission until the third anniversary of Admission and shall lapse on the third anniversary of Admission. The Warrants can be exercised, in whole or in part by the warrant holder submitting a completed exercise notice and the relevant exercise monies. A request to exercise the Warrants is irrevocable once submitted to the Company, save with the consent of the Company. The number of Ordinary Shares which would be granted upon exercise of the Warrants and/or the applicable subscription price may be adjusted in the event that changes are made to the Ordinary Shares (including sub-division and consolidation of the Ordinary Shares).

15.14 **Facility Agreement Summaries**

J.A. Harrison

On 8 May 2021, J.A. Harrison entered into a facility agreement with Arbuthnot Commercial Asset Based Lending Limited ("**Arbuthnot**"), as amended by an amendment letter dated 29 November 2024 ("**JAH Arbuthnot Facility Agreement**"). Pursuant to the JAH Arbuthnot Facility Agreement, an aggregate amount of £5,225,000 was made available for the financing of the acquisition of J.A. Harrison by Dunville, repayment of existing debt in the Group and general working capital purposes. The facilities under the JAH Arbuthnot Facility Agreement require an arrangement fee of £62,813 to be paid to Arbuthnot on the commencement date of the JAH Arbuthnot Facility Agreement (being 8 May 2021). In the event the JAH Arbuthnot Facility Agreement is terminated prior to the expiry of a notice period, an early repayment fee shall be payable to Arbuthnot.

The JAH Arbuthnot Facility Agreement comprises of a four separate single currency facility arrangements (the "**JAH Arbuthnot Facilities**") which include a receivables finance facility in the amount of £2,000,000 (the "**JAH Receivables Finance Facility**"), a plant and machinery loan facility in the amount of £345,000 (the "**JAH P&M Loan Facility**"), a property loan facility in the amount of £1,880,000 (the "**JAH Property Loan Facility**") and a Coronavirus Business Interruption Loan Scheme facility in the amount of £1,000,000 (the "**JAH CBILS Facility**").

The JAH Receivables Finance Facility is made available for a minimum period of 36 months from the date of the facility (being 8 May 2024). The JAH Receivables Finance Facility carries a discount margin of 2.5 per cent. for a funding period of 120 days from date on which the relevant invoice was raised. An audit fee of £850 per audit day plus reasonable costs, a CHAPS fee of £30 and a service charge of 0.35 per cent. of the notified value of an Existing Receivable (as defined therein), subject to a monthly minimum of £1,500 is payable. The amounts due under the JAH Receivables Finance Facility are repayable within 90 days from the last day of the month in which an invoice is raised. Any amounts prepaid under the JAH Receivables Finance Facility may not exceed 1 per cent. of the notified value of an Existing Receivable.

The JAH P&M Loan Facility carries an interest rate of 3.5 per cent. and is available for a term of 60 months from the date of the JAH P&M Loan Facility (being 8 May 2025) and is co-terminus with the JAH Receivables Finance Facility. The JAH P&M Loan Facility is payable in equal monthly instalments of £6,052.63, commencing on 31 August 2021, provided that the remaining balance of the P&M Loan Facility is repayable in full upon termination of the JAH Receivables Finance Facility.

The JAH Property Loan Facility carries an interest rate of 4.5 per cent. and is available for a term of 120 months from the date of the JAH Property Loan Facility (being 8 May 8 May 2031). The JAH Property Loan Facility is co-terminus with the JAH Receivables Finance Facility. The JAH Property Loan Facility is payable in equal monthly instalments of £16,068.37, commencing on 31 August 2021, provided that the remaining balance of the JAH Property Loan Facility is repayable in full upon termination of the JAH Receivables Finance Facility.

The JAH CBILS Facility carries an interest rate of 4.99 per cent. and is available for a term of 72 months from the date of the JAH CBILS Facility (being 8 May 2027). The JAH CBILS Facility is co-terminus with the JAH Receivables Finance Facility. The JAH CBILS Facility is payable in equal monthly instalments of £16,666.66 commencing on 30 June 2023, provided that the remaining balance of the JAH CBILS Facility is repayable in full upon termination of the JAH Receivables Finance Facility. A monitoring fee of £500 per month is also repayable in respect of the JAH CBILS Facility.

J.A. Harrison has provided representations and warranties in relation to the JAH Arbuthnot Facilities and is secured by a debenture granted in favour of Arbuthnot. Under the JAH Arbuthnot Facility Agreement, J.A. Harrison must remain in compliance with a "Debt Service Cover Ratio" and maintain a ratio of EBITDA to "Debt Service" (each as defined therein) of not less than 1.2:1.

In the event the Debt Service Cover Ratio is not complied with, no Termination Event (as defined therein) shall occur in respect of such failure, provided that within five business days of the date on which the relevant financial statements and compliance certificate (the "**JAH Calculation Date**") evidencing the failure to comply are due to be delivered to Arbuthnot, J.A. Harrison delivers to Arbuthnot a written notice from the Company confirming that it intends to make a further investment by way of a term loan (such loan to be subordinated to Arbuthnot) of an amount which would be sufficient to ensure the requirements of the Debt Service Cover Ratio would be complied with (the "**JAH Cure Amount**"). Following provision of such notice, the JAH Cure Amount must be received by J.A. Harrison from the Company within ten business days of the JAH Calculation Date.

Bex

On 11 March 2022, Bex entered into a facility agreement with Shawbrook Bank Limited ("**Shawbrook**"), as amended by a letter of amendment dated 28 November 2024 (the "**Bex Amendment Letter**") ("**Bex Shawbrook Facility Agreement**"). The facilities made available under the Bex Shawbrook Facility Agreement consist of a term loan in the amount of £1,500,000 ("**Facility A**") and a term loan facility in the amount of £900,000 ("**Facility B**") (together, the "**Bex Shawbrook Facilities**"). The termination date the Bex Shawbrook Facilities is 11 March 2027 (the "**Shawbrook Repayment Date**"). An arrangement fee of 1.25 per cent. of the Total Commitments (as defined therein) is payable by Bex. This amount may be deducted by Shawbrook from the first Utilisation (as defined therein).

Pursuant to Bex Shawbrook Facility Agreement, Facility A and Facility B were made available for (a) refinancing the existing indebtedness; (b) the acquisition of Bex Design by the Company; (c) payment of the costs and fees relating to the facilities under the Bex Shawbrook Facility Agreement (such costs and fees to be repaid from the first Utilisation only); and (d) general corporate purposes.

Facility A carries an interest rate of 5.85 per cent. per annum and is repayable by Bex in equal instalments of £27,777.78, payable on the 11th of each month, starting from 11 October 2022. Pursuant to the Bex Amendment Letter, the outstanding amount under Facility A as of 28 November 2024 is repayable in equal instalments of £21,712.96, payable on the last business day of each Interest Period (as defined therein), with the first instalment being payable on 28 December 2024. The balance of the outstanding amount under Facility A is repayable in full on the fifth anniversary of the November 2024 Effective Date (as defined in the Bex Amendment Letter).

Facility B carries an interest rate of 6.505 per cent. per annum and is repayable in full on the Shawbrook Repayment Date.

Any amounts payable under the Bex Shawbrook Facilities may be cancelled or prepaid (by a minimum amount of £100,000) by giving Shawbrook 5 business days' prior written notice.

Bex has provided representations and warranties in relation to the Bex Shawbrook Facilities and is secured by a debenture granted in favour of Shawbrook. Additionally, pursuant to the Bex Amendment Letter, Bex must ensure that the "Cashflow Cover" for the "Relevant Period" ended 31 December 2024 is greater than or equal to 1.10;1 and that the relevant "Gross Leverage" (each as defined therein) in respect of each Relevant Period does not exceed the ratio set out in the Bex Shawbrook Facility Agreement.

In the event the financial covenants are not complied with, no Event of Default (as defined therein) shall occur in respect of such failure, provided that within five business days of the date on which the relevant financial statements and compliance certificate (the "**Bex Calculation Date**") evidencing the failure to comply are due to be delivered to Shawbrook, Bex notifies Shawbrook that it expects to receive cash proceeds pursuant to a New Shareholder Injection (as defined in the Bex Shawbrook Facility Agreement) to remedy or prevent the occurrence of a breach of the relevant financial covenants (the "**Bex Cure Amount**").

The Bex Cure Amount must be received by Bex within five business days from the date of notification, following which the financial covenants in the Bex Shawbrook Facility Agreement shall be re-tested.

TP Matrix

On 15 December 2021, TP Matrix entered into a facility agreement with Arbuthnot ("**TPM Arbuthnot Facility Agreement**"). Pursuant to the TPM Arbuthnot Facility Agreement, £1,000,000 was made available for general working capital purposes. The facilities under the TPM Arbuthnot Facility Agreement require an arrangement fee of £3,000 to be paid to Arbuthnot on the commencement date of the TPM Arbuthnot Facility Agreement (being 15 December 2021).

The TPM Arbuthnot Facility Agreement comprises two separate single currency facility arrangements (the "**TPM Facilities**") which include a receivables finance facility in the amount of £700,000 (the "**TPM Receivables Finance Facility**") and a cashflow loan facility (the "**TPM Cashflow Loan Facility**") in the amount of £300,000.

The TPM Receivables Finance Facility is made available for a minimum period of 36 months from the date of the facility (being 15 December 2024). The TPM Receivables Finance Facility carries a discount margin of 2.5 per cent. for a funding period of 120 days from date on which the relevant invoice was raised. An audit fee of £850 per audit day plus reasonable costs, a CHAPS fee of £30 and a service charge of 0.35 per cent. of the notified value of an Existing Receivable (as defined therein), subject to a monthly minimum of £1,250, is payable. The amounts due under the TPM Receivables Finance Facility are repayable within 60 days from the last day of the month in which an invoice is raised. Any amounts prepaid under the TPM Receivables Finance Facility may not exceed 2 per cent. of the notified value of an Existing Receivable.

The TPM Cashflow Loan Facility will terminate on the earlier of (a) 60 months (being 15 December 2026); and (b) termination of the TPM Receivables Finance Facility. The TPM Cashflow Loan Facility carries an interest rate of 4.75 per cent. and is repayable on a 60-month straight line amortisation basis in 60 equal monthly instalments of £5,000 each, commencing on 31 January 2022. Upon termination of the TPM Receivables Finance Facility, the balance of the TPM Cashflow Loan Facility is repayable in full.

TP Matrix has provided representations and warranties in relation to the TPM Facilities and is secured by a debenture granted in favour of Arbuthnot. Under the TPM Arbuthnot Facility Agreement, TP Matrix must comply with certain financial covenants including maintaining a Headroom (as defined therein) of not less than £50,000 calculated on an average monthly basis and maintaining a "Debt Service Cover Ratio" of EBITDA to "Debt Service" (each as defined therein) of not less than 1.2:1.

Etrac

On 25 November 2022, Etrac entered into a facility agreement with Arbuthnot ("**Etrac Arbuthnot Facility Agreement**"). Pursuant to the Etrac Arbuthnot Facility Agreement, £850,000 was made available for general working capital purposes and refinancing of existing facilities in the Group. The facilities under the Etrac Arbuthnot Facility Agreement require an arrangement fee of £3,000 to be paid to Arbuthnot on completion of the Etrac Arbuthnot Facility Agreement (being 25 November 2022).

The Etrac Arbuthnot Facility Agreement comprises two separate single currency facility arrangements (the "**Etrac Facilities**") which include a receivables finance facility in the amount of £500,000 (the "**Etrac Receivables Finance Facility**") and a cashflow loan facility (the "**Etrac Cashflow Loan Facility**") in the amount of £350,000.

The Etrac Receivables Finance Facility is made available for a minimum period of 36 months from the date of the facility (being 25 November 2025). The Etrac Receivables Finance Facility carries a discount margin of 2.5 per cent. for a funding period of 120 days from date on which the relevant invoice was raised. An audit fee of £850 per audit day plus reasonable costs, a CHAPS fee of £30 and a service charge of 0.35 per cent. of the notified value of an Existing Receivable (as defined therein), subject to a monthly minimum of £1,250, is payable. The amounts due under the Etrac Receivables Finance Facility are repayable within 60 days from the last day of the month in which an invoice is raised. Any amounts prepaid under the Etrac Receivables Finance Facility may not exceed 1 per cent. of the notified value of an Existing Receivable.

The Etrac Cashflow Loan Facility will terminate 60 months from the date of the Etrac Arbuthnot Facility Agreement, co-terminus with the Etrac Receivables Finance Facility. The Etrac Cashflow Loan Facility carries an interest rate of 4.75 per cent. and is repayable in 59 equal monthly instalments of approximately £5,833 each, commencing on 31 December 2022. Upon termination of the Etrac Receivables Finance Facility, the balance of the Etrac Cashflow Loan Facility is repayable in full.

Etrac has provided representations and warranties in relation to the Etrac Facilities and is secured by a debenture granted in favour of Arbuthnot. Under the Etrac Arbuthnot Facility Agreement, Etrac much comply with certain financial covenants including maintaining a Headroom (as defined therein) of not less than £50,000 calculated on an average monthly basis and maintaining a "Debt Service Cover Ratio" of EBITDA to "Debt Service" (each as defined therein) of not less than 1.1:1.

WJPS Holdings

On 10 March 2023, WJPS Holdings entered into a facility agreement with Shawbrook ("**WJPS Shawbrook Facility Agreement**"). The facilities made available under the WJPS Shawbrook Facility Agreement consist of a term loan in the amount of £2,750,000 ("**WJPS Facility A**"), a term loan facility in the amount of £1,500,000 ("**WJPS Facility B**") and a revolving credit facility in the amount of £450,000 ("**WJPS Facility C**") (together, the "**WJPS Shawbrook Facilities**"). The termination date the WJPS Shawbrook Facilities is 10 March 2028 (the "**WJPS Shawbrook Repayment Date**"). An arrangement fee of 1 per cent. of the Total Commitments (as defined therein) is also payable by WJPS Holdings in respect of the WJPS Shawbrook Facilities. This amount may be deducted by Shawbrook from the first Utilisation (as defined therein).

Pursuant to WJPS Shawbrook Facility Agreement, WJPS Facility A and WJPS Facility B were made available for (a) refinancing the existing indebtedness; (b) the acquisition of WJPS by WJPS Holdings; (c) payment of the costs and fees relating to the facilities under the WJPS Shawbrook Facility Agreement (such costs and fees to be repaid from the initial Utilisation only); (d) capital expenditure for growth; and (e) general corporate purposes. WJPS Facility C was made available for payment of the Deferred Consideration (as defined therein) payable in respect of the purchase of WJPS. The rate of interest on each WJPS Shawbrook Facility is the aggregate amount of (a) the applicable interest in respect of each WJPS Shawbrook Facility; and (b) the higher of the Reference Rate (as defined therein) and 0.75 per cent. per annum.

WJPS Facility A carries an interest rate of 5.25 per cent. per annum and is repayable by WJPS Holdings in equal instalments of approximately £50,925, payable on the 11th of each month, starting from 31 October 2023. The final repayment instalment in respect of WJPS Facility A shall be paid in full on the WJPS Shawbrook Repayment Date, consisting of any outstanding amounts under WJPS Facility A including any interest and fees.

WJPS Facility B carries an interest rate of 6.25 per cent. per annum and is repayable in full on the WJPS Shawbrook Repayment Date. WJPS Facility C carries an interest rate of 3.75 per cent. Any amounts drawn under WJPS Facility C shall be repaid on the last day of its Interest Period (as defined therein). Additionally, a Commitment Fee (as defined therein) at a rate of 1.5 per cent. per annum is payable on the Available Commitment under WJPS Facility C for the Availability Period (each as defined therein).

Any amounts payable under the WJPS Shawbrook Facilities may be cancelled or prepaid (by a minimum amount of £100,000) by giving Shawbrook 5 business days' prior written notice.

WJPS Holdings has provided representations and warranties in relation to the WJPS Shawbrook Facilities and is secured by a debenture granted in favour of Shawbrook. Additionally, pursuant to the WJPS Shawbrook Facility Agreement, WJPS Holdings must ensure that the "Cashflow Cover" for the "Relevant Period" is greater than or equal to 1.10:1 and that the relevant "Gross Leverage" (each as defined therein) in respect of each Relevant Period does not exceed the ratio set out in the WJPS Shawbrook Facility Agreement.

Blundell – Term Loan

On 17 November 2021, Blundell entered into a facility agreement with HSBC UK Bank plc ("**HSBC**") (the "**HSBC Facility Agreement**"). Pursuant to the HSBC Facility Agreement, £1,000,000 was made available for general working capital purposes.

The HSBC Facility Agreement comprises a single currency term loan in the amount of £1,000,000 (the "**HSBC Facility**"). The HSBC Facility is available in pound Sterling. The termination date of the HSBC Facility is 17 November 2026 (the "**HSBC Final Repayment Date**"). The HSBC Facility is made available to Blundell for a period of 5 years and is payable by way of monthly payment from the date of initial drawdown (being the date on which the first drawdown is made by Blundell), carrying an interest rate of 2.69 per cent. for the duration of the HSBC Facility, payable on the outstanding principal amount of the loan on a monthly basis and on the HSBC Final Repayment Date. The HSBC Facility requires an arrangement fee of £15,000 which is payable to HSBC, on or before the date of the initial drawdown. The HSBC Facility is available for drawdown for a period of 90 days from the date of acceptance of the HSBC Facility, for an amount of £1,000,000. To the extent the full amount of the HSBC Facility is not drawn down, the amount remaining will be cancelled at the end of the 90-day period.

A prepayment fee of 1.00 per cent. is payable on the amount of the loan repaid in advance of the maturity date of the loan. The HSBC Facility can be prepaid at any time, provided that at least 5 business days' written notice is provided to HSBC and the amount of the prepayment is equal to 10 per cent. or more of the HSBC Facility, or the balance amount due under the HSBC Facility. Any accrued interest on the amount prepaid may also be prepaid.

Blundell has provided representations and warranties in relation to the HSBC Facility and is secured by debentures granted in favour of HSBC by Blundell and BPH, the holding company of Blundell. Under the HSBC Facility Agreement, Blundell and BPH must each remain in compliance with a "Debt Service Coverage Ratio" and maintain a ratio of EBITDA to "Total Net Debt" (each as defined therein) of not less than 1.5:1.

Blundell – Overdraft Facility, Import Loans and Forward Exchange Contract Facility

On 6 December 2022, Blundell entered into a facility agreement with HSBC pursuant to which HSBC provided an overdraft facility of £250,0000 (the "**Overdraft Facility**"), import loans of £900,000 (the

"**Import Loans**") and a forward exchange contract facility of USD100,000 (the "**Forward Exchange Contracts Facility**") (the "**BPEL HSBC Facilities**").

The Overdraft Facility carries an interest rate of 2.75 per cent. per annum and an arrangement fee (or a renewal fee) of £3,125 is payable.

The Import Loans are available for a period of 30 days pre-shipment, and up to 90 days post-shipment. The Import Loans carry an interest rate of 2.79 per cent. per annum.

The Forward Exchange Contracts Facility is made available in US dollars, for an amount of USD100,000. The maximum period for the relevant forward exchange contract must not exceed 6 months.

Oranmore

On 20 September 2023, the Company entered into a facility agreement with Oranmore ("**Oranmore Facility Agreement**"). Pursuant to the Oranmore Facility Agreement, £5,000,000 was made available to the Company for general working capital purposes (the "**Oranmore Facility**").

The Oranmore Facility is available in pounds Sterling. The termination date of the Oranmore Facility is 30 September 2028 (the "**Oranmore Final Repayment Date**"). The Oranmore Facility is made available to the Company for a period of 5 years, payable in full on the Oranmore Final Repayment Date. The Oranmore Facility carries an interest rate of 5 per cent. for the duration of the Oranmore Facility, payable on the outstanding principal amount of the loan on a monthly basis, with the final payment being due on the Oranmore Final Repayment Date. If the Company does not make a payment under the Oranmore Facility Agreement when it is due, interest (which shall be at a rate of 7 per cent.) shall be payable on the unpaid amount.

The whole or part of the Oranmore Facility can be prepaid at any time by the Company by giving Oranmore notice of no less than 5 business days without any penalty or fee becoming payable as a result of such repayment with the prior written consent of Oranmore.

By giving notice of no less than 5 business days and receiving written consent from Oranmore, the Company may cancel all or part of the Oranmore Facility at any time without receiving any penalty or becoming liable to pay a fee for such cancellation. Any prepayment or cancellation notice is irrevocable, provided that no part cancellation of the Oranmore Facility shall occur if an Event of Default (or a Potential Event of Default (each as defined therein)) would result from the cancellation.

The Company has provided representations and warranties in relation to the Oranmore Facility which is secured by debentures granted in favour of Oranmore.

As at the date of this document, the Company had £2.6 million outstanding under the Oranmore Facility Agreement, £2.1 million of which will be released in consideration for the Conversion Shares under the debt for equity swap agreement summarised in paragraph 15.15 below, as part of the Placing and a further £0.5 million will be repaid from the net proceeds of the Placing. The Oranmore Facility will remain in place following Admission and will be available to the Group for utilisation as a readily available debt facility, if and when required.

Claro

On 19 March 2024, Claro entered into a debt purchase agreement with HSBC Invoice Finance (UK) Limited ("**HIF**") ("**Claro DPA**"). Pursuant to the Claro DPA, £2,000,000 was made available for general working capital purposes.

The Claro DPA comprises a single currency debt purchase facility with credit protection in the amount of £2,000,000 (the "**Claro Facility**"). The Claro Facility is made available to Claro for a minimum period of 12 months, terminable by giving 3 months' notice. The Claro Facility carries an interest rate of 3 per cent. per annum. Additionally, an arrangement fee of £10,000 excluding VAT is payable on or around the date of the Claro Facility (being 19 March 2024). A Service Charge (as defined therein) of 0.15 per cent. of the notified value of each debt and a Credit Protection Charge (as defined therein) of 0.31 per cent. of the notified value of each debt also apply. A minimum annual charge of £20,000 plus VAT applies in respect of the aggregate value of the Credit Protection Charge and the Service Charge.

Drurys

On 19 March 2024, Drurys entered into a debt purchase agreement with HIF ("**Drurys DPA**"). Pursuant to the Drurys DPA, £2,000,000 was made available for general working capital purposes.

The Drurys DPA comprises a single currency debt purchase facility with credit protection in the amount of £2,000,000 (the "**Drurys Facility**"). The Drurys Facility is made available to Drurys for a minimum period of 12 months, terminable by giving 3 months' notice. The Drurys Facility carries an interest rate of 3 per cent. per annum. Additionally, an arrangement fee of £10,000 excluding VAT is payable on or around the date of the Drurys Facility (being 19 March 2024). A Service Charge (as defined therein) of 0.15 per cent. of the notified value of each debt and a Credit Protection Charge (as defined therein) of 0.31 per cent. of the notified value of each debt also apply. A minimum annual charge of £12,000 plus VAT applies in respect of the aggregate value of the Credit Protection Charge and the Service Charge.

Premier Limpet

On 11 August 2021, Premier Limpet entered into an asset-based lending agreement with Shawbrook ("**Premier Limpet ABLA**"). Pursuant to the Premier Limpet ABLA, £4,900,000 in aggregate was made available for general corporate purposes or working capital requirements. An audit fee of £2,000 is payable per annum and an arrangement fee of £49,000 is also payable on the date of the Premier Limpet ABLA.

The Premier Limpet ABLA comprises of three separate facility arrangements (the "**PL Facilities**") which include (a) a receivables finance facility in the amount of £2,910,000 (the "**PL Receivables Finance Facility**"), (b) a cash flow loan facility of a maximum principal amount not exceeding £1,400,000 (the "**PL Cash Flow Loan Facility**") and a real property facility in the amount of £590,000 (the "**PL Real Property Facility**"). The PL Facilities are available for a minimum period of 60 months and are terminable by giving three months' notice.

The PL Receivables Finance Facility operates by way of the sale of receivables by Premier Limpet to Shawbrook, repayable 90 days from the end of month invoice issued by Premier Limpet to a debtor. The PL Receivables Finance Facility carries a discount rate of 2.95 per cent. Additionally, a service fee of 0.25 per cent. of the notified value of each receivable is charged monthly.

The PL Cash Flow Loan Facility carries an interest rate of 5.45 per cent. and is payable by way of monthly instalments from 11 November 2021, which shall be paid and debited to the cashflow payment account. The PL Property Loan Facility carries an interest rate of 4.5 per cent. and is payable by way of 296 instalments of approximately £1,986 per month and one instalment of approximately £1,984. The first payment in respect of the PL Property Loan Facility was payable on 11 November 2021.

The whole or part of the PL Cash Flow Loan Facility and the PL Property Loan Facility can be prepaid at any time, together with the Early Termination Payment (as defined therein).

Premier Limpet has provided representations and warranties in relation to the PL Facilities and is secured by debentures granted in favour of Shawbrook. A change in directors, including by disqualification or ordinary course, results in an event of default of the PL Facilities. Premier Limpet entered into an interest cover covenant in which it undertakes that it will ensure that in respect of each "Relevant Period", the ratio of EBITDA to "Borrowing Costs" of Premier Limpet shall not be less than 1.25:1 when measured on a rolling six-month basis by reference to the audited accounts or "Management Accounts" (each as defined therein).

15.15 **Debt for equity swap agreement**

Oranmore, a company controlled by Paul Mc Gowan and a creditor of the Company, had made a loan in the amount of £5 million to the Company pursuant to the terms of a facility agreement dated 20 September 2023 (the "Loan"), of which an amount of £2.6 million remains outstanding as at the date of this document. On 16 December 2024, Oranmore and the Company entered into a subscription agreement to release an amount of £2.1 million of the outstanding balance of the Loan in consideration for the allotment and issue of 3,818,182 Conversion Shares to Oranmore (the "**Debt for Equity Swap**") as part of the Placing (the "**Debt for Equity Swap Agreement**"). The Conversion Shares will be issued at the Placing Price. The remaining outstanding balance of £0.5 million under the Loan will be repaid from the net proceeds of the Placing.

16. RELATED PARTY TRANSACTIONS

16.1 Save as disclosed in paragraph 23 of Section B of Part IV and paragraph 15 of Section C of Part IV of this document, there have been no related party transactions of the kind set out in the standards adopted according to the UK version of Regulation (EC) No. 1606/2002 as it forms part of domestic law pursuant to the European Union (Withdrawal) Act 2018, that the Group has entered into since 30 June 2024.

17. WORKING CAPITAL

In the opinion of the Directors, having made due and careful enquiry and taking into account the net proceeds of the Placing, the working capital available to the Group will be sufficient for its present requirements, that is for at least twelve months from the date of Admission.

18. SIGNIFICANT CHANGE

There has been no significant change in the financial position or financial performance of the Group since 30 June 2024, being the date to which the unaudited interim financial information in Section C of Part IV of this document has been prepared.

19. LITIGATION

The Company has been involved in a legal dispute with Rockpool relating to the Heads of Agreement summarised in paragraph 15.7 above. Rockpool was seeking the recovery of professional costs amounting to £543,000 (excluding VAT). The Company has agreed a settlement with Rockpool for £452,500 to be paid by the Company by 16 December 2024.

Other than the above proceedings, no member of the Group is or has been involved in any governmental, legal or arbitration proceedings which may have, or have had during the last 12 months preceding the date of this document, a significant effect on the Company's financial position or profitability of the Company and/or the Group nor, so far as the Company is aware, are any such proceedings pending or threatened.

20. PROPERTY AND INTELLECTUAL PROPERTY

20.1 **Property**

The Group leases the following property or premises:

Company	*Property*	*Function*	*Tenure*
J A Harrison & Company (Manchester) Limited	Units A1 and A2, South Point Industrial Estate, Foreshore Road, Cardiff, CF10 4SP	Manufacturing Facility with ancillary office	Leasehold
South Wales Industrial Valves Limited	Queensway Swansea West Industrial Park, Swansea, SA5 4DH	Light industrial use with ancillary office	Leasehold
South Wales Industrial Valves Limited	Pembroke Facility	Manufacturing facility	Leasehold
Bex Design & Print Ltd	Site J, Beaverbrook Industrial Estate, Stanier Road, Calne	Industrial commercial use	Leasehold
Blundell Production Equipment Limited	Units No. C and D Quinn Close, Seven Stars Industrial Estate, Coventry	Manufacturing facility	Leasehold
TP Matrix Limited	Unit C-D Prince of Wales Industrial Units, Vulcan Street, Oldham OL1 4ER	Light industrial use	Leasehold
Etrac Limited	6 Corium House, Douglas Drive, Godalming GU7 1JX	Light industrial/storage & distribution	Leasehold

Company	*Property*	*Function*	*Tenure*
Premier Limpet Limited	Unit 2, Boxwood Court, 24-26 Boulton Road, Stevenage Hertfordshire SG1 4QX	Printing facility with ancillary offices	Leasehold
Premier Limpet Limited	Unit at Hardwicke Road Industrial Estate, Great Gransden	Storage & distribution facility	Leasehold
Spiral Weld Limited	Unit 5 Imperial Park Empress Road, Southampton SO14 0JW	Offices	Leasehold
Kestrel Valve and Engineering Services Limited	Unit 3 Woodrow Way, Gloucester	Light industrial	Leasehold
Amcomri Group plc	46-48 Beak Street, London W1F 9RJ	Offices	Leasehold

20.2 Intellectual property

The Company is not dependent upon patents or licences, industrial, commercial or financial intellectual property contracts or new manufacturing processes.

21. TAXATION

21.1 Taxation in the United Kingdom

The following information is based on UK tax law and His Majesty's Revenue and Customs ("**HMRC**") practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle and subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her tax position should contact their professional adviser immediately. The tax legislation of an investor's Member State may have an impact on the income received from an investment in the Ordinary Shares.

21.2 Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

21.3 **Dividends**

Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individuals and trustee Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

There is a dividend allowance of £1,000 per annum for individuals for the period 6 April 2023 to 5 April 2024 and £500 from 6 April 2024. Dividends falling within this allowance will effectively be taxed at 0 per cent. but such dividends will still count as taxable income when determining how much of the basic rate band or higher rate band has been used. If an individual receives dividends in excess of this allowance in a tax year, the excess will be taxed at 8.75 per cent., (for individuals not liable to tax at a rate above the basic rate), 33.75 per cent., (for individuals subject to the higher rate of income tax) and 39.35 per cent. (for individuals subject to the additional rate of income tax). The rate of tax paid on dividend income by trustees of discretionary trusts is 8.75 per cent. (for dividend income that falls within the standard rate band) and 39.35 per cent. (for dividend income that falls above the standard rate band). United Kingdom pension funds and charities are generally exempt from tax on dividends which they receive.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

21.4 **Disposals of Ordinary Shares**

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

UK resident individual Shareholders will be subject to capital gains tax to the extent their net gains exceed the annual exempt amount of £6,000 during the 23/24 tax year and £3,000 during the 24/25 tax year, after taking account of any other available reliefs. The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10 per cent., and 20 per cent. for upper rate and additional rate taxpayers for the period 6 April 2023 to 29 October 2024. For disposals on or after 30 October 2024 the rate of capital gains tax on disposal of Ordinary shares by basic rate tax payers is 18 per cent., and 24 per cent. for upper rate additional rate taxpayers.

The corporation tax rate applicable to taxable profits is currently 25 per cent. applying to profits over £250,000. A small profits rate applies for companies with profits of £50,000 or less so that these companies pay corporation tax at 19 per cent. Companies with profits between £50,000 and £250,000 pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate.

21.5 **Further information for Shareholders subject to UK income tax and capital gains tax**

"Transactions in securities"

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel "tax advantages" derived from certain prescribed "transactions in securities".

21.6 **Stamp duty and stamp duty reserve tax**

No UK stamp duty or stamp duty reserve tax will be payable on the allotment and issue of ordinary shares pursuant to the Placing.

There is an exemption from stamp duty and SDRT in respect of securities admitted to trading on certain recognised growth markets, including AIM and which are not listed on a Recognised Investment Exchange.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

21.7 **Inheritance Tax**

Shares in AIM quoted trading companies or a holding company of a trading group may, after a two year holding period, qualify for Business Property Relief for United Kingdom inheritance tax purposes, subject to the detailed conditions for the relief. From 6 April 2026 the 100 per cent. rates of relief will be capped at a combined £1 million from both agricultural and business property.

21.8 **Taxation outside of the United Kingdom**

Tax legislation of the investor's home country and of the issuer's country of incorporation may have an impact on the income received from securities. Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares (in the case of a temporary non-resident where the Ordinary Shares were acquired in the temporary period of non-residence). Such Shareholders should consult their own tax advisers concerning their tax liabilities.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO THEIR TAX POSITION OR WHERE HE OR SHE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS OR HER PROFESSIONAL ADVISER.

22 STATUTORY AUDITORS AND HISTORICAL FINANCIAL INFORMATION

22.1 The auditors for the period covered by the historical financial information for the years ended 31 December 2021, 31 December 2022 and 31 December 2023 for WJ Project Services in Section D of Part IV of this document were TGFP Limited, Chartered Accountants & Statutory Auditors, whose address is Fulford House Newbold Terrace, Leamington Spa, Warwickshire, CV32 4EA and which is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

22.2 The auditors for the period covered by the historical financial information for the year ended 31 December 2021 for Premier Limpet and for the year ended 31 December 2021 for JA Harrison in Sections E and F of Part IV, respectively, of this document were Buzzacott LLP, whose address is 130 Wood Street, London EC2V 6DL and which is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

23 CONSENTS

23.1 Cavendish is registered in England and Wales under number 06198898 and its registered office is at 1 Bartholomew Close, London, England, EC1A 7BL. Cavendish is authorised and regulated in the United Kingdom by the FCA. Cavendish has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they are included.

23.2 PKF Littlejohn LLP, whose address is 15 Westferry Circus, Canary Wharf, London E14 4HD and which is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales has given and has not withdrawn its written consent to the inclusion in this document of its reports set out in Section A of Part IV of this document in the form and context in which they appear and has authorised the contents of its reports for the purpose of Schedule Two of the AIM Rules for Companies.

23.3 TGFP Limited, Chartered Accountants & Statutory Auditors, whose address is Fulford House Newbold Terrace, Leamington Spa, Warwickshire, CV32 4EA and which is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales has given and has not withdrawn its written consent to the inclusion in this document of its reports set out in Section D of Part IV of this document in the form and context in which they appear and has authorised the contents of its reports for the purpose of Schedule Two of the AIM Rules for Companies.

23.4 Buzzacott LLP, whose address is 130 Wood Street, London EC2V 6DL and which is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales has given and has not withdrawn its written consent to the inclusion in this document of its reports set out in Sections E and F of Part IV of this document in the form and context in which they appear and has authorised the contents of its reports for the purpose of Schedule Two of the AIM Rules for Companies.

24 MISCELLANEOUS

24.1 Other than the current application for Admission, the Ordinary Shares are not admitted to dealings on any recognised investment exchange nor has any application for such admission been made nor are there intended to be any other arrangements for dealings in the Ordinary Shares.

24.2 Save as disclosed in this document, there are no investments in progress and there are no future investments on which the Directors have already made firm commitments which are significant to the Group.

24.3 Save as disclosed in this document, the Directors are not aware of any environmental issues that may affect the Group's utilisation of its tangible fixed assets.

25 AVAILABILITY OF DOCUMENTS

25.1 Copies of this document will be available to download from the Company's website at www.amcomrigroup.com

Dated: 16 December 2024

PART VI

TERMS AND CONDITIONS OF THE PLACING

The terms and conditions set out in this Part VI (the "**Terms and Conditions**") and the information in this document is restricted and is not for publication, release or distribution, directly or indirectly, in whole or in part, in or into or from the United States, Australia, Canada, New Zealand, Japan, the Republic of South Africa or any other state or jurisdiction in which such publication, release or distribution would be unlawful. The Terms and Conditions and the information contained herein is not intended to and does not contain or constitute an offer of, or the solicitation of an offer to buy or subscribe for, securities to any person in the United States, Australia, Canada, New Zealand, Japan, the Republic of South Africa or any other state or jurisdiction in which such an offer would be unlawful.

Important information for invited Placees only regarding the Placing

Members of the public are not eligible to take part in the Placing. This document and the terms and conditions set out in this Part VI are directed only at: (a) in an EEA Member State, persons who are 'qualified investors' as defined in article 2(e) of the Prospectus Regulation; (b) in the United Kingdom, persons who are 'qualified investors' as defined in article 2(e) of the UK Prospectus Regulation; and (c) persons outside the United Kingdom (all such persons together being referred to as "Relevant Persons"). By accepting the Terms and Conditions, each Placee represents and agrees that it is a Relevant Person. This document and the Terms and Conditions must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this document and the Terms and Conditions relate is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons into whose possession this document (including the Terms and Conditions set out in this Part VI) comes are required by the Company and Cavendish to inform themselves about and to observe any such restrictions.

This document does not itself constitute an offer for sale or subscription of any securities in the Company.

The Placing Shares have not been and will not be registered under the US Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, placed or delivered, directly or indirectly, within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Subject to certain exemptions, this document does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. Outside of the United States, the Placing Shares are being offered in "offshore transactions" in reliance on Regulation S under the US Securities Act. Neither the SEC nor any state securities commission has approved or disapproved this document or the issue of the Placing Shares or passed upon or endorsed the merits of the offering of the Placing Shares or the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence.

Each Placee should consult with its own advisers as to legal, tax, business and related aspects of an investment in Placing Shares. The price of shares and the income from them (if any) may go down as well as up and investors may not get back the full amount invested on disposal of shares.

These Terms and Conditions apply to persons making an offer to subscribe for Placing Shares. Each Placee will be deemed to have read and understood this document (including the Terms and Conditions) and hereby agrees with each of Cavendish and the Company to be bound by these terms and conditions as being the terms and conditions upon which Placing Shares will be issued. A Placee shall, without limitation, become so bound if Cavendish confirms to such Placee its allocation of Placing Shares.

Upon being notified of its allocation of Placing Shares, a Placee shall be contractually committed to subscribe for the number of Placing Shares allocated to it at the Placing Price and, to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate or otherwise withdraw from such commitment.

In this document, unless the context otherwise requires, "**Placee**" means a Relevant Person (including individuals, funds or others) who has been invited to participate in the Placing and on whose behalf a commitment to subscribe for Placing Shares has been given.

Introduction

Cavendish may require a Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations and/or undertakings as it (in its absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter (for the purposes of this Part VI, a "**Placing Letter**"). The terms of this Part VI will, where applicable, be deemed to be incorporated into any such Placing Letter.

Details of the Placing Agreement and the Placing Shares

Cavendish has entered into a Placing Agreement with the Company under which Cavendish has, on the terms and subject to the conditions set out therein, conditionally undertaken to use reasonable endeavours to procure, as the Company's agent, subscribers for the Placing Shares at the Placing Price. It is expected that the Placing will raise £12 million in gross proceeds. The Placing Shares will, when issued, be subject to the Articles, will be credited as fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions (if any) declared, made or paid on or in respect of Ordinary Shares after the date of issue of the Placing Shares. The Placing Shares will trade on AIM with ISIN GB00BMBWCV32. The Placing Agreement is subject to customary conditions and termination rights. Further details relating to the Placing Agreement are set out in paragraph 15.8 of Part V of this document.

Application for Admission to trading on AIM of the Ordinary Shares

Application has been made to the London Stock Exchange for the entire ordinary share capital of the Company, issued and to be issued, to be admitted to trading on AIM ("**Admission**"). It is expected that settlement of the Placing Shares and Admission will become effective at 8.00 a.m. on or around 20 December 2024 and that dealings in the Ordinary Shares will commence at that time. In any event, the latest time and date for Admission is 8.00 a.m. on 6 January 2025 (the "**Long Stop Date**").

Placing

This Part VI gives details of the terms and conditions, and the mechanics, of participation in the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

Participation in, and principal terms of, the Placing are as follows:

1. Cavendish (whether itself or any of its affiliates) is arranging the Placing as placing agent for the Company.
2. Participation in the Placing is only available to persons who are lawfully able to be, and have been, invited to participate. Cavendish and/or its affiliates may participate in the Placing as principals. The Company acknowledges that, subject to Cavendish having consulted with the Company with regard to the proposed Placees in accordance with its allocation policy, Cavendish shall have absolute discretion as to the allocation of the Placing Shares.
3. The Company and Cavendish reserve the right (i) to scale back the number of Placing Shares to be subscribed for by any Placee in the event of the Placing being over-subscribed; and (ii) not to accept offers for Placing Shares or to accept such offers in part rather than in full. The Company reserves the right to reduce the amount to be raised pursuant to the Placing, in agreement with Cavendish.
4. Each Placee's allocation of Placing Shares has been or will be confirmed to Placees orally, or in writing (which can include email), by Cavendish and a Contract Note has been or will be despatched as soon as possible thereafter. Cavendish's oral or written confirmation will give rise to an irrevocable, legally binding commitment by that person (who at that point becomes a Placee), in favour of Cavendish and the Company, under which it agrees to acquire by subscription the number of Placing Shares allocated to it at the Placing Price and otherwise on the terms and subject to the conditions set out in this Part VI and in accordance with the Articles. Except with Cavendish's consent, such commitment will not be capable of variation or revocation. The Terms and Conditions set out in this Part VI will be deemed to be incorporated in that Contract Note or such other confirmation and will be legally binding on the Placee on behalf of which it is made and except with Cavendish's consent will not be capable of variation or revocation from the time at which it is issued.

5. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to Cavendish (each as agent for the Company), to pay to Cavendish or as Cavendish may direct in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares allocated to such Placee at the Placing Price on the Terms and Conditions set out in this Part VI and in accordance with the Articles.
6. Each Placee's commitment will be made solely on the basis of the information set out in this document. By participating in the Placing, Placees will be deemed to have read and understood these Terms and Conditions and this document in its entirety and to be participating and making an offer for the Placing Shares on these Terms and Conditions.
7. Except as required by law or regulation, no press release or announcement will be made by either of Cavendish or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
8. Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be subscribed for pursuant to the Placing will be required to be made at the same time, on the basis explained below under 'Registration and Settlement'.
9. All obligations of Cavendish under the Placing will be subject to fulfilment or (where applicable) waiver of, *inter alia*, the conditions in the Placing Agreement and to the Placing not being terminated in accordance with the terms of the Placing Agreement.
10. By participating in the Placing, each Placee agrees that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
11. To the fullest extent permissible by law and the applicable rules of the FCA, neither Cavendish nor the Company nor any of their affiliates shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise whether or not a recipient of these terms and conditions) in respect of the Placing. Each Placee acknowledges and agrees that the Company is responsible for the allotment of the Placing Shares to the Placees and Cavendish and its affiliates shall have no liability to the Placees for the failure of the Company to fulfil those obligations. In particular, neither Cavendish nor the Company nor any of their respective affiliates shall have any liability (including to the extent permissible by law, any fiduciary duties) in respect of Cavendish's conduct of the Placing.
12. Neither Cavendish, nor the Company nor any of their respective affiliates shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision Cavendish may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of Cavendish. Placees will have no rights against any of Cavendish, the Company or any of their respective members, directors or employees under the Placing Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 (as amended) or otherwise.

No Prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and have not been nor will be offered in such a way as to require the publication of a prospectus in the United Kingdom or any equivalent document in any other jurisdiction. No offering document or prospectus has been or will be submitted to be approved by the FCA or the London Stock Exchange in relation to the Placing, and Placees' commitments will be made solely on the basis of the information contained in this document (including the Terms and Conditions).

Each Placee, by accepting a participation in the Placing, agrees that the content of this document is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information, representation, warranty, or statement made by or on behalf of the Company or Cavendish or any other person and neither Cavendish, nor the Company nor any other person will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which such Placee may have obtained or received and, if given or made, such information, representation, warranty or statement must not be relied upon as having been authorised by Cavendish, the Company or their respective officers, directors, employees or agents. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Neither the Company nor Cavendish are making any undertaking or warranty to any Placee regarding the legality of an investment in the Placing Shares by such Placee under any legal, investment or similar laws or regulations. Each Placee should not consider any information in this document to be legal, tax or business advice. Each Placee should consult its own solicitor, tax adviser and financial adviser for independent legal, tax and financial advice regarding an investment in the Placing Shares. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Registration and Settlement

Settlement of transactions in the Placing Shares will, unless otherwise agreed, take place on a delivery-versus-payment basis within the CREST system administered by Euroclear. Each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed as directed by Cavendish in accordance with the standing CREST settlement instructions which they have in place with Cavendish.

Settlement of transactions in the Placing Shares (ISIN: GB00BMBWCV32) following Admission will take place within CREST provided that, subject to certain exceptions, Cavendish reserve the right to require settlement for, and delivery of, the Placing Shares (or a portion thereof) to Placees by such other means that they deem necessary if delivery or settlement is not possible or practicable within CREST within the timetable set out in this document or would not be consistent with the regulatory requirements in any Placee's jurisdiction.

It is expected that settlement of the Placing Shares will be on 20 December 2024 unless otherwise notified by Cavendish. Admission is expected to occur by 20 December 2024 or otherwise at such later time as may be agreed between the Company and Cavendish, not being later than the Long Stop Date.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above the official bank rate of the Bank of England in force from time to time as determined by Cavendish.

Each Placee is deemed to agree that, if it does not comply with these obligations, Cavendish may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for Cavendish's account and benefit (as agent for the Company), an amount equal to the aggregate amount owed by the Placee plus any interest due (chargeable daily on payments not received from Placees on the date due). The relevant Placee will, however, remain liable and shall indemnify Cavendish on demand for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax or securities transfer tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf. By communicating a bid for Placing Shares, each Placee confers on Cavendish such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which Cavendish lawfully takes in pursuance of such sale. Legal and/or beneficial title in and to any Placing Shares shall not pass to the relevant Placee until it has fully complied with its obligations hereunder.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that any form of confirmation is copied and delivered immediately to the relevant person within that organisation.

Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. Neither Cavendish nor the Company will be liable in any circumstances for the payment of stamp duty or stamp duty reserve tax in connection with any of the Placing Shares. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Representations, Warranties and Further Terms

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) will be deemed to irrevocably make the following representations, warranties, acknowledgements, agreements and undertakings (as the case may be) to Cavendish (for itself and on behalf of the Company) in respect of such Placee (and any person acting on such Placee's behalf):

1. that prior to completion it will not enter into any form of stock lending or other loan arrangement in respect of the Placing Shares for which it is subscribing;

2. that it has read and understood this document, including the Terms and Conditions in this Part VI, in its entirety and that its subscription for Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in this document and not in reliance on any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Company, the Placing or otherwise, other than the information contained in this document, and undertakes not to redistribute or duplicate this document;

3. that the content of this document is exclusively the responsibility of the Company, and that none of Cavendish, nor its affiliates or any person acting on behalf of any of them has or shall have any liability for any information, representation or statement contained in this document or any information previously or concurrently published by or on behalf of the Company, and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this document or otherwise;

4. that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to acquire the Placing Shares is contained in this document, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given or representations, warranties or statements made by Cavendish, the Company or any of their respective directors, officers or employees or any person acting on behalf of any of them, or, if received, it has not relied upon any such information, representations, warranties or statements (including any management presentation that may have been received by any prospective Placee), and neither Cavendish nor the Company will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement;

5. that none of Cavendish, the Company nor any of their respective affiliates or any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company other than this document;

6. that it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing and neither Cavendish nor the Company nor any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person other than the information in this document; nor has it requested Cavendish, the Company or any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them to provide it with any such information;

7. that no offering document or prospectus has been or will be prepared in connection with the Placing and it has not received and will not receive a prospectus or other offering document in connection with the Placing;

8. that its obligations are irrevocable and legally binding and shall not be capable of rescission or termination by it in any circumstances;

9. that it has the funds available to pay in full for the Placing Shares for which it has agreed to subscribe and that it will pay the total amount due by it in accordance with the Terms and Conditions set out in this Part VI and, as applicable, as set out in the Contract Note on the due time and date, failing which the relevant Placing Shares may be placed with other subscribers or sold as Cavendish may in their discretion determine and without liability to such Placee;

10. that the exercise by Cavendish of any right or discretion under the Placing Agreement shall be within the absolute discretion of Cavendish and Cavendish need not have any reference to it and shall have no liability to it whatsoever in connection with any decision to exercise or not to exercise any such right and each Placee agrees that it has no rights against Cavendish or the Company, or any of their respective officers, directors or employees, under the Placing Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999;

11. that these Terms and Conditions represent the whole and only agreement between it, Cavendish and the Company in relation to its participation in the Placing and supersede any previous agreement between any of such parties in relation to such participation. Accordingly, each Placee, in accepting

its participation in the Placing, is not relying on any information or representation or warranty in relation to the Company or any of the Placing Shares other than as contained in this document, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares. Each Placee agrees that neither the Company, nor Cavendish nor any of their respective officers, directors or employees will have any liability for any such other information, representation or warranty, express or implied;

12. it acknowledges that no person is authorised in connection with the Placing to give any information or make any representation other than as contained in this document and, if given or made, any information or representation must not be relied upon as having been authorised by Cavendish or the Company;

13. that in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in the UK Prospectus Regulation and the Prospectus Regulation (as applicable), (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in the United Kingdom or in any EEA Member State other than "qualified investors" as defined in the UK Prospectus Regulation or the Prospectus Regulation (as applicable) or in circumstances in which the prior consent of Cavendish has been given to the offer or resale; or (ii) where Placing Shares have been acquired by it on behalf of persons in the United Kingdom or in any EEA Member State other than "qualified investors" as defined in the UK Prospectus Regulation or the Prospectus Regulation (as applicable), the offer of those Placing Shares to it is not treated under the UK Prospectus Regulation or the Prospectus Regulation (as applicable) as having been made to such persons;

14. that neither it nor, as the case may be, its clients expect Cavendish to have any duties or responsibilities to such persons similar or comparable to the duties of 'best execution' and 'suitability' imposed by the FCA's Conduct of Business Source Book, and that Cavendish are not acting for it or its clients, and that Cavendish will not be responsible for providing the protections afforded to customers of Cavendish or for providing advice in respect of the transactions described herein;

15. that it and the person(s), if any, for whose account or benefit it is subscribing for the Placing Shares is not subscribing for the Placing Shares as a result of any 'directed selling efforts' as defined in Regulation S;

16. that it is not and was not acting on a non-discretionary basis for the account or benefit of a person located within the United States at the time the undertaking to subscribe for Placing Shares was given and it is not acquiring Placing Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any Placing Shares into the United States and it will not reoffer, resell, pledge or otherwise transfer the Placing Shares except pursuant to an exemption from the registration requirements of the US Securities Act and otherwise in accordance with any applicable securities laws of any state or jurisdiction of the United States;

17. that, unless specifically agreed with Cavendish, it is not a national or resident of the United States, Australia, Canada, New Zealand, Japan or the Republic of South Africa;

18. if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Placing Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Placing Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;

19. that it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Placing Shares and it is not acting on a non-discretionary basis for any such person;

20. that it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted, and will not, directly or indirectly, distribute, forward, transfer or otherwise transmit, any presentation or offering materials concerning the Placing or the Placing Shares to any persons within the United States;

21. that it is entitled to subscribe for Placing Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all governmental and other consents which may be required thereunder or otherwise and complied with all necessary formalities and that it has not taken any action which will or may result in the Company or Cavendish or any of their respective

directors, officers, employees or agents acting in breach of any regulatory or legal requirements of any territory in connection with the Placing or its acceptance;

22. that it has obtained all necessary consents and authorities to enable it to give its commitment to subscribe for the Placing Shares and to perform its subscription obligations;

23. that where it is acquiring Placing Shares for one or more managed accounts, it is authorised in writing by each managed account: (a) to acquire the Placing Shares for each managed account; (b) to make on its behalf the representations, warranties, acknowledgements, undertakings and agreements in this Part VI of which it forms part; and (c) to receive on its behalf any investment letter relating to the Placing in the form provided to it by Cavendish;

24. that, if resident in an EEA Member State and unless otherwise agreed by Cavendish, it is a 'qualified investor' (as defined in article 2(e) of the Prospectus Regulation);

25. that, if resident in the United Kingdom and unless otherwise agreed by Cavendish, it is (A) a 'qualified investor' (as defined in article 2(e) of the UK Prospectus Regulation); and (B) it is either: (a) a person of a kind described in Article 19(5) (persons having professional experience in matters relating to investments) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"); or (b) a person of a kind described in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, partnerships or trusts or their respective directors, officers or employees) of the Order; or (c) a person to whom it is otherwise lawful for this document to be communicated;

26. that, unless otherwise agreed by Cavendish, it is a 'professional client' or an 'eligible counterparty' within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook and it is purchasing Placing Shares for investment only and not with a view to resale or distribution;

27. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;

28. that any money held in an account with Cavendish (or its nominees) on its behalf and/or any person acting on its behalf will not be treated as client money within the meaning of the rules and regulations of the FCA. Each Placee further acknowledges that the money will not be subject to the protections conferred by the FCA's client money rules. As a consequence, this money will not be segregated from Cavendish's (or its nominees) money in accordance with such client money rules and will be used by Cavendish in the course of its own business and each Placee will rank only as a general creditor of Cavendish;

29. that it will (or will procure that its nominee will), if applicable, make notification to the Company of the voting interest in the Ordinary Shares in accordance with the provisions of the Articles;

30. that it is not, and it is not acting on behalf of, a person falling within subsections (6), (7) or (8) of sections 67 or 70 respectively or subsections (2) and (3) of section 93 or subsection (1) of section 96 of the Finance Act 1986;

31. that it will not deal or cause or permit any other person to deal in all or any of the Placing Shares which it is subscribing for under the Placing unless and until Admission of the relevant Placing Shares becomes effective;

32. that it appoints irrevocably any director of Cavendish as its agent for the purpose of executing and delivering to the Company and/or its registrars any document on its behalf necessary to enable it to be registered as the holder of the Placing Shares;

33. that, as far as it is aware, it is not 'acting in concert' (within the meaning given in the City Code) with any other person in relation to the Company;

34. that this document does not constitute a securities recommendation or financial product advice and that neither Cavendish nor the Company has considered its particular objectives, financial situation and needs;

35. that it has sufficient knowledge, sophistication and experience in financial, business and investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares and is aware that it may be required to bear, and it, and any accounts for which it may be acting, is able to bear the economic risk of, and is able to sustain, a complete loss in connection with the Placing;

36. that it will indemnify and hold the Company and Cavendish and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Part VI and further agrees that the Company and Cavendish will rely on the truth and accuracy of the confirmations, warranties, acknowledgements and undertakings herein and, if any of the foregoing is or becomes no longer true or accurate, the Placee shall promptly notify Cavendish and the Company. All confirmations, warranties, acknowledgements and undertakings given by the Placee, pursuant to this document (including the Terms and Conditions set out in this Part VI), are given to Cavendish for itself and on behalf of the Company and will survive completion of the Placing and Admission;

37. that time shall be of the essence as regards obligations pursuant to the Terms and Conditions set out in this Part VI;

38. that it is responsible for obtaining any legal, financial, tax and other advice that it deems necessary for the execution, delivery and performance of its obligations in accepting the terms and conditions of the Placing, and that it is not relying on the Company or Cavendish to provide any legal, financial, tax or other advice to it;

39. that all dates and times in this document (including the Terms and Conditions set out in this Part VI) may be subject to amendment and that Cavendish shall notify it of such amendments;

40. that (i) it has complied with its obligations under the Criminal Justice Act 1993, Part VIII of the FSMA and the UK Market Abuse Regulation, (ii) in connection with money laundering and terrorist financing, it has complied with its obligations under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000 (as amended), the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and (iii) it is not a person: (a) with whom transactions are prohibited under the applicable law or any economic sanction programmes administered by, or regulations promulgated by, the Office of Foreign Assets Control of the US Department of the Treasury; (b) named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or (c) subject to financial sanctions imposed pursuant to a regulation of the European Union or a regulation adopted by the United Nations (together, the “Regulations”); and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and it has obtained all governmental and other consents (if any) which may be required for the purpose of, or as a consequence of, such subscription, and it will provide promptly to Cavendish such evidence, if any, as to the identity or location or legal status of any person which Cavendish may request from it in connection with the Placing (for the purpose of complying with such Regulations or ascertaining the nationality of any person or the jurisdiction(s) to which any person is subject or otherwise) in the form and manner requested by Cavendish on the basis that any failure by it to do so may result in the number of Placing Shares that are to be subscribed for by it or at its direction pursuant to the Placing being reduced to such number, or to nil, as Cavendish may decide in its absolute discretion;

41. that it will not make any offer to the public of those Placing Shares to be subscribed for within the meaning of section 85(1) of the FSMA and the UK Prospectus Regulation or an offer to the public in any EEA Member State within the meaning of the Prospectus Regulation;

42. that it will not distribute any document relating to the Placing Shares and it will be acquiring the Placing Shares for its own account as principal or for a discretionary account or accounts (as to which it has the authority to make the statements set out herein) for investment purposes only and it does not have any contract, understanding or arrangement with any person to sell, pledge, transfer or grant a participation therein to such person or any third person with respect of any Placing Shares; save that if it is a private client stockbroker or fund manager it confirms that in purchasing the Placing Shares it is acting under the terms of one or more discretionary mandates granted to it by private clients and it is not acting on an execution-only basis or under specific instructions to subscribe for the Placing Shares for the account of any third party;

43. that it acknowledges that these Terms and Conditions and any agreements entered into by it pursuant to these terms and conditions shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter

arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company or Cavendish in any jurisdiction in which the relevant Placee is incorporated or in which its assets are located or any of its securities have a quotation on a recognised stock exchange;

44. that any documents sent to Placees will be sent at the Placees' risk. They may be sent by post to such Placees at an address notified to Cavendish;

45. that Cavendish owes no fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement;

46. that any of the Placee's clients, whether or not identified to Cavendish, will remain its sole responsibility and will not become clients of Cavendish for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision; and

47. that Cavendish or any of its affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares.

The provisions of this Part VI may be waived, varied or modified as regards specific Placees or on a general basis by Cavendish.

In addition, Placees should note that they will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the UK by them or any other person on the subscription by them of any Placing Shares or the agreement by them to subscribe for any Placing Shares.

This document has been issued by, and is the sole responsibility of, the Company. No representation or warranty, expressed or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Cavendish or by any of its affiliates or agents as to or in relation to the accuracy or completeness of this document or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

All times and dates in this Part VI may be subject to amendment. Cavendish shall notify the Placees and any person acting on behalf of the Placees of any changes

Miscellaneous

On application, if a Placee is an individual, that Placee may be asked to disclose in writing or orally their nationality. If a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be sent by post to such Placee at an address notified by such Placee to one of Cavendish, or as relevant.

In the case of a joint agreement to subscribe for and/or acquire Placing Shares under the Placing, references to a Placee in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

Cavendish and the Company expressly reserve the right to modify the Placing (including, without limitation, its timetable and settlement) at any time before allocations are determined. The Placing is subject to the satisfaction of the conditions contained in the Placing Agreement and to the Placing Agreement not having been terminated.

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