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### Cover images

1. surface trace®
2. rocklines®
3. threads®

## Professional Advisers

### Auditor

Crowe U.K. LLP  
Black Country House,  
Rounds Green Road,  
Oldbury, B69 2DG

### Nominated advisers and stockbrokers

Singer Capital Markets  
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London, EC2N 2AX

### Registrars

MUFG Corporate Markets  
Central Square,  
29 Wellington Street,  
Leeds, LS1 4DL

## Registered Office

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Ossett, West Yorkshire, WF5 0AN

Registered in England no. 00526657

[www.aireaplco.co.uk](http://www.aireaplco.co.uk)

### Bankers

HSBC Bank plc  
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1 Bond Court,  
Leeds, LS1 2JZ

### Solicitors

Squire Patton Boggs  
6 Wellington Place,  
Leeds, LS1 4AP

## About Us

AIREA plc is a UK design-led specialist flooring company listed on the AIM market of the London Stock Exchange, supplying both UK and international markets. Since 2007, the Group has been focused solely on floor coverings and enjoys a strong and growing brand position within the commercial flooring market.

### OUR BRANDS

AIREA’s core brand Burmatex® is one of the UK’s leading designers and manufacturers of commercial carpet tiles and planks.

Burmatex® focuses on the design and creation of sustainable innovative flooring solutions to meet the needs of architects, specifiers and contractors with a continuously developing range to suit the education, leisure, commercial, hospitality and public sectors.

The brand was acquired by AIREA in 1986.

### OUR GROWTH

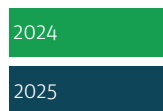
We have an established brand in a stable marketplace with high barriers to entry, and our in-house manufacture, low-cost base and service proposition provide opportunities for growth.

## Financial Summary

### Group revenue

**£21.4m**

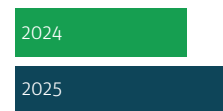
(2024: £21.2m)



### Operating profit

**£0.9m**

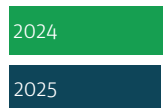
(2024: £0.7m)



### Cash and cash equivalents

**£2.0m**

(2024: £2.1m)



### Profit before taxation

**£0.2m**

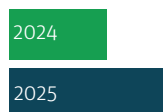
(2024: £0.1m)



### Dividend

**1.00p**

(2024: 0.60p)



## Our Values



**Principles:** The Group is committed to success with integrity by building and strengthening its reputation through earning our stakeholders’ trust. We commit to the principles of being honest, transparent and accountable for the impact that it has.



**Agility:** The Group strives for continuous improvement, prioritising what matters and making considered decisions in an efficient and timely manner. There is a constant pursuit of innovation and an innate emphasis to connect new ideas with business realities.



**Collaboration:** The Group wishes colleagues and stakeholders to understand our origins, current position, and future focus and will work together with purpose and pace to achieve the key objectives. Through empowerment, mentorship and encouragement, these goals will be a tangible reality.



**Excellence:** The Group is passionate about its people, its products and continually improving the quality and service delivered to its customers. The ambition is to continuously develop ourselves and help each other to do the same. The Group seeks to maximise the potential of our people through their talent, passion and hard work.

## Case Study – Damm Brewery, Bedford, United Kingdom

This installation used standing stones® carpet tiles in stone circle.



“Two years after moving into their new premises, DAMM Eagle Brewery set out to modernise and refurbish their office and conferencing buildings to reflect the dynamic nature of their business and the strength of their brand in the UK. The brief covered a full refurbishment across the ground, first and second floors of the existing office buildings, including the Eagle Centre, the brewery’s central conference and breakout hub.”

“Burmatex's carbon-neutral commercial carpet tiles were laid in a consistent colour palette to compliment all working areas and stairwells.”

**Meridian Interiors**

## Case Study – Switch x iF, Santiago, Chile



This installation used standing stones® carpet tiles in neutral ground.



“For the design concept, we were aiming for a mining-inspired look, so an earthy palette—tones linked to soil, stone, and natural textures—was especially welcome throughout the space. That’s exactly why we chose this beautiful carpet.”

### **Constructora Interhaus**

Burmatex’s standing stones® carpet tiles, made from Universal Fibers® Thrive® matter yarn, the world’s first carbon-negative recycled yarn, which is C2C Certified Material Health Certificate™ Silver and Burmatex’s BioBase® recycled backing, standing stones® is carbon-neutral.

## Strategic Report – Chairman’s Statement



### Overview

Following a strong performance in the first half of the year, trading softened in the second half, reflecting persistently challenging market conditions. Group sales for the year were 1.0% ahead of the prior year at £21.45m (2024: £21.23m) compared to 5.8% at the half year.

We maintained our focus on innovation and sustainability in the year with the launch of two carbon-neutral products and one low-carbon product. We also continued to refresh products within our existing portfolio, including the relaunch of one previously low-carbon product as carbon-neutral.

### Results

Following a positive start to the year, the Group experienced softer demand in the second half resulting in full year sales 1.0% ahead of the prior year. The UK and ROI delivered sales growth of 2.3% in the year, with the second half performance impacted by uncertainty relating to the UK government’s November budget. Sales in the Group’s international markets were 4.0% below the prior year, reflecting the continued impact of global geopolitical instability.

Operating profit increased to £0.9m (2024: £0.7m) despite the continued impact of certain non-recurring costs associated with the new manufacturing facility and investment in additional resources to support future profitable growth. Cash and cash equivalents were £2.0m (2024: £2.1m).

The Group continued with its investment in the new manufacturing facility which is expected to be fully operational in the coming months. This facility has been part of an investment plan that will form a platform on which to build a more sustainable growth-focused business.

### Dividends

The Group continued to prioritise cash management to assist with the funding of its strategic investment. At the same time, we remain committed to rewarding our loyal shareholder base and therefore propose a final dividend of £0.39m or 1.00p per share for the year (2024: £0.23m or 0.60p per share). As no interim dividend was paid, this represents the total dividend for the year. This is

the fifth consecutive year of dividend growth and is aligned with the Group’s progressive dividend policy. The final dividend will be paid on 20 May 2026 to shareholders on the register on 24 April 2026. This proposal is subject to shareholder approval at the Group’s Annual General Meeting to be held on 6 May 2026.

### Sustainability

Sustainability remains central to how we manage our business and is fundamental to delivering future commercial success for the Group. Our sustainability principles, **eco,matters**<sup>®</sup>, underpin the development of more sustainable products to meet the evolving needs of our customers. Our carbon-neutral surface trace<sup>®</sup> carpet tiles are made from Universal Fibers<sup>®</sup> Thrive<sup>®</sup> matter yarn, the world’s first carbon-negative recycled yarn. The Group’s product portfolio is supported by product-specific Environmental Product Declarations (EPDs) that are verified by an independent third party. This enables our customers to quantify the positive impact our products have on the carbon footprint of their projects.

We are committed to achieving a net zero business and, to help deliver a more sustainable future, the Group is in the process of transitioning its car fleet to electric and plug-in hybrid vehicles.

### Our Board

The Board maintains the appropriate balance of skills and experience to lead the Group through the next phase of its strategic development. We remain focused on delivering sustainable long-term value for shareholders.

### Our People

Our success relies on the knowledge, creativity and entrepreneurial spirit of our people. The Group’s ability to innovate relies on a culture of openness and trust that fosters collaboration. We continue to recognise the hard work and dedication of our people and thank them sincerely for their contribution during the ongoing transformation of the business.

We have continued to invest in training and development, which is aligned with our commitment to embedding our values throughout the Group.

During the year, we introduced an “Employee of the Month” award whereby employees are nominated by their colleagues. This initiative has been embraced across the business.

As part of our continued engagement with employees, the Chief Executive Officer and Chief Financial Officer have separately hosted informal meetings to gain a better understanding of their views and opinions on the business. These have been very well attended and have provided valuable feedback, helping to develop action plans for improvements across the Group.

The long-term share incentive scheme that launched in 2022 has now reached maturity, with 55.2% of the award vesting in May 2026. The total shares held in the employee benefit trust is 2,777,600 of which 1,218,264 will be awarded. The remaining balance of 1,559,336, including 570,600 forfeited shares, will be cancelled. The Board is currently considering alternative incentive schemes for employees.

### Summary and Outlook

The Board is pleased with the Group’s overall performance in the year against a backdrop of global economic and geopolitical challenges. The continued expansion of our low-carbon and carbon-neutral product portfolio is exciting and provides the Group with a competitive advantage and supports the development of opportunities in new markets.

The new manufacturing facility is expected to be fully operational in the coming months and will provide a strong platform for building a more sustainable and growth-focused business.

Looking ahead, whilst global market conditions remain challenging, the Board remains confident that the Group’s recent investments will deliver long-term value for our shareholders.

### MARTIN TOOGOOD

Chairman  
25 March 2026



rocklines<sup>®</sup> installed in Wirral Grammar School for Girls

# Strategic Report – Chief Executive Officer’s Statement



## Introduction

The Group’s business transformation is nearing completion with the new manufacturing facility expected to be fully operational in the coming months. We have continued to manage this strategic investment carefully, ensuring there has been no significant operational disruption to the business.

The Group delivered strong growth in the first half of the year with sales 5.8% ahead of the prior year. Trading in the third quarter also remained strong, but the final quarter saw a sharp and unexpected downturn due to the uncertainty relating to the UK government’s November budget and continued global geopolitical instability. Sales in the year were 1.0% ahead of the prior year at £21.45m (2024: £21.23m). The UK and ROI delivered sales growth of 2.3% in the year while sales in our international markets declined by 4.0%.

In January 2025, the Group announced the opening of its sales showroom in Dubai, United Arab Emirates, as its strategic hub to serve the Middle East. This local presence will enable the Group to build on its market position in the region and capitalise on the rapid expansion of the commercial flooring sector within the Gulf Cooperation Council (GCC) countries, the MEA region and India. In May 2025, the Group exhibited at the renowned Clerkenwell Design Week in London and Architect@WorkWarsaw, showcasing its innovative and sustainable product ranges to architects and design professionals.

## Strong sustainability fundamentals

Sustainability remains central to the Group’s strategy and is embedded across our business through our sustainability principles, **eco,matters**<sup>®</sup>, including product development, manufacturing and supply chain functions.

Our product portfolio is now comprised entirely of low-carbon or carbon-neutral products. In 2023, the Group became the first UK

manufacturer to introduce carbon-negative yarn technologies. More recently, we introduced biogenic yarns derived from renewable organic waste, including food waste, representing the first known use of this technology within the sector.

We continue to invest in independently verified Environmental Product Declarations (EPDs), providing transparent lifecycle data that enables customers to quantify the carbon impact of their projects and respond to the growing demand for credible and measurable environmental performance across the built environment.

Through these initiatives, we continue to strengthen the environmental performance of our products while supporting the evolving sustainability requirements of our customers and the markets we serve.

In 2025, both rocklines<sup>®</sup> and surface trace<sup>®</sup> were launched, and eco-cordiale<sup>®</sup> was refreshed within the carbon-neutral range. In addition, threads<sup>®</sup> was launched with armour refreshed in the low-carbon range.

## People

Engaging with our employees and listening to their views is fundamental to ensuring they feel valued, supported and heard. We remain focused on investing in and developing our people and ensuring the organisation is equipped to support our growth ambitions.

The Group’s continued success is built on the hard work and dedication of all the people who work for AIREA. I would like to thank all employees for their contribution during the year, and I am confident that their commitment will continue to support the Group as it addresses the opportunities and challenges that lie ahead in 2026.

## Summary and Outlook

Following a strong first half performance, the Group experienced an unexpected slowdown in the second half in both the UK and overseas markets. Despite this, we remain confident in the Group’s resilience and strategic direction. The continued launch of innovative and sustainable products is creating opportunities for the Group and supporting the development of new routes to market.

The Board is mindful of the current global geopolitical tensions, including the Middle East. There has been no disruption to our operation in Dubai, and we will continue to closely monitor the situation.

The Group made good operational progress in 2025, and we look forward with confidence and excitement to the commissioning of the new manufacturing facility.

It has been an encouraging start to 2026 and, whilst acknowledging the current macro volatility, the Board remains confident in the Group’s prospects for the year ahead.

These are exciting times for the Group, and we remain well-positioned to deliver long-term sustainable growth.

**MEDÉRIC PAYNE**  
CHIEF EXECUTIVE OFFICER  
25 March 2026



Burmatex<sup>®</sup> exhibited at ARCHITECT@WORKWarsaw

## Strategic Report – Chief Financial Officer’s Review



### Group Results

Revenue increased 1.0% to £21.45m (2024: £21.23m) compared to 5.8% at the half year. The UK and ROI had a particularly strong start to the year with sales up 7.3% at the half year. The UK government’s November budget had a negative impact on performance in the final quarter as sales ended the year 2.3% ahead of the prior year. Following an encouraging first half, international sales were again impacted by global geopolitical uncertainty and ended the year 4.0% below the prior year.

Operating profit increased to £0.9m (2024: £0.7m). Non-recurring costs decreased to £0.2m (2024: £0.9m) with the cost of investment in the new sales showroom in Dubai and other sales-related costs now included in operating costs. The non-recurring costs of £0.2m incurred in the year included:

- temporary use of third-party storage at a cost of £0.1m due to investment in the new tiling line.
- professional costs associated with investment in intellectual property and supply chain and quality costs with ISO 14001 and ISO 9001 accreditations of £0.1m.

Net finance costs of £0.7m (2024: £0.6m) increased on the prior year due to lower interest receivable and higher costs relating to the pension scheme. The additional pension scheme costs included administration expenses incurred as part of the investment strategy review.

The taxation credit of £0.8m (2024: £0.3m charge) arises due to an increase in capital allowances associated with the investment in the new tiling line and a deferred tax adjustment following the divestment of the investment property.

The profit attributable to shareholders of the Group for the year was £1.0m (2024: £0.3m loss). Earnings per share were 2.54p (2024: (0.73p)).

Operating cash flows before movements in working capital and other payables increased to £1.6m (2024: £1.2m). Working capital decreased by £0.6m (2024: £1.0m increase) as trade and other receivables reduced significantly. Contributions of £0.6m were made to the pension scheme in line with the recovery plan agreed with The Pensions Regulator. Capital expenditure of £4.9m (2024: £2.2m) again predominantly related to the Group’s strategic investment in its new manufacturing facility with additional spend on upgrading other areas of the existing manufacturing facility. The capital investment programme will be completed in the first half of 2026.

In October 2025, the Group completed the divestment of its investment property for a net cash consideration of £4.15m. The carrying value of property was £4.1m and a profit on divestment of £0.05m was realised.

In November 2024, the Group secured short-term funding in the form of a trade finance facility to the value of £3.2m. In October 2025, the facility was repaid in full from the proceeds of the divestment of the investment property. The Group has access to further liquidity of £1.0m via our unutilised banking facility (2024: £1.0m).

The Group had £2.0m of cash on hand as of 31 December 2025 (2024: £2.1m).

The deficit on the defined benefit pension scheme reduced by £1.0m to £3.0m (2024: £4.0m). Contributions to the scheme included a payment of £0.3m in July 2025, followed by monthly payments of £62,500, totalling £0.6m in the year. The scheme’s investment strategy has been reviewed to further mitigate its long-term risk profile, which has also contributed to the reduction in the deficit.

### Key Performance Indicators

As part of its internal financial control procedures, the Board monitors the key financial metrics of revenue, underlying operating profit, gross margin, working capital (debtor and creditor days), inventory turns and cash.

These KPIs are reviewed in comparison to the previous year and the budget, and analysis is undertaken to establish trends

and variances. For the year ended 31 December 2025, operating profit return on sales was 4.3% (2024: 3.1%), return on net operating assets was 4.4% (2024: 3.1%) and working capital to sales percentage was 25.4% (2024: 28.7%).

### Section 172

The following disclosure describes how the Directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the Directors’ statement required under section 414CZA of The Companies Act 2006.

### Stakeholder Engagement

#### Investors

The major interests in our shares are set out on page 10 of our Directors’ Report. Key metrics for our shareholders are the share price, earnings per share and the total dividends paid. Through the publication of our half year and full year financial reports and engagement with shareholders, we look to provide insight, where possible, into the Group strategy. We aim to deliver strong returns to shareholders through a balance of both earnings and dividend growth. Investor engagement includes the AGM, one on one investor meetings with the Board of Directors, site visits and ad-hoc meetings. Topics include strategy, governance, performance, capital investment and sustainability commitments. Specific matters that were discussed during the year included sales and profit performance, cash preservation, cost management and the ongoing business transformation including the strategic investment in the Group’s manufacturing facility.

#### Suppliers

We have a select Group of international suppliers and, at a local level, we partner with smaller businesses. These suppliers are key to the availability and quality of our products and they assist us in ensuring we achieve the highest standards. Our procurement team regularly engages with our suppliers to discuss supply performance, price and how we can improve our supply chain. Key topics of engagement for the year were availability, reliability of supply, sustainability, price and logistics.

#### Employees

Employees are those individuals who are contracted to work for the Company both full and part-time. The Group’s success is reliant on the commitment of all employees to the Group’s values and strategy. The Group aims to continuously improve the quality and safety of the working environment

for all employees and promote health and wellbeing initiatives. Regular training is also provided for the development of employees.

### Principal Decisions

We define principal decisions as both those that are material to the Group, but also those that are significant to any of our key stakeholder groups. For detail as to how we established and defined our key stakeholder Groups see page 6. In making the following principal decisions the Board considered the outcome from its stakeholder engagement as well as the need to maintain a reputation for high standards of business conduct and the need to act fairly between the members of the Company.

#### Principal Decision 1

##### Cash and liquidity preservation

Focus on maintaining cash reserves and finance facilities to provide stability through uncertainty and provide the ability to finance capital requirements needed to invest in the future. The Board again recognised the need to carefully manage cash reserves and ensure adequate facilities were available during the year due to fund the strategic investment in the manufacturing facility. The actions taken by the Board will contribute to ensuring the continued long-term stability of the Group and to position it to take advantage of future profitable growth and investment opportunities.

In order to provide additional finance facilities, in November 2024 the Group secured short-term funding with its banking partner in the form of a trade finance facility to the value of £3.2m. This facility was renewed in February 2026.

In October 2025, the Group divested its investment property for a net consideration of £4.15m. Proceeds from the divestment were used to settle all bank debt thereby strengthening the Group's cash position considerably.

#### Principal Decision 2

##### Managing inventory levels to safeguard against supply chain and production risks

Disruption to global supply chains continued to ease during 2025 despite the ongoing Ukraine conflict and the growing unrest in the Middle East. The Board agreed that it was essential to have sufficient raw materials available for production to meet the level of demand from customers. It was agreed that, as part of the strategic review of the stockholding policy carried out in 2024, the Group held a higher level of raw materials

to provide it with greater manufacturing flexibility. Management worked closely with key suppliers to continue to secure supply and successfully reduce lead times. These actions enabled the Group to maintain excellent service to customers with lower than historical levels of finished goods inventory.

#### Principal Decision 3

##### Rising raw material, labour and energy prices

The increases in raw material cost pressure softened in 2025, but ongoing geopolitical and macroeconomic issues continued to impact energy costs. Labour inflation pressures remained, including the increase in the UK National Living Wage. With such ongoing cost pressures the Board agreed that certain measures taken in prior years should be maintained. The ongoing use of the solar panels at our manufacturing site mitigated some risk. The Board continued to take advantage of competitively priced energy contracts and agreed to a fixed term for both gas and electricity. The Streamlined Energy & Carbon Reporting (SECR) requirements came into effect for large companies and Groups from 1 April 2020. The Group does not have any large companies that meet the required thresholds and as such no further disclosure is required in line with the SECR requirements.

#### Other Risks

The global nature of the Group's business means it is exposed to volatility in currency exchange rates in respect of foreign currency denominated transactions, the most significant being the euro. In order to protect itself against currency fluctuations the Group has taken advantage of the opportunity to naturally hedge euro revenue with euro payments utilising foreign currency bank accounts. No transactions of a speculative nature are undertaken. Other risks include the availability of necessary materials, business interruption and the duty of care to our employees, customers and the wider public. These risks are managed through the combination of quality assurance and health and safety procedures and insurance cover. The Directors are also aware of the ever-increasing risk of cyber threats. In September 2025, the Group achieved Cyber Essentials Accreditation, a UK government-backed, industry-supported certification scheme designed to protect organisations of all sizes against common cyber threats. The also has cyber insurance in place.

The strategic report has been approved by the Board of Directors.



**CONLETH CAMPBELL**  
CHIEF FINANCIAL OFFICER  
AND COMPANY SECRETARY  
25 March 2026

## Board of Directors



### **MARTIN TOOGOOD** INDEPENDENT NON-EXECUTIVE CHAIRMAN

Martin Toogood joined the Group as an Independent Non-Executive Director on 1<sup>st</sup> April 2009, and was appointed Independent Non-Executive Chairman on 6 November in the same year. Martin has considerable experience at Executive and Non-Executive level, most recently with ILVA in Scandinavia and the UK, B&Q in the UK, Carpetright in the UK and Europe and Habitat in the UK and internationally.

### **MÉDÉRIC PAYNE** CHIEF EXECUTIVE OFFICER

Médéric Payne joined the Group on the 25th August 2022 as Chief Executive Officer from Al-Futtaim Group based in the Middle East. He has held a number of key international Executive roles, notably within Landmark Group as CEO for Homecentre and at Kingfisher plc as CEO for Castorama RU. In his recent role as CEO, his main focus has been the growth, turnaround and digital transformation of a number of well-known brands within his retail portfolio in MENA. Médéric has considerable experience in supply chain, sales and innovation in both mature and developing markets.



## CONLETH CAMPBELL

### CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Conleth Campbell joined the Group on the 2nd October 2023 as Chief Financial Officer & Company Secretary, with more than 25 years' experience in public Company environments. He has developed and led finance teams, with strong expertise in Capital Markets including M&A and Investor Relations. He was previously Group Financial Controller of Genuit Group plc. He has also held the position of Head of Capital Markets (Investor Relations and Treasury) for Croda International plc. He is a Chartered Accountant (ICAEW) and began his career at Mazars.



## TANYA ASHTON

### INDEPENDENT NON-EXECUTIVE DIRECTOR

Tanya Ashton joined the Group on the 10th May 2023 as an independent Non-Executive Director, with over 20 years' experience in strategic marketing and brand development roles.

Tanya currently acts as Head of Sustainability at The Boots Group, Global Sourcing Europe. She also holds a Non-Executive Director position and acts as a sustainability subject matter expert at AIM-listed M.P. Evans Group plc, and was formally a Board member and Director of The Sustainability Consortium.

## Directors' Report

### The Directors present their report for the year ended 31 December 2025.

#### Dividends

The Directors recommend a final dividend of £0.39m or 1.0p per share, also representing the total dividend for the year as no interim dividend was paid (2024: £0.2m or 0.60p per share). The final dividend will be paid on 20 May 2026 to shareholders on the register on 24 April 2026. This proposal is subject to shareholder approval at the Group's Annual General Meeting to be held on 6 May 2026. This continues the Group's policy of progressive dividends and sharing the success of the business with shareholders whilst maintaining adequate cash to complete the strategic investment at the Group's manufacturing facility before considering future investment opportunities.

#### Directors

The Directors for the year are detailed below.

**Martin Toogood**  
**Médéric Payne**  
**Conleth Campbell**  
**Tanya Ashton**

A third party indemnity insurance policy is in place for the benefit of the Directors.

Directors who held office on 31 December 2025 had the following interests in the Ordinary Shares of the Company:

	2025	2024
<b>Martin Toogood</b>	2,150,361	2,100,361
<b>Mederic Payne</b>	78,000	78,000
<b>Conleth Campbell</b>	100,000	60,000
<b>Tanya Ashton</b>	17,349	-

There were no other changes in Directors' interests between 1 January 2026 and 25 March 2026. None of the Directors have an interest in the share capital of subsidiary companies other than as a nominee of the Company.

Details of dividends paid to Directors in respect of their shareholdings dealings are set out in note 25.

Details of share awards granted to Directors as part of the 2022 LTIP are set out in note 21. Risks considered by Directors are discussed and disclosed within the strategic report on page 7.

#### Share Capital

Details of the share capital of the Company are set out in note 20 to the financial statements of the Group.

#### Substantial Shareholdings

At 31 December 2025, in addition to the interests of Martin Toogood amounting to 5.20% noted above, the Company had been notified of the following interests representing 3.00% or more of the Company's Ordinary Share capital:

	Number held	%
<b>Mr. &amp; Mrs. D. Newlands</b>	5,132,500	12.41
<b>Lowland Investment Trust</b>	4,125,000	9.97
<b>Mrs. C. J. Tobin</b>	4,104,687	9.93
<b>AIREA Employee Benefit Trust</b>	2,777,600	6.72
<b>Mr. M. H. Yeadon</b>	1,978,862	4.79
<b>Mr. &amp; Mrs. G. A. Upsdell</b>	1,758,618	4.25
<b>Mr. D. Longden</b>	1,250,000	3.02
<b>Mr. &amp; Mrs. R Morris</b>	1,245,000	3.01

#### Corporate Governance

##### Chairman's Statement

The Directors of AIREA plc are committed to developing and applying high standards of corporate governance appropriate to the Group's size and stage of development, and therefore, have elected to adopt the 2023 QCA Corporate Governance Code. A full version of which is available at the QCA website [www.theqca.com](http://www.theqca.com). The QCA Code is constructed around ten broad principles which focus on the pursuit of medium to long-term value for shareholders without stifling the entrepreneurial spirit in which the Company was created. Full details of the ten principles and the Company's application of the principles including areas where the Company differ from the expectations of the code can be viewed on the AIREA plc website [www.AIREAplc.com](http://www.AIREAplc.com).

##### Values and Behaviours

The Board recognises the value of the Code and good governance and as far as is practicable and appropriate for a public Company of the size and nature of AIREA plc, adheres to it. In this regard, the Board remains focused on the need for a system of corporate governance which delivers compliance with regulation whilst enhancing the performance of the Group.

This includes recognising the need to manage and mitigate the risks faced by the business across all of its activities as noted in the strategic report.

The Board demonstrates and promotes the values of the Group being principles, agility, collaboration and excellence. These values are shared with the employees and have been communicated both formally and informally due to the regular contact between the Directors, management and employees on a day-to-day basis. Meetings take place within departments to discuss both team and personal performance and progress against the values and objectives. The Group sets clear policy and objectives on its expectations on wider stakeholder and social responsibilities from the Board, to the top of the management team and throughout the organisation. We are proud of our culture, where all staff feel responsible for making a difference in delivering high standards within the organisation and to our customers, stakeholders and local communities. We recognise the need for continual development and improvement in all our standards and measure performance year-on-year.

##### The Board and its Committees

The Group is led by a Board comprising of two Non-Executive Directors, including the Chairman and two Executive Directors. Amongst other things it is the Chairman's responsibility to deliver the Group's corporate governance model and to display a clear vision on strategy and values. The time commitment from the Chairman, Non-Executive Director and Executive Directors is noted in the Directors' report. The appointed Company Secretary is one of the Executive Directors who possesses the relevant skills and experience to perform the function whilst providing the lead in both legal and regulatory compliance and ensuring strong corporate governance. The Board composition is regularly reviewed to ensure it is an appropriate size for the Group and has the effective and appropriate balance of skills and experience to ensure the business operates efficiently and is able to react quickly to any issues that may arise. Day-to-day operating decisions are made by the Executive Directors, supported by the senior leadership team.

Each Board member keeps their skills up-to-date through a combination of courses, continuing professional development through professional bodies, reading and on the job experience.

Following the appointment of a second Non-Executive Director in 2023, the Board now complies with the requirements for a minimum of two independent Non- Executive Directors under the QCA Corporate Governance Code, being the corporate governance code that the Company has chosen to apply. The Board continues to review its structure periodically as the needs of the business change.

### Group Board Meetings

During the year the PLC Board was chaired by the Chairman accompanied by the second Non-Executive Director and two Executive Directors. The Board does not have a schedule of matters specifically reserved to it for decision-making but its responsibilities include matters such as:

- Strategy;
- Financial issues and trading;
- Risk identification and assessment;
- Health and safety;
- Corporate Governance;
- Approving statutory accounts and announcements.

The Board met ten times during the year with full attendance by all the members. The Board's performance is assessed in terms of the Group's objectives which are to develop products that sell and exploit the strength in our operating model to deliver robust cashflows and shareholder returns. No formal assessment of the Board's performance was undertaken during the year, but the performance is discussed informally in terms of the Group's performance.

### Audit Committee

The Audit Committee is chaired by Martin Toogood and there are no other members. This committee met twice during the financial year and was attended by the Executive Directors of the Company at the invitation of the Chairman. It provides a forum through which external auditors report to the Board, and assists the Board in ensuring that appropriate policies, internal controls and compliance procedures are in place. The committee meets with the auditors with members of the management team present to discuss audit quality and engagement. There is no report available to be shared in these accounts.

### Remuneration Committee

The Remuneration Committee is chaired by Martin Toogood and there are no other members. This committee met four times during the financial year and was attended

by the Executive Directors of the Company at the invitation of the Chairman. It provides a forum through which Directors' remuneration and employee incentives can be formally reviewed and approved as appropriate. There is no report available to be shared in these accounts.

### Internal Control

The Directors acknowledge their responsibility for the Group's systems of internal control. The Group maintains systems of internal controls, including suitable monitoring procedures, to provide reasonable, but not absolute, assurance of the maintenance of proper accounting records and the consequent reliability of the financial information used within the business to identify and deal with any problems on a timely basis. The monitoring and control procedures include the specification of defined lines of responsibility and authorisation limits, the delegation of authority, the identification of risks and the continual process of the preparation of, and reporting against, annual budgets, forecasts and strategic plans.

### Employees in the United Kingdom

The policy of the Group for the employment of disabled persons is to give them equal opportunities with other employees to train for and attain any position having regard to the maintenance of a safe working environment and with regard to their particular aptitudes and abilities. The Group also tries, where practical, to provide support and retraining in cases where disability is incurred during employment with the Group.

The Group continues its practice of keeping all employees informed on the performance of the Group and other matters affecting them through regular meetings as well as through informal briefings. The Board is committed to the achievement of high standards of health and safety.

### Investor Relations

The Group holds an AGM to which all members are invited. The AGM is the main forum for dialogue between the shareholders and the Board. The Notice of Meeting is sent to shareholders at least 21 days before the meeting. The Chairman of the Board and the other Directors attend the AGM.

The Board is always welcoming to investors and shareholders and believes in maintaining good communication with

all stakeholders including institutional and private shareholders. This includes making the Executive Directors available to meet with institutional shareholders and analysts following the announcement of interim and final results. The Board receives feedback from these meetings and uses this to refine its approach to investor relations.

### Charitable and Political Contributions

Charitable donations of £850 were made during the year (2024: £4,000). There were no political contributions made during the year (2024: £nil).

### Going Concern

As part of its ongoing responsibilities the Board regularly reviews the cash flow projections of the business for the current and following financial year along with the key sensitivities and uncertainties that might affect the achievement of the projections. The projections include the period to 31 December 2027. In summary, the Group continues to be subject to the uncertainties in the current economic environment particularly in respect of market demand, however, the Group's financial headroom (reviewed whilst stress testing the forecasts for worst case scenarios and the impact this would have on the Group's ability to operate) means that it is well placed to manage its business risks successfully. The Directors can reasonably expect that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis remains appropriate in preparing the annual report and accounts.

### Future Developments

Details of future developments in the business are included in the strategic report.

### Statement of Directors' Responsibilities

The Directors are responsible for preparing the annual 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 Group financial statements in accordance with UK adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law (Section 393, Companies Act 2006) the Directors must not approve the financial

## Directors' Report (continued)

statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that year. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on A.I.M.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK Adopted International Accounting Standards, subject to any material departures disclosed and explained in the financial statements; 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 requirements of 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.

The Directors confirm that:

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

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's

website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

### Auditor

Crowe U.K. LLP have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the annual general meeting.



**CONLETH CAMPBELL**  
CHIEF FINANCIAL OFFICER  
AND COMPANY SECRETARY

Victoria Mills,  
The Green  
Ossett, WF5 OAN

25 March 2026

## Independent Auditor's Report to the Members of AIREA plc

### Opinion

We have audited the financial statements of Airea plc (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2025, which comprise:

- the Consolidated income statement for the year ended 31 December 2025;
- the Consolidated statement of comprehensive income for the year ended 31 December 2025;
- the Consolidated and Company balance sheets as at 31 December 2025;
- the Consolidated statement of cash flows for the year then ended;
- the Consolidated and Company statements of changes in equity for the year then ended; and
- the notes to the financial statements, including material accounting policies.

The financial reporting framework that has been applied in the preparation of the Consolidated financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 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 Group's and of the Company's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- The financial statements 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 Group and 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 as applied to listed entities, 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. Our evaluation of the directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing the Directors' going concern paper and cash flow projections supporting their going concern assumption;
- Checked the numerical accuracy of the Directors' cash flow projections;
- Evaluating and assessing the historical accuracy of management's past projections.
- Discussing with management the assumptions applied in the going concern review so we could understand and challenge the rationale for those assumptions using our knowledge of the business, including downside sensitivities of reduced sales volumes and increased costs;
- Considering potential mitigating actions available to the Group that are achievable and within management's control, to determine if there are any additional factors that could alter the cash flow projections that management can influence
- Reviewing the availability of facilities and cash reserves in the context of both the financial projections and downside scenarios
- Making enquiries of the Directors as to their knowledge of events or conditions beyond the period of their assessment that may cast significant doubt on the entity's ability to continue as a going concern.
- Assessing the Group's post year end performance;
- Reviewing the disclosures made in the financial statements relating to going concern and agreeing it is consistent with management's assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or 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 AIREA plc (continued)

### Overview of our audit approach

#### Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Materiality	Financial Statements - Group	Financial Statements - Company
Overall materiality	£169,500 (2024: £165,000)	£165,000 (2024: 160,000)
How we determined it	0.75% of annualised Group revenue	2% of net assets capped at 97% of Group materiality
Rationale for benchmark applied	In determining materiality, we considered total revenue to be appropriate given the focus of investors on revenues and is a key performance metric for the Group. We therefore consider revenue to remain an appropriate benchmark to use.	We believe that net assets is the primary measure used by the shareholders in assessing the performance of the Company and is a generally accepted benchmark. The value is capped for the purpose of the Group audit with reference to Group materiality.

The subsidiary materialities applied in our Group audit ranged from £60,000 to £165,000. We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. This is set at £118,650 (2024: £115,500) for the group and £115,500 (2024: £112,000) for the Company.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions. We agreed with the Audit Committee that we would report to them all identified errors in excess of £8,475 (2024: £8,250) for the Group and £8,250 (2024: £8,000) for the Company. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

#### Overview of the scope of our audit

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the Group and the Parent Company, their environment, controls, and critical business processes, to consider qualitative factors to ensure that we obtained sufficient coverage across all financial statement line items.

The group financial statements are predominantly a consolidation of four UK statutory entities, comprising Airea plc and the three components, Burmatex Limited, Fope Limited and Airea Floor Coverings Limited. In establishing the overall approach to the group audit strategy, we concluded that they are all full scope components. We have allocated materiality to all the full scope components and designed our audit testing for each financial statement line item based on the size and nature of the transactions and balances for that line item and our assessment of the risk of material misstatement.

Additionally, the audit team also tested the consolidation process and carried out analytical procedures to support our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

Airea plc (the Company) was in full scope and the audit procedures over the Company's transactions and balances were performed by the audit team. The Company is audited on a standalone basis, and hence, testing has been performed on all material financial statement line items included in the Company standalone financial statements. All subsidiaries are operated out of the same location, and we have visited this location as part of our audit procedures and meetings with management.

## Independent Auditor's Report to the Members of AIREA plc (continued)

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit. The key audit matters below are consistent with those identified in the 31 December 2024 audit, with the carrying value of the investment in subsidiaries as a new risk for 31 December 2025 audit.

Key audit matter	How the scope of our audit addressed the key audit matter
<p>Valuation of defined benefit pension scheme (note 19)</p> <p>The Group operates a defined benefit pension scheme that provides benefits to several current and former employees. On 31 December 2025, the defined benefit pension schemes' net liabilities were £3.0 million. The gross value of pension scheme assets amounted to £30.8 million, with gross liabilities £33.8 million.</p> <p>The valuation of the defined benefit pension scheme net liabilities in accordance with IAS 19 Employee Benefits involves significant judgement and is subject to complex actuarial assumptions. Small variations in those actuarial assumptions can lead to a materially different defined benefit pension scheme asset or liability being recognised within the group financial statements.</p> <p>Therefore, we identified the valuation of the defined benefit pension scheme as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<ul style="list-style-type: none"> <li>Documenting our understanding of management's processes for evaluating the defined benefit scheme and assessing the design effectiveness of the related key control, where Directors review the year end valuations prepared by the actuaries and post to the trial balance.</li> <li>Assessing the competency and objectivity of the external actuaries to perform the year-end calculations by considering their technical expertise and independence from the Group.</li> <li>Benchmarked the key assumptions used by management in the group's valuation using an independent auditor expert actuary, comparing the data used to those of similar schemes and other external market data as at the year end.</li> <li>Testing a sample of the pension scheme assets to underlying documentation to confirm ownership and valuation at the reporting date.</li> <li>Assessing the appropriateness of the disclosures within the financial statements. Based on the outcome of our procedures as set out above, we have concluded that the pension assumptions are within a reasonable range and that the defined benefit obligations are appropriately valued as of the 31 December 2025 year end.</li> </ul>
<p>Carrying value of investments in subsidiaries (Note 3)</p> <p>The Company has a material value of investments in subsidiaries of £31.8m (2024: £31.8m).</p> <p>The process for assessing whether an impairment exists under IAS 36 'Impairment of Assets' is complex. When carrying out the investment impairment review, the recoverability of investments is driven by the operating performance of those investments. The directors have assessed this by determining the recoverable amount for the smallest identifiable part of the entity (cash-generating unit ("CGU")), which requires management to make judgements over several key inputs in the models for predicting future revenue levels (discounted cash flow models).</p> <p>Due to the high level of estimation uncertainty present in the impairment test and the sensitivity of the related assumptions in management's model, we identified the carrying value of investment in subsidiaries as a key audit matter.</p> <p>This is a new key audit matter for 31 December 2025 audit due to the sensitivity over headroom between the discounted cashflow models and the value of the investment, as well as a recently declining market capitalisation.</p>	<ul style="list-style-type: none"> <li>Performing a walkthrough and documenting our understanding of management's controls to critically assess and corroborate their process with regards to the impairment analysis and preparation of the discounted cashflows.</li> <li>Obtaining and reviewing management's impairment papers and discounted cashflow calculations along with related workings to support the value in use of the investments.</li> <li>Testing the mathematical accuracy of the discounted cashflow, as well as challenging key assumptions used in the preparation of the discounted cashflow model, including the discount rate, growth rate of expected revenue (based on orderbook) and operating profit margins.</li> <li>Assessing the achievability of the budget and strategic plan results by considering factors such as historic results, drivers of growth and reasonableness of margins.</li> <li>Considering the reasonableness of cash flows included in the calculation through comparison with current year performance and historic trends.</li> <li>Performing a sensitivity analysis on key assumptions to determine potential impact on investment value in the event of an adverse movement in assumptions.</li> <li>Reviewing the disclosures in the financial statements in relation to the investments and associated estimates.</li> </ul> <p>The performance at the CGU continues to stable, as noted in the Director's Report.</p> <p>Should forecast growth not be met in 2026 in line with forecast, which is a critical assumption of the model per note 3 of the Company financial statements, there would be concerns regarding the headroom over the carrying value of the investment and would be an indicator of impairment as at the next reporting period end. However, management have forecast an increase in performance of the business in 2026 as outlined in the Director's Report, driven by the New Tiling Line ("NTL") and expansion into new markets and opportunities. We are satisfied that no impairment is required in the financial statements this year.</p>

## Independent Auditor's Report to the Members of Airea plc (continued)

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

### Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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 matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during our audit

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

### Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Company and their 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 11, 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 Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### 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 based on 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 can detect irregularities, including fraud is detailed below:

- Based on our understanding of the Group and the Company, and the industry in which they operate, we considered non-compliance with the following laws and regulations to potentially have a material effect on the financial statements: compliance with AIM rules for companies, employment regulation, health and safety regulation and anti-money laundering regulation.
- We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

- To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:
  - Gaining an understanding of the legal and regulatory framework applicable to the Group and the Company, the industry in which they operate, and the structure of the Group, and considering the risk of acts by the Group and the Company which were contrary to the applicable laws and regulations, including fraud.
  - Inquiring of management and, where appropriate, those charged with governance, as to whether the Group and the Company comply with laws and regulations. We also discussed their policies and procedures regarding compliance with laws and regulations; and
  - Reviewing minutes of Directors' meetings in the year, and until the date of this audit report;
- In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements. This included the risk of management override of controls. We determined that the principal risks related to posting journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in revenue recognition (which we pinpointed to the completeness and accuracy assertions), and significant one-off or unusual transactions.
- Making enquiries of both Directors, management and Audit Committee Chair on whether they had knowledge of any actual, suspected or alleged fraud.
- Gaining an understanding of the internal controls management have established to mitigate fraud risks.
- Discussing the risks of fraud amongst the engagement team.
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities, including fraud, rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit are discussed in the "Key audit matters" section of this report. A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.

Daniel Town (Senior Statutory Auditor)  
for and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
Black Country House  
Rounds Green Road  
Oldbury  
B69 2DG  
25 March 2026

## Consolidated Income Statement

for the year ended 31st December 2025

	Note	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
<b>Continuing Operations</b>			
<b>Revenue</b>	<b>2</b>	<b>21,447</b>	<b>21,234</b>
Operating costs	3	(20,474)	(20,025)
Other operating income		180	355
Underlying operating profit before valuation gain		1,153	1,564
Non-recurring items	27	(237)	(911)
Operating profit before valuation gain		916	653
Unrealised valuation gain		–	40
<b>Operating profit</b>		<b>916</b>	<b>693</b>
Finance income	5a	1	69
Finance costs	5b	(706)	(699)
<b>Profit before taxation</b>		<b>211</b>	<b>63</b>
Taxation	6	771	(345)
<b>Profit/(loss) attributable to shareholders of the Group</b>		<b>982</b>	<b>(282)</b>
Basic and diluted earnings per share for the Group	7	2.54p	(0.73p)

## Consolidated Statement of Comprehensive Income

for the year ended 31st December 2025

	Note	2025 £000	2025 £000	2024 £000	2024 £000
Profit/(loss) attributable to shareholders of the Group			982		(282)
Items that will not be classified to profit or loss					
Remeasurement of the net defined benefit liability	19	942		1,215	
Related deferred taxation	12a	(389)		(378)	
Revaluation of property	9	86		108	
Related deferred taxation	12b	(21)		(27)	
Total other comprehensive income			618		918
Total comprehensive income attributable to shareholders of the Group			1,600		636

The notes on pages 22 to 45 form part of these financial statements.

## Consolidated Balance Sheet

as at 31st December 2025

	Note	2025 £000	2025 £000	2024 £000	2024 £000
<b>Non-current assets</b>					
Property, plant and equipment	9		12,733		8,346
Intangible assets	10		97		46
Deferred tax asset	12a		1,593		1,557
Right-of-use asset	13		826		1,013
			15,249		10,962
<b>Current assets</b>					
Investment property held for sale	11	-		4,100	
Inventories	14	5,465		4,855	
Trade and other receivables	15	2,722		4,335	
Cash and cash equivalents	16	2,012		2,063	
			10,199		15,353
<b>Total assets</b>			<b>25,448</b>		<b>26,315</b>
<b>Current liabilities</b>					
Trade and other payables	17	(2,733)		(3,111)	
Lease liabilities	13	(157)		(179)	
Loans and borrowings	18	(323)		(404)	
			(3,213)		(3,694)
<b>Non-current liabilities</b>					
Deferred tax	12b	(2,010)		(2,334)	
Pension deficit	19	(3,027)		(4,007)	
Lease liabilities	13	(159)		(244)	
Loans and borrowings	18	(175)		(500)	
			(5,371)		(7,085)
<b>Total liabilities</b>			<b>(8,584)</b>		<b>(10,779)</b>
<b>Net assets</b>			<b>16,864</b>		<b>15,536</b>
<b>Equity</b>					
Called-up share capital	20		10,339		10,339
Share premium account			504		504
Own Shares			(932)		(1,217)
Share-based payment reserve			276		317
Capital redemption reserve			3,617		3,617
Revaluation reserve			1,860		3,448
Retained earnings			1,200		(1,472)
<b>Total equity</b>			<b>16,864</b>		<b>15,536</b>

The financial statements on pages 18 to 45 were approved by the Board of Directors on 25th March 2026 and signed on its behalf by:

**Martin Conleth Campbell**  
Chief Financial Officer  
Company number 00526657

The notes on pages 22 to 45 form part of these financial statements.

## Consolidated Statement of Cash Flows

for the year ended 31st December 2025

	Note	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
<b>Cash flows from operating activities</b>			
Profit/(Loss) for the year		982	(282)
Depreciation	9	484	345
Depreciation of right-of-use assets	13	279	44
Amortisation	10	28	33
Share-based payment (credit)/expense		(41)	167
Net Finance costs	5	705	630
Tax (credit)/charge	6	(771)	345
Unrealised valuation gain		-	(40)
Profit on disposal of tangible fixed asset		-	(6)
Profit on disposal of investment property		(50)	-
<b>Operating cash flows before movements in working capital</b>		<b>1,616</b>	<b>1,236</b>
(Increase)/decrease in inventories		(610)	898
Decrease/(increase) in trade and other receivables		1,613	(1,179)
Decrease in trade and other payables		(377)	(683)
<b>Cash generated from operations</b>		<b>2,242</b>	<b>272</b>
Contributions to defined benefit pension scheme		(613)	(300)
<b>Net cash generated from operating activities</b>		<b>1,629</b>	<b>(28)</b>
<b>Cash flows from investing activities</b>			
Payments to acquire intangible fixed assets		(79)	(14)
Payments to acquire tangible fixed assets		(4,785)	(2,204)
Receipt from the sale of tangible fixed assets		-	6
Receipt from the sale of investment property		4,150	-
Interest received		1	69
<b>Net cash used in investing activities</b>		<b>(713)</b>	<b>(2,143)</b>
<b>Cash flows from financing activities</b>			
Interest paid on lease liabilities		(38)	(28)
Interest paid on borrowings		(93)	(121)
Proceeds from asset financing		-	661
Principal paid on lease liabilities	13	(199)	(209)
Equity dividend paid		(231)	(212)
Repayment of loans		(406)	(1,615)
<b>Net cash used in financing activities</b>		<b>(967)</b>	<b>(1,524)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(51)</b>	<b>(3,695)</b>
<b>Cash and cash equivalents at start of the year</b>		<b>2,063</b>	<b>5,758</b>
<b>Cash and cash equivalents at end of the year</b>		<b>2,012</b>	<b>2,063</b>

The notes on pages 22 to 45 form part of these financial statements.

## Consolidated Statement of Changes in Equity

as at 31st December 2025

	Share capital £000	Share premium account £000	Own shares £000	Share-based payment reserve £000	Capital redemption reserve £000	Revaluation reserve £000	Retained earnings £000	Total equity £000
<b>As 1st January 2024</b>	<b>10,339</b>	<b>504</b>	<b>(1,636)</b>	<b>150</b>	<b>3,617</b>	<b>3,376</b>	<b>(1,405)</b>	<b>14,945</b>
<b>Comprehensive income for the year</b>								
Loss for the year	-	-	-	-	-	-	(282)	(282)
Remeasurement of the net defined benefit liability	-	-	-	-	-	-	837	837
Revaluation of property	-	-	-	-	-	108	(27)	81
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108</b>	<b>528</b>	<b>636</b>
<b>Contributions by and distributions to owners</b>								
Dividend paid	-	-	-	-	-	-	(212)	(212)
Share-based payment	-	-	-	167	-	-	-	167
Own share transfer	-	-	419	-	-	-	(419)	-
Revaluation reserve transfer	-	-	-	-	-	(36)	36	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>419</b>	<b>167</b>	<b>-</b>	<b>(36)</b>	<b>(595)</b>	<b>(45)</b>
<b>At 31st December 2024</b>								
<b>And 1st January 2025</b>	<b>10,339</b>	<b>504</b>	<b>(1,217)</b>	<b>317</b>	<b>3,617</b>	<b>3,448</b>	<b>(1,472)</b>	<b>15,536</b>
<b>Comprehensive income for the year</b>								
Profit for the year	-	-	-	-	-	-	982	982
Remeasurement of the net defined benefit liability	-	-	-	-	-	-	553	553
Revaluation of property	-	-	-	-	-	86	(21)	65
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>86</b>	<b>1,514</b>	<b>1,600</b>
<b>Contributions by and distributions to owners</b>								
Dividend paid	-	-	-	-	-	-	(231)	(231)
Share-based payment	-	-	-	(41)	-	-	-	(41)
Own share transfer	-	-	285	-	-	-	(285)	-
Revaluation reserve transfer	-	-	-	-	-	(1,674)	1,674	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>285</b>	<b>(41)</b>	<b>-</b>	<b>(1,674)</b>	<b>1,158</b>	<b>(272)</b>
<b>At 31st December 2025</b>	<b>10,339</b>	<b>504</b>	<b>(932)</b>	<b>276</b>	<b>3,617</b>	<b>1,860</b>	<b>1,200</b>	<b>16,864</b>

The shortfall in the balance between the exercise price of the share options granted and the outstanding loan to the EBT is transferred from own shares to retained earnings over the vesting period, note 25.

The notes on pages 22 to 45 form part of these financial statements.

## Notes to the Financial Statements of the Group

### 1. ACCOUNTING POLICIES OF THE GROUP

The principal Accounting Policies adopted in the preparation of the Group's IFRS Financial Statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. The Company is a specialist flooring Company and a public limited Company, listed on the AIM section of London Stock Exchange, incorporated and domiciled in the England and Wales. The address of its registered office is Victoria Mills, The Green, Ossett, West Yorkshire WF5 0AN.

#### Basis of preparation

The consolidated financial statements have been prepared on a going concern basis in accordance with applicable law and UK adopted International Accounting Standards. The basis of preparation and accounting policies used in preparing the financial statements for the year ended 31st December 2025 remain unchanged from the previous year and are set out below. The preparation of financial statements under IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

#### Significant accounting judgements and estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimates is contained in the accounting policies and note 4 to the financial statements.

#### Basis of consolidation

The consolidated financial statements comprise the financial statements of AIREA plc and its subsidiaries. Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of an investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date at which control is obtained. They are deconsolidated from the date at which control ceases.

#### Going Concern

As part of their normal year end process the Board have reviewed commercial plans and budgets for the new financial year, together with assessing the principal identified risks and uncertainties for the Group. Detailed cashflow projections have been prepared and considered against available funding sources, which at the year-end included net cash of £2.0m, plus £1.0m of unused overdraft facilities alongside a trade finance facility of £3.2m. The Group has also modelled stress test scenarios which assume 10% reductions in revenue alongside a 10% increase in costs, with no cost reduction or cash conservation measures. Under the lowest point in these stress tested scenarios, the Group retains adequate headroom against its total banking facilities. These bank facilities were renewed in January 2026.

The Directors have therefore concluded that they have reasonable expectations that the Group has adequate financial resources to support the operational requirements of the business for the foreseeable future, and that it is appropriate to continue adopting the going concern concept in the preparation of financial statements. In conclusion, the Directors have a reasonable expectation that the Group 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 annual financial statements.

#### Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the provision of goods in accordance with the Group's primary revenue stream as set out below. Revenue is shown net of Value Added Tax.

#### Sales of floor coverings

Goods are recognised at the point of dispatch to the customer, reflecting fulfilment of the sole performance obligation to the customer.

Contracts with customers are typically fixed price based on agreed amounts and invoiced upon despatch of the goods in line with the standard terms and conditions of the Group. The Group's standard payment terms are 20th of the month following the date of the invoice. There are no long-term contract or financing arrangements in place across the Group.

The Group is assessed operationally and financially under one revenue stream. The Directors do not therefore consider there to be a lower relevant level of revenue disaggregation than that disclosed in note 2, Operating Segments. There are no material concentrations of revenue by customers.

# Notes to the Financial Statements of the Group

(continued)

## 1. ACCOUNTING POLICIES OF THE GROUP (continued)

### Other operating income

Other operating income comprises of rent receivable on an investment property that is let outside of the Group. Income on such rent is recognised evenly throughout the year for the period in which it relates.

### Interest payable and receivable

Interest payable and receivable is accounted for on an effective interest method.

### Dividends payable

Dividends payable are recognised when the shareholders' right to receive payment is established and are only included in liabilities if approved in a general meeting prior to the balance sheet date.

### Property

Freehold land and buildings are carried at fair value, based on periodic valuations by a professionally qualified valuer. These revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in the revaluation reserve except to the extent that any decrease in value in excess of the credit balance on the revaluation reserve, or reversal of such a transaction, is recognised in profit or loss.

At the date of revaluation, the accumulated depreciation on the revalued freehold property is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The excess depreciation on the revalued freehold building, over the amount that would have been charged on the historical cost basis (which will continue to be expensed to the income statement) is transferred from the revaluation reserve to retained earnings in line with the historical cost depreciation.

Freehold land is not depreciated. Depreciation is provided on all other items of property so as to write off their carrying value over their useful economic lives. It is provided at the following rate:

Buildings	2% – 10%
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### Plant and equipment

Plant and equipment are held at cost less accumulated depreciation and impairment charges. Depreciation on assets under the course of construction does not commence until they are completely available for use. Depreciation is provided on all other items of plant and equipment to write off the cost less the estimated residual value, which is reviewed annually, by equal instalments over their estimated useful economic lives as follows:

Plant and equipment	6.66% – 33%
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### Investment property held for sale

Investment properties are initially measured at cost, including transaction costs, and subsequently carried at fair value, with changes recognised in profit or loss. When classified as held for sale under IFRS 5, the property must be available for immediate sale, with management committed to a plan to sell within 12 months. Investment properties held for sale continue to be measured at fair value under IAS 40, with gains or losses recognised in the income statement. Upon disposal or when no longer meeting the held-for-sale criteria, the property is derecognised, and any resulting gain or loss is recorded in the income statement.

### Fair value

Fair value estimation under IFRS 13 requires the Group to classify for disclosure purposes fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements on its assets. The fair value hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (prices) or indirectly (derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data. Their fair value of assets and investment property are determined using valuation techniques (notes 9 and 11).

### Impairment testing of property, plant and equipment

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the assets or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. Impairment loss is charged pro-rata to the assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

# Notes to the Financial Statements of the Group

(continued)

## 1. ACCOUNTING POLICIES OF THE GROUP (continued)

### Intangible assets

Expenditure on development activities is capitalised if the product or process meets the recognition criteria for development expenditure as set out in IAS 38 'Intangible Assets'. The expenditure capitalised includes all directly attributable costs, from the date that the intangible asset meets the recognition criteria, necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. Development expenditure is identified as being capital in nature if the costs can be measured reliably, the product is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Other development expenditure not meeting these criteria is recognised in profit or loss as incurred. Once the asset is ready for use, the capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses. Intangible assets not yet ready for use are tested for impairment annually. Amortisation is provided to write off the cost by equal instalments through operating costs in the income statement over their estimated useful economic lives as follows:

Intangible assets	20 – 33%
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### Inventories

Inventories are stated at the lower of cost (on a first in, first out basis) and net realisable value. Cost includes materials, direct labour and works overhead based on a normal level of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and sale. Provision is made for obsolete, slow moving or defective items where appropriate.

### Foreign currency

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the income statement in the period in which they arise.

### Financial assets

Financial assets that are held to collect are categorised as amortised cost under IFRS 9. This includes the Group's trade receivables, and cash and cash equivalents. Financial assets are assigned to this category on initial recognition, depending on the characteristics of the instrument and the corresponding business model (generate cash via sale of manufactured flooring). A financial instrument's category is relevant for the way it is measured and whether any resulting income and expense is recognised in profit or loss or other comprehensive income.

Financial assets comprise trade receivables and cash and cash equivalents. Financial assets are recognised in the Group's Consolidated Balance Sheet when the Group becomes a party to the contractual provisions of the instrument. Trade receivables are measured at initial recognition at fair value and subsequently measured at amortised cost. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement using the expected credit loss model.

The Group recognises all financial assets when the Group becomes party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus transaction costs, and subsequently at amortised cost using the effective interest method, less any allowance for impairment. Financial assets are reviewed for impairment under the simplified approach to the expected credit loss model under IFRS 9. This is calculated through the use of a provision matrix by considering default rates by receivable age. A historic 2 year actual impairment loss on receivables, adjusted for management's expectation of future market conditions is utilised within this matrix. The movement in allowances for receivables is charged or credited through the income statement. Discounting of long-term receivables is omitted where the effect is immaterial.

### Financial liabilities

The Group's financial liabilities include trade payables, lease liabilities, accruals and other creditors and are all categorised under amortised cost in accordance with IFRS 9. Trade payables are not interest bearing and are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in the statement of comprehensive income under 'finance charges'.

### Leases

Where a contract meets IFRS 16's definition of a lease, lease agreements give rise to the recognition of a non-current asset representing the right to use the leased item, and a loan obligation for future lease payables. Lease costs are recognised in the form of depreciation of the right to use asset and interest on the lease liability.

# Notes to the Financial Statements of the Group

(continued)

## 1. ACCOUNTING POLICIES OF THE GROUP (continued)

### Taxation

Current tax payable is provided on taxable profits at prevailing rates for the year.

Deferred income taxation is provided in full using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Group's financial statements, at rates expected to apply when they reverse, based on current tax rates and law. Deferred income taxation is not provided on the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss and, at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

Deferred income tax assets are recognised to the extent that there are future taxable temporary differences from the unwind of the deferred income tax liabilities, against which these deductible temporary differences can be utilised or other future taxable profits. Deferred tax assets and liabilities are not discounted. Deferred income taxation is determined using the tax rates and laws that have been enacted, or substantively enacted during the year and are expected to apply in the periods in which the related deferred tax asset or liability is reversed. No material uncertain tax positions exist as at 31 December 2025.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and on short-term deposit.

### Pensions

The current service cost of providing retirement pensions and related benefits under the Group defined benefit scheme along with the interest on the net pension deficit is included in other finance costs. Actuarial gains and losses, net of the related deferred taxation, are recognised in other comprehensive income. Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality corporate bond rates that have terms to maturity approximating to the terms of the related liability. The surplus or deficit as calculated by the scheme's actuary is presented separately on the balance sheet. The related deferred tax is shown with other deferred tax balances. A surplus is recognised only to the extent that it is recoverable by the Group.

Amounts paid to defined contribution schemes are charged against operating profit as part of operating costs as incurred.

### Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation arising from past events and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions that are payable over a number of years are discounted to net present value at the balance sheet date using a discount rate appropriate to the particular provision concerned.

### Employee Benefits Trust (EBT)

As the Company is deemed to have control of its EBT trust, it is treated as a subsidiary and consolidated for the purpose of the consolidated financial statements. The EBT's assets (other than investments in the Company's shares), liabilities, income and expenses are included on a line-by-line basis in the consolidated financial statements. The EBT's investment in Company's shares is deducted from equity in the consolidated balance sheet referred to as 'Own Shares'.

### Non-recurring Expense Items

Non-recurring items are items that the Board believe are material and one-off or non-operating in nature and are better disclosed separately in the income statement. Events which may give rise to non-recurring item include, but are not limited to, gains or losses on the disposal of subsidiaries/businesses, gain or losses on the disposal or properties, gains or losses from the reassessment of useful life on asset classes and the restructuring of the business.

### Equity

Equity is broken down into the elements listed below:

- **Share capital** representing the nominal value of equity shares;
- **Share premium** representing the excess over nominal value of the fair value of consideration received for equity shares;
- **Own Shares** representing the weighted average cost of own shares held by the employee benefit trust;
- **Share-based payment reserve** represents the movement in cost of equity settled transactions in relation to long-term incentive plan;
- **Capital redemption reserve** representing the nominal value of the Company's own shares purchased by the Company and cancelled;
- **Revaluation reserve** representing the above cost of assets held at fair value; and
- **Retained earnings** representing amounts retained from earnings.

## Notes to the Financial Statements of the Group

(continued)

### 1. ACCOUNTING POLICIES OF THE GROUP (continued)

#### Software-as-a-Service (SaaS) arrangements

SaaS arrangement are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received.

#### Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year. The following new standards, amendments and interpretations are effective for the period beginning on or after 1 January 2025 and have been adopted for the Group Financial Statements where appropriate with no material impact on the disclosures and results made by the Group:

- Lack of Exchangeability (Amendments to IAS21)

There has been no material impact on the Group's Consolidated Financial Statements from any new standards, amendments or interpretations effective during the year.

#### Accounting standards or interpretations issued but not yet effective

Apart from IFRS18 'Presentation and Disclosure in Financial Statements', there were no accounting standards or interpretations issued which have an effective date after the date of these Group Consolidated Financial Statements that management reasonably expects to have an impact on disclosures, financial position or performance.

### 2. OPERATING SEGMENTS

The Group presents its results in accordance with internal management reporting information which means that the Group is reported as only one segment. The performance of the Group is monitored and measured and strategic decisions made by the Chief Operating Decision Maker, which is deemed to be the Board, on the basis of the Group's results. The Group's results include all items presented under IFRS. This management information therefore accords with Group financial information presented in the consolidated income statement and consolidated balance sheet.

Revenue is reported by geographical location of customers.

All revenue is generated by operations within the United Kingdom and all assets are located in the United Kingdom.

#### Analysis of revenue by destination

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
United Kingdom	16,841	16,398
Rest of the World	4,606	4,836
	21,447	21,234

## Notes to the Financial Statements of the Group

(continued)

### 3. OPERATING COSTS

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Changes in stocks of finished goods and work in progress	(357)	428
Raw materials and consumables	8,998	8,064
Other external charges	5,257	4,960
Staff costs (note 21)	5,807	6,158
Depreciation	484	345
Depreciation of right-of-use asset	279	44
Amortisation	28	33
Profit on disposal of fixed asset	(50)	(6)
Foreign exchange differences	28	(1)
	20,474	20,025

Other external charges include the following amounts payable to the Company's auditor.

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Fees payable to the Company's auditor for the audit of the Group's financial statements	48	44
Audit of the financial statements of the Company's subsidiaries		
Pursuant to legislation	23	22
	71	66

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the Group's accounting policies, appropriate key judgements and estimates have been made in a number of areas and the actual outcome may vary from the position described in the consolidated balance sheet at 31st December 2025.

#### Key Judgements

Deferred tax assets – £1,593,000 (2024: £1,557,000)

Deferred tax assets are recognised at the balance sheet date based on the assumption that there is a high expectation that the assets will be realised in due course. This assumption is dependent upon the Group having losses that are available for offset and the ability to generate sufficient future taxable profits. Details of the deferred tax asset are given in note 12.

#### Accounting estimates

The key sources of estimation uncertainty that may give rise to a material adjustment to the carrying value of assets and liabilities within the next financial year are as follows:

Inventories – £5,465,000 (2024: £4,855,000)

The inventory is carried at the lower of cost and net realisable value. Certain items of inventory are not expected to sell at prices which cover cost, either because they are remnants, come from discontinued ranges or are below the required quality standard. Any items with a cost in excess of the net realisable value are provided against, this provision is based on the market price less cost to sell. Development of new product lines is managed carefully to minimise the level of obsolescence of products to avoid the requirement for provision. If the provision were to increase by 10% the value of inventories would decrease by £11,000. Details of inventories are given in note 14.

Credit loss provision – £61,000 (2024: £115,000)

Certain debts carry the potential to become uncollectable and the Group calculates a provision for credit losses using a model of expected loss rates detailed in note 15. The provision has decreased year on year to reflect the improvement in general economic conditions.

## Notes to the Financial Statements of the Group

(continued)

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Pension deficit – £3,027,000 (2024: £4,007,000)

The calculation of the pension deficit is subject to a number of assumptions as detailed in note 19. Any difference between actual events and those assumed at the balance sheet date could result in a change in the pension deficit.

### 5. FINANCE INCOME AND COSTS

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
<b>(a) Finance income</b>		
Other Interest	1	69

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
<b>(b) Finance costs</b>		
Finance costs relating to lease (note 13)	38	28
Finance costs relating to borrowings (note 18)	93	121
Finance costs relating to the pension scheme (note 19)	575	550
	706	699

### 6. Taxation

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Based on the profit for the year at 25% (2024: 25.00%)		
Corporation tax		
– Current year	–	–
– Prior year	–	–
Total current tax		
Deferred tax		
– Current year	(627)	483
– Relating to pension deficit	(144)	(138)
Total deferred tax (note 12)	(771)	345
Total (credit) / tax charge for the year	(771)	345

## Notes to the Financial Statements of the Group

(continued)

### 6. Taxation (continued)

The tax charge for the year can be reconciled to the profit per the consolidated income statement at the standard rate of corporation tax in the United Kingdom of 25% (2024: 25%) as follows:

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Profit on ordinary activities before tax	211	63
Profit on ordinary activities before tax multiplied by standard rate of corporation tax of 25% (2024: 25.00%)	53	16
Effects of:		
Disallowed expenditure	331	230
Capital allowance	(839)	(132)
R&D claim	–	(95)
Other items	(316)	326
Total (credit)/tax charge for the year	(771)	345

Other items include (£208,000) from the related taxation on the sale of the investment property £26,000 losses recognised within group entities, (£144,000) from related taxation on pension costs included within finance costs and £10,000 from the underlying remeasurement of the share based payment reserve.

In 2024, other items included £753,000 relating to incomplete investment in Plant and Equipment that were not yet eligible for capital allowances, £97,000 relating to the reassessment of the useful life of an asset class, (£344,000) from losses recognised within Group entities, (£138,000) from related taxation on pension costs included within finance costs and (£42,000) from the underlying remeasurement of the share based payment reserve.

### 7. EARNINGS PER SHARE

The calculation of basic and earnings per share is based on the following data:

Number of shares	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Weighted average number of Ordinary Shares used in basic and diluted EPS	38,576,753	38,576,753
Earnings	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Earnings used in basic and diluted EPS	982	(282)
Group earnings per share	Year ended 31st December 2025 pence	Year ended 31st December 2024 pence
Basic and diluted earnings per share for the Group	2.54p	(0.73p)

## Notes to the Financial Statements of the Group

(continued)

### 8. NET (CASH)/DEBT

	Cash and cash equivalents £000	Lease Liabilities £000	Loans and borrowings £000	Total £000
At 1st January 2024	(5,758)	470	1,858	(3,430)
Cash flow	3,695	(209)	(1,615)	1,871
New asset finance in the year	-	-	661	661
New leases in the year	-	162	-	162
At 31st December 2024	(2,063)	423	904	(736)
Cash flow	51	(199)	(406)	(554)
New asset finance in the year	-	-	-	-
New leases in the year	-	92	-	92
At 31st December 2025	(2,012)	316	498	(1,198)
Balance comprises:				
Current assets	(2,012)	-	-	(2,012)
Current liabilities	-	157	323	480
Non-current liabilities	-	159	175	334
	(2,012)	316	498	(1,198)

### 9. PROPERTY, PLANT AND EQUIPMENT

	Property £000	Plant and equipment £000	Total £000
<b>Cost or valuation</b>			
At 1st January 2024	4,549	10,543	15,092
Additions	182	2,022	2,204
Disposals	-	(144)	(144)
At 31st December 2024	4,731	12,421	17,152
Additions	310	4,475	4,785
Disposals	-	-	-
At 31st December 2025	5,041	16,896	21,937
<b>Depreciation</b>			
At 1st January 2024	14	8,699	8,713
Charge for year	205	140	345
Disposals	-	(144)	(144)
Revaluation	(108)	-	(108)
At 31st December 2024	111	8,695	8,806
Charge for year	236	248	484
Disposals	-	-	-
Revaluation	(86)	-	(86)
At 31st December 2025	261	8,943	9,204
<b>Net book value</b>			
At 31st December 2024	4,620	3,726	8,346
At 31st December 2025	4,780	7,953	12,733

## Notes to the Financial Statements of the Group

(continued)

### 9. PROPERTY, PLANT AND EQUIPMENT (continued)

The property, plant and equipment have been pledged as security for the Group's bank facilities by way of a fixed charge over property and a fixed and floating charge over the rest of the assets.

The Group has assets under construction of £6,329,000 (2024: £1,993,000) included within plant and equipment.

The Group has contracts placed for future capital expenditure of £758,000 (2024: £3,501,000) related to property, plant and equipment. The operating property was valued at 31st December 2025. The valuation was prepared in accordance with the RICS Valuation – Global Standards, January 2025, published by the Royal Institution of Chartered Surveyors (“RICS”) (“the Red Book”) and the IVSC International Valuation Standards by external independent qualified valuers with recent experience valuing operating properties in the location held by the Group.

The property measured at fair value is categorised as level 3 in the fair value hierarchy as defined by IFRS 13 as one or more of the inputs to the valuation are partly based on unobservable market data. In arriving at their valuation, the independent valuers have formed an opinion as to the unobservable input being the rent per square foot which a potential purchaser would apply in arriving at the market value. This input is arrived at using market comparables for the type, location and condition of the property. The capital rate used for valuation is between £25-30 per sq ft. The effect of a £5 change in the capital rate per square foot would be a £954,000 movement in the valuation.

Fair value measurement is based on the above items highest and best use which does not differ from their actual use.

During the previous year management reassessed the useful life of an asset class from 10 to 15 year. Management deem that all other asset classes to remain the same.

### 10. INTANGIBLE ASSETS

	£000
<b>Cost</b>	
At 1st January 2024	371
Additions	14
At 31st December 2024	385
Additions	79
At 31st December 2025	464
<b>Amortisation</b>	
At 1st January 2024	306
Charge for the year	33
At 31st December 2024	339
Charge for the year	28
At 31st December 2025	367
<b>Net book value</b>	
At 31st December 2024	46
At 31st December 2025	97

The expenditure relates to the introduction of new technology and related products.

## Notes to the Financial Statements of the Group

(continued)

### 11. INVESTMENT PROPERTY HELD FOR SALE

	£000
Valuation at 31st December 2024	4,100
Disposals	(4,100)
Valuation at 31st December 2025	-

The investment property was last valued at 31st December 2024. The valuation was prepared in accordance with the RICS Valuation – Global Standards, January 2025 Global and UK edition, published by the Royal Institution of Chartered Surveyors (“RICS”) (“the Red Book”) and the IVSC International Valuation Standards by external independent qualified valuers with recent experience valuing investment properties in the location held by the Group.

The property was divested in October 2025 for a net cash consideration of £4,150,000, giving rise to a profit on disposal of £50,000.

### 12. DEFERRED TAXATION

	Pension deficit £000	Share Scheme £000	Tax losses £000	Total £000
<b>(a) Deferred tax non-current asset</b>				
Balance at 1st January 2024	1,243	37	133	1,413
Movement during the year:				
Profit or loss	138	42	343	523
Other comprehensive income	(379)	-	-	(379)
Balance at 31st December 2024	1,002	79	476	1,557
Movement during the year:				
Profit or loss	144	(10)	291	425
Other comprehensive income	(389)	-	-	(389)
Balance at 31st December 2025	757	69	767	1,593
			2025 £000	2024 £000
<b>(b) Deferred tax liability</b>				
Balance brought forward			2,334	1,439
Movement during the year:				
Income statement			(345)	868
Consolidated statement of comprehensive income			21	27
Balance at 31st December			2,010	2,334
An analysis of the deferred tax liability is as follows:				
Property, plant and equipment			2,010	2,126
Investment property			-	208
			2,010	2,334

## Notes to the Financial Statements of the Group

(continued)

### 13. LEASES

The Group principally has two types of lease, vehicle leases and the lease of plant and equipment. As at 31st December 2025 the Group held 26 vehicle leases and 1 plant and machinery lease. All leases are of a fixed nature in relation to the payments made and any future outflows, therefore there is no impact in relation to any percentage movement in interest rate or asset value.

The below includes the balance and any movement through the year.

<b>Right of Use Assets</b>	Vehicles £000	Plant and Equipment £000	Total £000
At 1st January 2024	462	433	895
Additions	162	-	162
Disposal	-	-	-
Depreciation	(215)	171	(44)
At 31st December 2024	409	604	1,013
Additions	92	-	92
Disposal	-	-	-
Depreciation	(200)	(79)	(279)
At 31st December 2025	301	525	826

<b>Lease Liabilities</b>	Vehicles £000	Plant and Equipment £000	Total £000
At 1st January 2024	470	-	470
Additions	162	-	162
Disposal	-	-	-
Payment	(237)	-	(237)
Interest Expense	28	-	28
At 31st December 2024	423	-	423
Additions	92	-	92
Disposal	-	-	-
Payments	(237)	-	(237)
Interest Expense	38	-	38
At 31st December 2025	316	-	316

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Current liabilities	157	179
Long-term liabilities	159	244
	316	423

## Notes to the Financial Statements of the Group

(continued)

### 13. LEASES (continued)

Below are the future gross outflows related to Group leases.

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Within one year	165	199
In the second to fifth years inclusive	162	260
After five years	-	-
	327	459

<b>Receipts</b>	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Lease receipts under operating leases credited to other operating income	180	355

At the balance sheet date the Group had outstanding commitments for future minimum lease receipts under non-cancellable operating leases which fall due as follows:

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Within one year	-	345
In the second to fifth years inclusive	-	1,380
	-	1,725

The property was disposed of in the year as disclosed in note 11.

### 14. INVENTORIES

	2025 £000	2024 £000
Raw materials and consumables	1,251	998
Work in progress	232	202
Finished goods	3,982	3,655
	5,465	4,855

The consolidated income statement includes £8,641,000 (2024: £9,053,000) as an expense for inventories. The provision at 31st December 2025 was £106,000 (2024: £176,000).

## Notes to the Financial Statements of the Group

(continued)

### 15. TRADE AND OTHER RECEIVABLES

	2025 £000	2024 £000
Trade receivables	2,268	2,849
Prepayments and accrued income	454	1,486
	2,722	4,335

The carrying value of trade receivables is considered a reasonable approximation of fair value.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using expected loss rates. The expected loss rates are based on the Group's historical credit losses experienced over the two-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers such as GDP or unemployment rates. There is no set time as to when a debt would be written off. Management would make the decision on a debt-by-debt basis and write it off against the credit loss provision when it is no longer deemed as collectable.

A reconciliation of the movement in the impairment allowance for receivables under the expected credit loss model is shown below.

	2025 £000	2024 £000
Provision for bad and doubtful debts as at 1st January	115	60
Amount Charges	78	74
Amount Released	(132)	(19)
Expected credit loss provision as at 31st December	61	115

£'000	Current	More than 30 days	More than 60 days	More than 90 days	More than 120 days	Specific	Total
Expected credit loss rate	1.55%	1.67%	4.4%	21.16%	100%	17.64%	
Total gross carrying amount	1,270	863	143	4	15	34	2,329
Lifetime expected credit losses	(20)	(14)	(5)	(1)	(15)	(6)	(61)
Net carrying amount							2,268

### 16. CASH AND CASH EQUIVALENTS

	2025 £000	2024 £000
Cash at bank and in hand	2,012	2,063

### 17. TRADE AND OTHER PAYABLES

	2025 £000	2024 £000
Trade payables	1,903	1,945
Social security and other taxes	414	419
Accruals and other creditors	416	747
	2,733	3,111

## Notes to the Financial Statements of the Group

(continued)

### 18. BORROWING

The cash flows relating to borrowing are as follows:

	£000
As at 31st December 2024	904
Payments	(499)
Additions	-
Interest charge	93
As at 31st December 2025	498

Below are the future economic outflows related to Company borrowing.

	2025 £000	2024 £000
Within one year	341	459
In the second to fifth years inclusive	182	507
Net cash outflow	523	966

During 2024, a loan of £661,000 was taken against the purchase of new machinery, which is repayable in 36 equal monthly instalments with an interest rate of 6.10%. Within the above outstanding commitments £23,000 relates to interest that will be payable under the agreement.

During 2021, a loan of £934,000 was taken against the purchase of new machinery, which is repayable in 60 equal monthly instalments with an interest rate of 2.84%. Within the above outstanding commitments £1,000 relates to interest that will be payable under the agreement.

At the balance sheet date the Group recognise the following liabilities.

	2025 £000	2024 £000
Current liabilities – due within one year	323	404
Non-current liabilities – not due within one year	175	500
	498	904

### 19. PENSION COMMITMENTS

AIREA PLC and Burmatex Ltd (“the Companies”) sponsor the Sirdar PLC Retirement Benefits Plan (1974), a funded defined benefit pension scheme in the UK. The Plan is administered within a trust which is legally separate from the Companies. Trustees are appointed by both the Companies and the Plan’s membership and act in the interest of the Plan and all relevant stakeholders, including the members and the Companies. The Trustees are also responsible for the investment of the Plan’s assets.

The Plan provides pensions and lump sums to members on retirement and to their dependants on death. Members who leave service before retirement are entitled to a deferred pension. The Plan closed to accrual of benefits on 28 February 2005.

Responsibility for making good any deficit within the Plan lies with the Companies and this introduces a number of risks. The major risks are: interest rate risk; inflation risk; investment risk and longevity risk. The Companies and Trustees are aware of these risks and manage them through appropriate investment and funding strategies. The Trustees manage governance and operational risks through a number of internal controls policies, including a risk register.

## Notes to the Financial Statements of the Group

(continued)

### 19. PENSION COMMITMENTS (continued)

The Plan is subject to regular actuarial valuations, which are usually carried out every three years. The next actuarial valuation is due to be carried out with an effective date of 1 July 2026. These actuarial valuations are carried out in accordance with the requirements of the Pensions Act 2004 and so include deliberate margins for prudence. This contrasts with these accounting disclosures, which are determined using best estimate assumptions.

A formal actuarial valuation was carried out at 1 July 2023. The results of that valuation have been projected to 31st December 2025 by a qualified independent actuary. The figures in the following disclosure were measured using the Projected Unit Method.

The amounts recognised in the statement of financial position are as follows:

	31st December 2025 £000	31st December 2024 £000
Present value of scheme liabilities	(33,827)	(35,474)
Fair value of scheme assets	30,800	31,467
Funded status	(3,027)	(4,007)
Net amount recognised at year end (before any adjustment for deferred tax)	(3,027)	(4,007)

### The amounts recognised in comprehensive income are:

The current and past service costs, settlements and curtailments, together with the net interest expense for the year are included in the employee benefits expense in the statement of comprehensive income. Remeasurements of the net defined benefit liability are included in other comprehensive income.

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
<b>Service cost:</b>		
Administration expenses	363	323
Net interest expense	212	227
Charge recognised in profit or loss within finance costs	575	550
<b>Remeasurements of the net liability:</b>		
Return on scheme assets (excluding amount included in interest expense)	(815)	1,106
Loss/(gain) arising from changes in financial assumptions	(127)	(2,404)
Loss arising from changes in demographic assumptions	-	83
Credit recorded in other comprehensive income	(942)	(1,215)
Total defined benefit cost	(367)	(665)

## Notes to the Financial Statements of the Group

(continued)

### 19. PENSION COMMITMENTS (continued)

The principal actuarial assumptions used were:

	Year ended 31st December 2025	Year ended 31st December 2024
Liabilities discount rate	5.40%	5.45%
Inflation assumption – RPI	2.95%	3.25%
Inflation assumption – CPI	2.45%	2.65%
Revaluation of deferred pensions		
– benefits accrued prior to 06/04/1997	2.45%	2.65%
– benefits accrued after 06/04/1997	2.45%	2.65%
Rate of increase to pensions in payment		
– benefits accrued prior to 06/04/1997	2.45%	2.65%
– benefits accrued after 06/04/1997	2.45%	2.65%
Proportion of employees opting for early retirement	Nil	Nil
Proportion of employees commuting pension for cash	100%	100%
Proportion of non-pensioners taking PIE at retirement	50%	50%
Mortality assumption – pre-retirement	As post-retirement	As post-retirement
Mortality assumption – male post-retirement	107% SAPS S3PMA CMI 2022 M 1.55% IA – 0.1% W2023 = 35%	107% SAPS S3PMA CMI 2022 M 1.55% IA – 0.1% W2023 = 35%
Mortality assumption – female post-retirement	109% SAPS S3PFA CMI 2022 F 1.25% IA – 0.1% W2023 = 35%	109% SAPS S3PFA CMI 2022 F 1.55% IA – 0.1% W2023 = 35%
Expected age at death of current pensioner at age 65:		
Male aged 65 at year end:	86.1	86.0
Female pensioner at age 65:	88.3	88.3
Future expected lifetime of future pensioner at age 65:		
Male aged 45 at year end:	87.7	87.6
Female aged 45 at year end:	89.7	89.7

## Notes to the Financial Statements of the Group

(continued)

### 19. PENSION COMMITMENTS (continued)

#### Changes in the present value of assets over the year:

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Fair value of assets at start of period	31,467	34,558
Interest income	1,630	1,493
Return on assets (excluding amount included in net interest expense)	815	(1,106)
Contributions from the employer	613	300
Benefits paid	(3,362)	(3,455)
Administration expenses	(363)	(323)
Fair value of assets at end of period	30,800	31,467
Actual return on assets over the period	2,445	387

#### Changes in the present value of liabilities over the year:

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Liabilities at start of period	35,474	39,530
Interest cost	1,842	1,720
Remeasurement (gains)/losses		
– Actuarial gains and losses arising from changes in financial assumptions	(127)	(2,404)
– Actuarial gains and losses arising from changes in demographic assumptions	–	83
Benefits paid	(3,362)	(3,455)
At end of period	33,827	35,474

At the year end the value of insured pensioners amounted to £760,000 (2024: £778,000). This amount has not been included in the present value table of assets and liabilities as the impact on the balance sheet is nil.

#### The split of the plan's liabilities by category of membership is as follows:

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Active members	–	–
Deferred pensioners	7,296	7,275
Pensions in payment	26,531	28,199
	33,827	35,474
Average duration of the Plan's liabilities at the end of the period (years)	9	9
This can be subdivided as follows:		
Active members	–	–
Deferred pensioners	11	12
Pensions in payment	10	10

## Notes to the Financial Statements of the Group

(continued)

### 19. PENSION COMMITMENTS (continued)

The major categories of scheme assets are as follows:

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
<b>Return seeking</b>		
Overseas Equities	3,958	3,218
Partners Fund	–	7,171
Multi Sector Credit	7,093	9,261
Permira Fund	8,834	–
Return seeking subtotal	19,885	19,650
<b>Debt instruments</b>		
LDI funds	6,591	6,950
<b>Other</b>		
Property	2,797	2,758
Cash	1,527	2,109
Total market value of assets	30,800	31,467

The equity and debt instruments all have quoted prices in active markets. Derivatives and debt instruments are classified as level 2 and property as level 3 in the IFRS 13 fair value measurement.

The Scheme has no investments in the Companies or in property occupied by the Companies.

The company made contributions of £612,500 (2024: £300,000) during the year.

Sensitivity of the liability value to changes in the principal assumptions.

If the discount rate was 0.10% percent higher (lower), the Plan liabilities would decrease by £269,000 (increase by £273,000) if all the other assumptions remained unchanged the other assumptions remained unchanged.

If the inflation assumption was 0.1 percent higher (lower), the Plan liabilities would increase by £111,000 (decrease by £111,000). In this calculation all assumptions related to the inflation assumption have been appropriately adjusted, that is deferred pension and pension in payment increases. The other assumptions remain unchanged.

If life expectancies were to increase (decrease) by 1 year, the Plan liabilities would increase by £1,965,000 (decrease by £1,999,000) if all the other assumptions remained unchanged.

### 20. CALLED UP SHARE CAPITAL

	2025 Number	2025 £000	2024 Number	2024 £000
Ordinary shares of 25p each				
Allotted, called up and fully paid	41,354,353	10,339	41,354,353	10,339

The Company holds its own shares under the AIREA Employee Benefits Trust as per note 24.

## Notes to the Financial Statements of the Group

(continued)

### 21. EMPLOYEES

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
<b>Staff costs</b>		
Wages and salaries	5,012	5,484
Social security costs	612	498
Other pension costs	183	176
	5,807	6,158

	Number	Number
<b>The average monthly number of employees, including Directors, principally in the United Kingdom were:</b>		
Sales and marketing	31	34
Administration	12	10
Manufacturing and operations	75	76
	118	120

#### Directors' remuneration and key management personnel

	Salary and fees £000	Bonus £000	Taxable benefits £000	Year ended 31st December 2025 (excluding pensions) £000	Year ended 31st December 2024 (excluding pensions) £000	Year ended 31st December 2025 Pension £000	Year ended 31st December 2024 Pension £000
<b>Executive</b>							
Médéric Payne	227	–	16	243	242	23	23
Conleth Campbell	151	–	5	156	153	8	8
<b>Non-Executive</b>							
Martin Toogood	52	–	–	52	52	–	–
Tanya Ashton	25	–	–	25	25	–	–
	455	–	21	476	472	31	31

In addition to the above breakdown social security costs amounted to £64,000 (2024: £62,000) in relation to the Directors.

On the 26th June 2024, Médéric Payne and Conleth Campbell were awarded nil cost share options, no other Director received such remuneration in the year. The total number of options awarded are summarised in the table below:

Option Holder	2023	2024	Number of Ordinary Shares subject to an option
Médéric Payne	500,000	120,000	620,000
Conleth Campbell	–	250,000	250,000

## Notes to the Financial Statements of the Group

(continued)

### 22. SHARE AWARDS

The Group launched an initial performance-based Long-Term Incentive Plan (LTIP) for all eligible employees in 2019. Awards made under the 2019 LTIP failed to vest as the Group did not achieve the performance-based targets for operating profit.

On the 15th December 2022 the Group re-launched the LTIP plan for all eligible employees. Awards made under the LTIP vest provided the participant remains in the Group's employment during the three-year vesting period to 31st December 2025 and the Group achieves certain performance-based targets.

Movements in LTIP awards outstanding were as follows:

	Year ended 31st December 2025	Year ended 31st December 2024
Outstanding at 1st January	2,662,000	2,140,000
Forfeited	(455,000)	(75,000)
2019 Scheme Lapsed	–	–
2022 Scheme Granted	–	597,000
Outstanding at 31st December	2,207,000	2,662,000
Unvested at 31st December	2,207,000	2,662,000

Awards made under the LTIP have a £nil exercise price with the shares being held by the AIREA Employee Benefit Trust until vesting. The term of equity-settled awards is three years unless the performance period is extended as a one-off by the Board of Directors for a further 12 months making the maximum term 4 years.

At 31st December 2025, the cumulative cost recognised in relation to equity settled awards was £276,000 (2024: £317,000). At the grant date, the weighted average fair value of the LTIP awards granted during the year was 1 (2024: 1). Fair value was measured using the Black-Scholes model discounted for average dividend yield based on the following assumptions:

	2024 issue	2022 issue
Share price on grant date	31.5p	26.0p
Risk free interest rate	5.25%	3.5%
Volatility in Company shares	37.8%	18.99%
Expected life of LTIP awards	1.5 Years	3 years

Expected volatility was determined based on the daily share price movement of the Company's share price during the previous 12 month period preceding the grant date.

The shares held under option do not have the right to any dividend payments until they have vested. Compensation expense recognised in the profit or loss in relation to employee share schemes was as follows:

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
<b>LTIP</b>		
Equity settled awards	(41)	167
Total (income)/expense	(41)	167

## Notes to the Financial Statements of the Group

(continued)

### 23. FINANCIAL INSTRUMENTS

The Group's financial instruments comprise, principally, cash and short-term deposits, and various items, such as trade receivables and trade payables, arising directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations. The main risks arising from the Group's financial instruments are currency risk, interest risk, liquidity risk and credit risk. The Board's policies for managing these risks are summarised as follows:

**Interest risk** – the Group finances its daily operations from retained profits. The Group also holds cash and short-term deposits. The cash and short-term deposits attract floating rates of interest based on United Kingdom bank base rates.

**Currency risk** – the Group seeks to hedge its transactional foreign currency exposures arising from the underlying business activities of operating units, through the use of foreign currency bank accounts. No transactions of a speculative nature are undertaken.

**Liquidity risk** – The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders. The Board aims to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The Directors monitor the demographic spread of shareholders as well as the return on capital and the level of dividends paid to shareholders. There were no changes to the Group's approach to capital management during the year. The Group is not subject to any externally imposed capital requirements.

**Credit risk** – the Group seeks to limit credit risk through the use of credit insurance and procedures to constantly review customer accounts. The amount that best represents the Group's maximum exposure to credit risk is detailed in note 15.

Financial assets, the carrying values of which are a reasonable approximation to their fair value, are all categorised as amortised cost under IFRS9: Financial Instruments and are included in the consolidated balance sheet within the following headings:

	2025 £000	2024 £000
<b>Current assets</b>		
Trade receivables	2,268	2,849
Cash and cash equivalents	2,012	2,063
	<b>4,280</b>	<b>4,912</b>

Financial liabilities included in the consolidated balance sheet are all financial liabilities measured at amortised costs in the terms of IFRS9 and are included in the consolidated balance sheet within the following headings:

	2025 £000	2024 £000
<b>Current liabilities</b>		
Loans and borrowings	323	404
Lease liabilities	157	179
Trade and other payables	1,903	1,945
	<b>2,383</b>	<b>2,528</b>

All trade and other payables are due in less than one year and therefore undiscounted.

	2025 £000	2024 £000
<b>Long-term liabilities</b>		
Loans and borrowings (note 18)	175	500
Lease liabilities (note 13)	159	244
	<b>334</b>	<b>744</b>

## Notes to the Financial Statements of the Group

(continued)

### 23. FINANCIAL INSTRUMENTS (continued)

#### Financial assets

The cash and cash equivalents represent, principally, amounts held with UK financial institutions to cover operational requirements and attract interest at floating rates related to UK bank base rates. It also includes smaller amounts held with foreign financial institutions, to cover exposure to currency fluctuations that do not attract interest.

#### Financial liabilities

There are lease liabilities of £316,000 (2024: £423,000).

#### Borrowing facilities

The Group has a £1.0m unutilised uncommitted overdraft facility available.

#### Foreign currency

The table below shows the extent to which Group companies have monetary assets and liabilities in currencies other than their functional currency of sterling. Foreign currency exchange differences on the re-translation of these assets and liabilities are taken to the profit and loss account of the subsidiary concerned and to the consolidated income statement of the Group.

#### Net foreign currency monetary assets/liabilities

	2025 £000	2024 £000
Euro	(407)	(602)
US Dollar	(3)	–
United Arab Emirate Dirham	(10)	(9)
Polish Zloty	515	589
	95	(22)

#### Sensitivity analysis

Financial assets and liabilities are sensitive to movements in interest rates and/or euro exchange rates (being the currency to which the Group has a significant exposure).

A 10% movement in exchange rates would result in a charge or credit to profit of £9,000 (2024: £2,000). A 1% movement in interest rates would result in a charge or credit to profit of £9,000 (2024: £2,000).

### 24. INVESTMENT IN OWN SHARES

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

	At 31st December 2025	At 31st December 2024
Number of shares in the Company owned by the EBT	2,777,600	2,777,600
Nominal value of shares held	£694,400	£694,400
Cost price of shares held	£1,999,878	£1,999,878
Prevailing valuation of the shares (pence)	21.50	18.50
Total market value of shares	597,184	£513,856
Maximum number of shares in the Company owned by the EBT during the year	2,777,600	2,777,600
Minimum number of shares in the Company owned by the EBT during the year	–	–

Dividends payable on these shares are waived.

## Notes to the Financial Statements of the Group

(continued)

### 24. INVESTMENT IN OWN SHARE (continued)

In addition to the above investments, the Company has loaned funds of £2,000,000 and made contributions to the AIREA Employee Benefits Trust, which in turn has purchased shares in the Company. At 31st December 2025 the assets of the Trust comprised 2,777,600 of the Company's own shares with a nominal value of £694,400 and a market value of £597,184, which were acquired at a cost of £1,999,878. The cost of shares has been deducted from equity. The net assets of the Trust are available for the benefit of AIREA plc and Burmatex Limited employees. Neither the loan from the Company nor the equivalent liability of the Trust is included in debtors or creditors. As a consequence of the exercise price of the share options, a realised loss will arise on the exercise of the options. This loss is recognised over the vesting period as a transfer to retained earnings.

### 25. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year other than the dividends paid to Directors as detailed below.

Name	Position	Transaction	Quantity	2025 £	2024 £
Martin Toogood	Director	Dividend	2,150,361	12,602	11,512
Médéric Payne	Director	Dividend	78,000	468	429
Conleth Campbell	Director	Dividend	100,000	360	-
Tanya Ashton	Director	Dividend	17,349	-	-

### 26. DIVIDENDS

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
<b>Paid during the year:</b>		
Final dividend for the prior year of 0.60p per share (2024: 0.55p per share)	231	212
	231	212
<b>Proposed after the year end (not recognised as a liability):</b>		
Final dividend for the year of 1.00p per share (2024: 0.60p per share)	386	231

### 27. NON-RECURRING ITEMS

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Charge due to review of stockholding policy	-	561
Other charges	237	739
Change in useful economic life of assets	-	(389)
	237	911

In the year ended 31 December 2025, the Group incurred non-recurring items totalling £237,000 (2024: £911,000). These costs are considered material, non-recurring, and outside the normal course of the Group's operations. They have been classified separately to provide stakeholders with a clear understanding of the Group's underlying financial performance. Other charges include £110,000 (2024: £100,000) related to the temporary use of third party storage, £60,000 (2024: £79,000) in professional costs associated with investment in intellectual property, £67,000 (2024: £258,000) investment in the supply chain, quality and the UK's focus on architect and design specification projects, £nil on Dubai (2024: £246,000) and £nil (2024: £56,000) in legal expenses.

## Company Balance Sheet

as at 31st December 2025

	Note	2025 £000	2025 £000	2024 £000	2024 £000
<b>Non-current assets</b>					
Investments	3		31,800		31,800
Deferred tax	4		927		1,106
			32,727		32,906
<b>Current assets</b>					
Trade and other receivables	5	141		163	
Cash and cash equivalents	6	214		732	
			355		895
<b>Total assets</b>			33,082		33,801
<b>Current liabilities</b>					
Trade and other payables	7	(3,541)		(7,424)	
			(3,541)		(7,424)
<b>Non-current liabilities</b>					
Pension deficit	8	(2,270)			(3,006)
<b>Total liabilities</b>			(5,811)		(10,430)
<b>Net assets</b>			27,271		23,371
<b>Equity</b>					
Called-up share capital	9		10,339		10,339
Share premium account			504		504
Own shares			(932)		(1,217)
Share-based payment reserve			276		317
Capital redemption reserve			3,617		3,617
Merger reserve			6,902		6,902
Retained earnings			6,565		2,909
<b>Total equity</b>			27,271		23,371

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The profit of the Company for the year was £3,757,000 (2024: Profit £778,000).

The financial statements on pages 46 to 57 were approved by the Board of Directors on 25th March 2026 and signed on its behalf by:

**Martin Conleth Campbell**  
Chief Financial Officer  
Company number 00526657

## Company Statement of Changes in Equity

for the year ended 31st December 2025

	Share capital £000	Share premium account £000	Own shares £000	Share based payment reserve £000	Capital redemption reserve £000	Merger reserve £000	Profit and loss account £000	Total equity £000
<b>As 1st January 2024</b>	<b>10,339</b>	<b>504</b>	<b>(1,636)</b>	<b>150</b>	<b>3,617</b>	<b>6,902</b>	<b>2,136</b>	<b>22,012</b>
<b>Comprehensive income for the period</b>								
Profit for the year	-	-	-	-	-	-	778	778
Other comprehensive income for the year	-	-	-	-	-	-	626	626
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,404</b>	<b>1,404</b>
<b>Contributions by and distributions to owners</b>								
Dividend paid	-	-	-	-	-	-	(212)	(212)
Share-based payment	-	-	-	167	-	-	-	167
Own share transfer	-	-	419	-	-	-	(419)	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>419</b>	<b>167</b>	<b>-</b>	<b>-</b>	<b>(631)</b>	<b>(45)</b>
<b>At 31st December 2024 and 1st January 2025</b>	<b>10,339</b>	<b>504</b>	<b>(1,217)</b>	<b>317</b>	<b>3,617</b>	<b>6,902</b>	<b>2,909</b>	<b>23,371</b>
<b>Comprehensive income for the year</b>								
Profit for the year	-	-	-	-	-	-	3,757	3,757
Other comprehensive income for the year	-	-	-	-	-	-	415	415
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,172</b>	<b>4,172</b>
<b>Contributions by and distributions to owners</b>								
Dividend paid	-	-	-	-	-	-	(231)	(231)
Share-based payment	-	-	-	(41)	-	-	-	(41)
Own share transfer	-	-	285	-	-	-	(285)	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>285</b>	<b>(41)</b>	<b>-</b>	<b>-</b>	<b>(516)</b>	<b>(272)</b>
<b>At 31st December 2025</b>	<b>10,339</b>	<b>504</b>	<b>(932)</b>	<b>276</b>	<b>3,617</b>	<b>6,902</b>	<b>6,565</b>	<b>27,271</b>

The merger reserve relates to the premium arising on the issue of Ordinary Shares in connection with the acquisition of Burmatex Limited in 1986. This is eliminated on consolidation and therefore only appears in the accounts of the Company.

# Notes to the Financial Statements of the Company

## 1. ACCOUNTING POLICIES OF THE COMPANY

### Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("FRS 100") and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

### Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- Certain comparative information as otherwise required by UK Adopted International Accounting Standards;
- Certain disclosures regarding the Company's capital;
- A statement of cashflows;
- The effect of future accounting standards not yet adopted;
- The disclosure of the remuneration of key management personnel;
- The disclosure of related party transactions with other wholly owned members of AIREA plc Group of companies;
- Disclosure in respect of financial instruments.

### Principal accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the periods presented, unless otherwise stated.

### Basis of accounting

The financial statements have been prepared under the historical cost convention. The presentation currency used is sterling and amounts have been presented in round thousands ("£000s").

### Investments in subsidiary undertakings

Investments in subsidiaries are stated at cost less provision for impairment.

### Interest received

Interest received is recognised in the year in which it arises.

### Revenue

Dividends receivable from subsidiary undertakings are recognised in profit or loss when the right to the dividend income has been established. Interim dividends are recognised when paid and any final dividends receivable are recognised when declared at a general meeting.

### Current taxation

Current taxation represents corporation tax payable on the taxable profits for the year or prior periods and is calculated using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the balance sheet differs from its tax base.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

### Impairment

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes an estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is written down to its recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use and is considered for each individual asset. If the asset does not generate cash flows that are largely independent of those from other assets or groups of assets, the recoverable amount of the cash generating unit to which the asset belongs is determined. Pre-tax discount rates reflecting the asset specific risks and the time value of money are used for the value in use calculation.

### Share capital

The Company's Ordinary Shares are classified as equity instruments.

### Dividends

A dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the shareholder's right to receive payment of the dividend is established.

# Notes to the Financial Statements of the Company

(continued)

## 2. KEY AREAS OF ESTIMATION

Pension deficit – £2,270,000 (2024: £3,006,000)

The calculation of the pension deficit is subject to a number of assumptions as detailed in note 8. Any difference between actual events and those assumed at the balance sheet date could result in a change in the pension deficit.

Impairment of investments – £31,800,000 (2024: £31,800,000)

The impairment of investments is assessed annually. The assessment has been carried out based on a pre-tax discount rate of 14.3% (2024: 12.0%) and a terminal growth rate of 2.0% (2024: 2.0%). Further details of sensitivities and impact are included in note 3.

## 3. INVESTMENTS

	2025 £000	2024 £000
Shares in Group companies	31,800	31,800

Investments in Group undertakings are stated at cost less amounts written off. The impairment of investments is assessed based on their value in use, the Board approved budgeted cash flows for the next 5 years have been extrapolated using future expected growth and discounted at 14.3% (2024: 12.0%). The growth in future revenue is a critical assumption in the valuation model, this assumption is based on the business growth plan. Details of the Company's subsidiaries at 31st December 2025, all of which were wholly owned by the Company or its subsidiary undertakings and all of which operate and are registered in England and Wales at Victoria Mills, The Green, Ossett, WF5 0AN, unless otherwise stated, are set out below:

Burmatex Limited	Design and manufacture of floor coverings
Fope Limited*	Property holding Company
Other subsidiary undertakings:	
AIREA Floor Coverings Limited*	Intermediate holding Company
The Carpet Tile Company Limited	Dormant

\* Held directly

Key assumptions for the value in use calculations are those regarding discount rates, growth rates as well as volumes, margins and overheads required to achieve expected cash flows. Management estimate discount rates using pre-tax rates that reflect the current market assessment of the time value of money and the risks specific to the cash generating units. Changes in selling prices, gross margins and direct costs are based on past experience and expectations of future changes in the market. Given the current economic climate, a sensitivity analysis has been performed in assessing the recoverable amounts of investment. The forecasted cash flows are extrapolated based on a 2 to 5 year average growth rate of 11% (2024: 5%) and perpetuity growth rate of 2% (2024: 2%). The short-term growth rate of 11% has been used to reflect the growth that is expected with the commissioning of the business's new strategic investment in its manufacturing facility, while the 5 year plus perpetuity rate of 2% reflects a more realistic historic long term growth rate for the global economy.

Various analyses were also considered to demonstrate at which point an impairment would be created when sensitising growth and discount rates.

### Impairment Test Scenario

Max pre-tax discount rate (base case growth)	16.75%
Max growth rate reduction on turnover (base case discount rate)	-3.00%

## Notes to the Financial Statements of the Company

(continued)

### 4. DEFERRED TAXATION

	Tax losses £000	Pension deficit £000	Share scheme £000	Total £000
Balance at 1st January 2024	96	932	37	1,065
Movement during the period	179	(180)	42	41
Balance at 31st December 2024	275	752	79	1,106
Movement during the period	15	(184)	(10)	(179)
Balance at 31st December 2025	290	568	69	927

### 5. TRADE AND OTHER RECEIVABLES

	2025 £000	2024 £000
Prepayments and accrued income	141	163

### 6. CASH AND CASH EQUIVALENTS

	2025 £000	2024 £000
Cash at bank and in hand	214	732

### 7. TRADE AND OTHER PAYABLES

	2025 £000	2024 £000
Accruals and other creditors	118	128
Intercompany Payable	3,423	7,296
	3,541	7,424

Amounts owed to Group undertakings are included under current liabilities as there are no specific terms as to their repayment.

## Notes to the Financial Statements of the Company

(continued)

### 8. PENSION COMMITMENTS

AIREA PLC and Burmatex Ltd (“the Companies”) sponsor the Sirdar PLC Retirement Benefits Plan (1974) (“the plan”), a funded defined benefit pension scheme in the UK. The Plan is administered within a trust which is legally separate from the Companies. Trustees are appointed by both the Companies and the Plan’s membership and act in the interest of the Plan and all relevant stakeholders, including the members and the Companies. The Trustees are also responsible for the investment of the Plan’s assets.

The Plan provides pensions and lump sums to members on retirement and to their dependants on death. Members who leave service before retirement are entitled to a deferred pension. The Plan closed to accrual of benefits on 28th February 2005. Responsibility for making good any deficit within the Plan lies with the Companies and this introduces a number of risks. The major risks are: interest rate risk; inflation risk; investment risk and longevity risk. The Companies and Trustees are aware of these risks and manage them through appropriate investment and funding strategies. The Trustees manage governance and operational risks through a number of internal control policies, including a risk register.

The Plan is subject to regular actuarial valuations, which are usually carried out every three years. The next actuarial valuation is due to be carried out with an effective date of 1 July 2026. These actuarial valuations are carried out in accordance with the requirements of the Pensions Act 2004 and so include deliberate margins for prudence. This contrasts with these accounting disclosures, which are determined using best estimate assumptions.

A formal actuarial valuation was carried out as at 1st July 2023. The results of that valuation have been projected to 31st December 2025 by a qualified independent actuary. The figures in the following disclosure were measured using the Projected Unit Method.

The amounts recognised in the statement of financial position are as follows:

	2025 £000	2024 £000
Present value of Plan liabilities	(25,370)	(26,605)
Fair value of Plan assets	23,100	23,599
Funded status	(2,270)	(3,006)
Net amount recognised at year end (before any adjustment for deferred tax)	(2,270)	(3,006)

The amounts recognised in comprehensive income are:

The current and past service costs, settlements and curtailments, together with the net interest expense for the period are included within finance costs in the statement of comprehensive income. Remeasurements of the net defined benefit liability are included in other comprehensive income.

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Service cost:		
Administration expenses	272	242
Net interest expense	158	170
Charge recognised in profit or loss within finance costs	430	412
Remeasurements of the net liability:		
Return on Plan assets (excluding amount included in interest expense)	(611)	831
Gain arising from changes in financial assumptions	(94)	(1,803)
Loss arising from changes in demographic assumptions	-	62
Credit recorded in other comprehensive income	(705)	(910)
Total defined benefit cost	(275)	(498)

## Notes to the Financial Statements of the Company

(continued)

### 8. PENSION COMMITMENTS (continued)

The principal actuarial assumptions used were:

	Year ended 31st December 2025	Year ended 31st December 2024
Liabilities discount rate	5.40%	5.45%
Inflation assumption – RPI	2.95%	3.25%
Inflation assumption – CPI	2.45%	2.65%
Revaluation of deferred pensions		
– benefits accrued prior to 06/04/1997	2.45%	2.65%
– benefits accrued after 06/04/1997	2.45%	2.65%
Rate of increase to pensions in payment		
– benefits accrued prior to 06/04/1997	2.45%	2.65%
– benefits accrued after 06/04/1997	2.45%	2.65%
Proportion of employees opting for early retirement	Nil	Nil
Proportion of employees commuting pension for cash	100%	100%
Proportion of non-pensioners taking PIE at retirement	50%	50%
Mortality assumption – pre-retirement	As post-retirement	As post-retirement
Mortality assumption – male post-retirement	107% SAPS S3PMA CMI 2023 M 1.55% IA – 0.1% W2023 = 35%	107% SAPS S3PMA CMI 2023 M 1.55% IA – 0.1% W2023 = 35%
Mortality assumption – female post-retirement	109% SAPS S3PFA CMI 2023 F 1.25% IA – 0.1% W2023 = 35%	109% SAPS S3PFA CMI 2023 F 1.25% IA – 0.1% W2023 = 35%
Expected age at death of current pensioner at age 65:		
Male aged 65 at year end:	86.1	86.0
Female pensioner at age 65:	88.3	88.3
Future expected lifetime of future pensioner at age 65:		
Male aged 45 at year end:	87.7	87.6
Female aged 45 at year end:	89.7	89.7

## Notes to the Financial Statements of the Company

(continued)

### 8. PENSION COMMITMENTS (continued)

#### Changes in the present value of assets over the year:

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Fair value of assets at start of period	23,600	25,919
Interest income	1,223	1,120
Return on assets (excluding amount included in net interest expense)	611	(831)
Contributions from the employer	460	225
Benefits paid	(2,522)	(2,591)
Administration expenses	(272)	(242)
Fair value of assets at end of period	23,100	23,600
Actual return on assets over the period	1,834	289

#### Changes in the present value of liabilities over the year:

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Liabilities at start of period	26,605	29,647
Interest cost	1,381	1,290
Remeasurement (gain)/losses:		
– Actuarial gains and losses arising from changes in financial assumptions	(94)	(1,803)
– Actuarial gains and losses arising from changes in demographic assumptions	–	62
Benefits paid	(2,522)	(2,591)
Liabilities at end of period	25,370	26,605

At the year end the value of insured pensioners amounted to £760,000 (2024: £778,000). This amount has not been included in the present value table of assets and liabilities as the impact on the balance sheet is nil.

#### The split of the Plan's liabilities by category of membership is as follows:

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Active members	–	–
Deferred pensioners	5,472	5,456
Pensions in payment	19,898	21,149
	25,370	26,605
Average duration of the Plan's liabilities at the end of the period (years)	9	9
This can be subdivided as follows:		
Active members	–	–
Deferred pensioners	11	12
Pensions in payment	10	10

## Notes to the Financial Statements of the Company

(continued)

### 8. PENSION COMMITMENTS (continued)

The major categories of scheme assets are as follows:

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
<b>Return seeking</b>		
Overseas Equities	2,969	2,413
Partners Fund	–	5,377
Multi Sector Credit	5,320	6,946
Permira Fund	6,625	–
Return seeking subtotal	14,914	14,736
<b>Debt instruments</b>		
LDI funds	4,943	5,213
<b>Other</b>		
Property	2,098	2,069
Cash	1,145	1,581
Total market value of assets	23,100	23,599

The equity all have quoted prices in active markets. Derivatives can be classed as level 2 instruments and property as level 3 in the IFRS 13 fair value hierarchy.

The scheme has no investments in the Company or in property occupied by the Company.

The Company made contributions of Contributions of £459,375 (2024: £225,000) to the scheme during the year.

Sensitivity of the liability value to changes in the principal assumptions

If the discount rate was 0.1 percent higher (lower), the Plan liabilities would decrease by £202,000 (increase by £205,000) if all the other assumptions remained unchanged.

If the inflation assumption was 0.1 percent higher (lower), the Plan liabilities would increase by £83,000 (decrease by £83,000).

In this calculation all assumptions related to the inflation assumption have been appropriately adjusted, that is the salary, deferred pension and pension in payment increases. The other assumptions remain unchanged.

If life expectancies were to increase (decrease) by 1 year, the Plan liabilities would increase by £1,474,000 (decreased by 1,499,000) if all the other assumptions remained unchanged.

## Notes to the Financial Statements of the Company

(continued)

### 9. CALLED UP SHARE CAPITAL

Changes in the present value of assets over the year:

	2025 Number	2025 £000	2024 Number	2024 £000
Ordinary shares of 25p each				
Authorised	72,000,000	18,000	72,000,000	18,000
Allotted, called up and fully paid	41,354,353	10,339	41,354,353	10,339

### 10. SHARE AWARDS

The Group launched an initial performance-based Long-Term Incentive Plan (LTIP) for all eligible employees in 2019. Awards made under the 2019 LTIP failed to vest as the Group did not achieve the performance-based targets for operating profit.

On the 15th December 2022 the Group re-launched the LTIP plan for all eligible employees. Awards made under the LTIP vest provided the participant remains in the Group's employment during the three-year vesting period to 31st December 2025 and the Group achieves certain performance-based targets.

Movements in LTIP awards outstanding were as follows:

	Year ended 31st December 2025	Year ended 31st December 2024
Outstanding at 1st January	2,662,000	2,140,000
Forfeited	(455,000)	(75,000)
2022 Scheme Granted	–	597,000
Outstanding at 31st December	2,207,000	2,662,000
Unvested at 31st December	2,207,000	2,662,000

Awards made under the LTIP have a £nil exercise price with the shares being held by the AIREA Employee Benefit Trust until vesting. The term of equity settled awards granted is three years unless the performance period is extended as a one-off by the Board of Directors for a further 12 months making the maximum term 4 years.

At 31st December 2025, the cost recognised in relation to equity settled awards was £276,000 (2024: £317,000) At the grant date, the weighted average fair value of the LTIP awards granted during the year was nil (2023: nil). Fair value was measured using the Black-Scholes model discounted for average dividend yield based on the following assumptions:

	2024 issue	2022 issue
Share price on grant date	31.5p	26.0p
Risk free interest rate	5.25%	3.5%
Volatility in Company shares	37.8%	18.99%
Expected life of LTIP awards	1.5 years	3 years

Expected volatility was determined based on the daily share price movement of the Company's share price during the previous 12 month period preceding the grant date.

The shares held under option do not have the right to any dividend payments until they have vested.

## Notes to the Financial Statements of the Company

(continued)

### 10. SHARE AWARDS (continued)

Compensation expense recognised in the profit or loss in relation to employee share schemes was as follows:

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
<b>LTIP</b>		
Equity settled awards	(41)	167
Total expense	(41)	167

### 11. INVESTMENT IN OWN SHARES

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

	Year ended 31st December 2025	Year ended 31st December 2024
Number of shares in the Company owned by the EBT	2,777,600	2,777,600
Nominal value of shares held	£694,400	£694,400
Cost price of shares held	£1,999,878	£1,999,878
Prevailing valuation of the shares (pence)	21.50	18.50
Total market value of shares	£597,184	£513,856
Maximum number of shares in the Company owned by the EBT during the year	2,777,600	2,777,600
Minimum number of shares in the Company owned by the EBT during the year	-	-

Dividends payable on these shares are waived.

In addition to the above investments, the Company has loaned funds of £2,000,000 and made contributions to the AIREA Employee Benefits Trust, which in turn has purchased shares in the Company. At 31st December 2025 the assets of the Trust comprised 2,777,600 of the Company's own shares with a nominal value of £694,400 and a market value of £597,184, which were acquired at a cost of £1,999,878.

The cost of shares has been deducted from equity. The net assets of the Trust are available for the benefit of AIREA plc and Burmatex Limited employees. Neither the loan from the Company nor the equivalent liability of the Trust is included in debtors or creditors. As a consequence of the exercise price of the share options, a realised loss will arise on the exercise of the options. This loss is recognised over the vesting period as a transfer to retained earnings.

## Notes to the Financial Statements of the Company

(continued)

### 12. DIVIDENDS

	Year ended 31st December 2025 £000	Year ended 31st December 2024 £000
Paid during the year:		
Final dividend for the prior year of 0.60p per share (2024: 0.55p per share)	231	212
	231	212
Proposed after the year end (not recognised as a liability):		
Final dividend for the year of 1.00p per share (2024: 0.60p per share)	386	231

## Notice of Annual General Meeting

Notice is hereby given that the Seventy-second annual general meeting (“Annual General Meeting”) of Airea plc will be held at Victoria Mills, The Green, Ossett, WF5 OAN on 6th May 2026, at 2:00pm to consider and vote on the resolutions below.

The Annual General Meeting gives the Board the opportunity to present the Company’s performance and strategy to shareholders and to listen and respond to your questions. Your participation is important to us and you are encouraged to vote ahead of the Annual General Meeting either by (i) requesting a hard copy proxy form from MUFG Corporate Markets (using the details shown below) and completing and returning such hard copy of your proxy form, or (ii) appointing a proxy electronically via CREST or Proxymity, or (iii) casting your vote online via the Investor Centre app or at <https://uk.investorcentre.mpms.mufg.com/>. To be valid, your proxy appointment and instructions should reach MUFG Corporate Markets no later than 2.00pm on 1st May 2026. The completion and return of a hard copy proxy form or the electronic appointment of a proxy will not preclude you from attending and voting at the Annual General Meeting should you wish to do so.

Resolutions 1 to 8 will be proposed as ordinary resolutions and resolution 9 will be proposed as a special resolution.

### Ordinary Resolutions

1. To receive the Company’s financial statements for the year ended 31st December 2025 together with the reports of the directors and auditors thereon.
2. To declare a final dividend for the year ended 31st December 2025, of an amount of 1.0p per ordinary share, to be paid on 20th May 2026 to those shareholders on the register at the close of business on 24th April 2026.
3. To re-elect Mr. M. Payne as a director of the Company.
4. To re-elect Ms. T. Ashton as a director of the Company.
5. To re-elect Mr. M. Campbell as a director of the Company.
6. To re-elect Mr. M. Toogood, as a director of the Company
7. To re-appoint Crowe U.K. LLP as auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company.
8. To authorise the directors to determine the auditor’s remuneration.

### Special Resolution

9. To authorise the Company generally and unconditionally, pursuant to section 701 of the Companies Act 2006 (the “Act”), to make one or more market purchases (within the meaning of 693(4) of the Act) on the London Stock Exchange plc (the “London Stock Exchange”) of Ordinary Shares of 25p each in the capital of the Company (“Ordinary Shares”) provided that:
  - (i) the maximum aggregate number of Ordinary Shares authorised to be purchased is 4,135,435 (representing approximately 10% of the Company’s issued share capital as at 24th March 2026;
  - (ii) the minimum price (exclusive of expenses) which may be paid for such Ordinary Shares is 25p per share;
  - (iii) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is not more than the higher of: (i) 5% above the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased; and (ii) the price stipulated by Article 3(2) of Delegated Regulation (EU) 2016/1052 of 8th March 2016 relating to the conditions applicable to buy-back programmes and stabilisation measures (as applicable and as amended by the Market Abuse (Amendment) (EU Exit) Regulations 2019/310);
  - (iv) unless previously revoked or varied, the authority hereby conferred shall expire fifteen months after the passing of this resolution or, if earlier, at the conclusion of the next annual general meeting of the Company after the passing of this resolution; and
  - (v) the Company may make a contract or contracts to purchase Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts.

### By order of the Board

MARTIN CONLETH CAMPBELL  
Company Secretary

### Registered Office:

Victoria Mills, The Green,  
Ossett, WF5 OAN  
25th March 2026

Company Registration Number: 00526657

## Explanatory Notes to the Notice of Annual General Meeting

### Resolution 1 – Receipt of the Company's financial statements.

The directors are required by law to lay before the Company's shareholders in a general meeting, the Company's audited annual accounts, together with the director's reports and the auditor's report for the relevant financial year. Accordingly, the Company proposes a resolution on its audited accounts and reports for the financial year ended 31 December 2025.

### Resolution 2 – Declaration of a final dividend.

Shareholders are being asked to approve a final dividend of 1.0p per ordinary share for the financial year ended 31 December 2025. Subject to the resolution being approved by shareholders at the Annual General Meeting, the final dividend will be paid on 20th May 2026 to all shareholders appearing on the Company's register of members at the close of business on 24th April 2026.

### Resolutions 3 to 6 – Re-election of directors.

The Company's articles of association require all directors to stand for re-election at each annual general meeting.

Biographies of each director standing for re-election are set out on pages 8 and 9 of the annual report and accounts for the year ended 31 December 2025.

### Resolutions 7 and 8 – Re-appointment and remuneration of auditor.

At each general meeting at which accounts are laid before the Company's shareholders, the Company is required to appoint an auditor to serve until conclusion of the next annual general meeting. Crowe U.K. LLP has indicated its willingness to continue in office and accordingly shareholders will be asked in resolution 7 to confirm the re-appointment Crowe U.K. LLP to hold office until the conclusion of the next general meeting of the Company.

Although neither the Company's articles of association nor the QCA Corporate Governance Code requires it, shareholders will separately be asked by Resolution 8 to grant authority to the Directors to determine the auditor's remuneration, as has increasingly become market practice and the standard of good corporate governance adopted by companies of equivalent standing to the Company. This is also in accordance with recommendations made by the PLSA Stewardship & Voting Guidelines 2026 (published on 11 December 2025).

### Resolution 9 – General authority for the Company to purchase its own Ordinary Shares

Shareholders will be asked to provide the general authority for the Company to make market purchases on the London Stock Exchange of its Ordinary Shares, subject to certain limitations set out below.

Your board has no immediate plans for the Company to make purchases of its Ordinary Shares if the proposed new general authority becomes effective but would like to be able to act quickly if circumstances arise in which they consider such purchases by the Company of its Ordinary Shares to be desirable. Accordingly, it is proposed that the board be given a new general authority to purchase the Company's Ordinary Shares on the terms contained in resolution 9 in the Notice of Annual General Meeting.

The proposed new general authority will be limited, by the terms of resolution 9 in the Notice of Annual General Meeting, to purchases of up to 4,135,435 Ordinary Shares, representing approximately 10% of the current issued share capital of the Company. The minimum price per Ordinary Share payable by the Company (exclusive of expenses) will be 25p. The maximum to be paid on the exercise of such new general authority (exclusive of expenses) will be an amount not exceeding the higher of (i) 5% above the average of the middle-market quotation for Ordinary Shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date of each purchase, and (ii) the price stipulated by Article 3(2) of the Commission Delegated Regulation (EU) 2016/1052 of 8th March 2016 relating to the conditions applicable to buy-back programmes and stabilisation measures (as applicable and as amended by the Market Abuse (Amendment) (EU Exit) Regulations 2019/310) (being the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out).

The board will only exercise the new general authority to purchase Ordinary Shares if it considers that such purchases of Ordinary Shares can be expected to result in an increase in earnings per share after such purchases and are in the best interests of shareholders generally. Your directors would also carefully consider the extent of the Company's borrowings and its general financial position. Any such purchase of Ordinary Shares will be financed out of profits available for distribution. The actual cash required to fund any buy-backs of Ordinary Shares pursuant to the new general authority will be met from existing cash resources and/or borrowing facilities. Shareholders should note that any shares purchased by the Company will be cancelled and not made available for reissue. The number of Ordinary Shares in issue will accordingly be reduced.

The maximum number of Ordinary Shares and the permitted price range are stated for the purpose of compliance with statutory and London Stock Exchange requirements in seeking the authority. This should not be taken as any representation of the number of Ordinary Shares (if any) which the Company might purchase, nor the terms upon which the Company would intend to make any such purchases, nor does it imply any opinion on the part of the directors as to the market or other value of the Company's Ordinary Shares. In seeking this general authority, the board is not indicating any commitment to buy back Ordinary Shares. Shareholders should not, therefore, assume that any purchases will take place.

## Explanatory Notes to the Notice of Annual General Meeting

(continued)

In addition, the requirements of the London Stock Exchange prevent the Company from purchasing its own shares during the period of two months before the announcement of its half-year or full-year results (or, if shorter, the period from the end of the Company's relevant financial period up to and including the time of the relevant announcement), or at any other time when the directors are in a possession of unpublished price sensitive information in relation to the Company's shares.

The general authority set out in resolution 9 in the Notice of Annual General Meeting will expire fifteen months after the resolution is passed or, if earlier, on the date of the next annual general meeting of the Company. However, in order to maintain your board's flexibility of action, it is envisaged that this general authority may be renewed annually at annual general meetings of the Company.

Details of Ordinary Shares purchased pursuant to the new general authority will be notified to the London Stock Exchange by 7.30 a.m. on the business day following the date of dealing and to the registrar of companies within 28 days of the date of purchase. Details will also be included in the Company's report and financial statements in respect of the financial year in which any such purchases take place.

### Recommendation

Your directors consider that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and its shareholders as a whole. Accordingly, the directors unanimously recommend shareholders vote in favour of the resolutions set out in the Notice of Annual General Meeting, as the directors propose to do so in respect of their own shareholdings.

The Company pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 specifies that only those shareholders registered in the register of members of the Company as at close of business on 1st May 2026 or, in the event that the Annual General Meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting, shall be entitled to attend or vote in respect of the number of Ordinary Shares registered in their name at the relevant time. Changes to entries in the register of members after close of business on 1st May 2026 or, in the event that the Annual General Meeting is adjourned, less than 48 hours before the time of any adjourned meeting shall be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting.

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to exercise all or any of the rights to attend and speak and to vote on their behalf at the Annual General Meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a member of the Company.

In order to reduce the Company's environmental impact, our intention is to remove paper from the voting process as far as possible. You are therefore asked to vote and submit your proxy in one of the following ways:

- Register your vote online through the Investor Centre app or at <https://uk.investorcentre.mpms.mufg.com/> (see below). You will need to log into your Investor Centre account or register if you have not previously done so. Once you have setup your account you will need to add your shareholding by clicking 'Add Holding' in the 'Portfolio' section and following the on-screen instructions. You will require your Investor Code (IVC) to add your shareholding. You can find your IVC on your share certificate or by contacting our Registrar, MUFG Corporate Markets, on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09.00 – 17.30, Monday to Friday excluding public holidays in England and Wales. Alternatively, you may email at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com).
- CREST members may use the CREST electronic proxy appointment service as detailed below.
- If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 2.00pm on 1st May 2026 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

You may request a hard copy form of proxy from MUFG Corporate Markets using the contact details shown above and return it to MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

## Explanatory Notes to the Notice of Annual General Meeting

(continued)

Shareholders can vote electronically via the Investor Centre, a free app for smartphone and tablet provided by MUFG Corporate Markets (the company's registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below. Alternatively, you may access the Investor Centre via a web browser at: <https://uk.investorcentre.mpms.mufg.com/>.



All proxy appointments, whether electronic or hard copy, must be received by the Company's registrar no later than 2.00pm on 1st May 2026 (or, in the event that the meeting is adjourned, no later than 48 hours before the time of any adjourned meeting).

Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

The appointment of a proxy will not preclude a member from attending and voting in person at the meeting if he or she wishes. If a shareholder has appointed a proxy and attends the Annual General Meeting in person, his/her proxy appointment will be automatically terminated.

You will need to state clearly the number of shares in relation to which the proxy is appointed. A failure to specify the number of shares each proxy appointment relates to, or specifying a number of shares in excess of those held by the member, will result in the proxy appointment being invalid.

To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact MUFG Corporate Markets via email at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com) or by calling on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09.00 – 17.30, Monday to Friday excluding public holidays in England and Wales.

In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's Registrars, MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

The revocation notice must be received by MUFG Corporate Markets no later than 2.00pm on 1st May 2026. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

### CREST proxy voting

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's registrars (ID: RA10) by no later than 2.00pm on 1st May 2026. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

## Explanatory Notes to the Notice of Annual General Meeting

(continued)

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings ([www.euroclear.com](http://www.euroclear.com)).

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

The register of directors' share interests and copies of the service contracts of the executive directors of the Company and letters of appointment of the non-executive directors of the Company will be available for inspection at the registered office of the Company during usual business hours on any weekday (except weekends and public holidays) until the date of the Annual General Meeting and will be available at that meeting for a period of at least 15 minutes prior to and during that meeting.

Members who have general queries about the Annual General Meeting should telephone the Company's registrars, MUFG Corporate Markets +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09.00 – 17.30, Monday to Friday excluding, public holidays in England and Wales. Alternatively, you may email at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com).

Members are invited to submit questions on any business to be dealt with at the Annual General Meeting in advance of the meeting via email at [shareholders@aireaplco.co.uk](mailto:shareholders@aireaplco.co.uk) by no later than 2.00pm on 1st May 2026. When submitting questions by email, please include your investor code, which can be found on your share certificate or may be obtained by calling the Company's registrar, MUFG Corporate Markets, on +44 (0) 371 664 0300. The board will endeavour to answer any questions so submitted at the Annual General Meeting.

A member attending the Annual General Meeting has the right to ask questions in relation to the business of the meeting. The Company must answer any such questions unless:

- Answering the question would interfere unduly with the preparation of the meeting or involve the disclosure of confidential information;
- The answer has already been given on a website in the form of an answer to a question; or
- It is undesirable in the interests of the Company or the order of the meeting that the question be answered.

As at 24th March (the last practicable business day prior to this notice), the Company's issued share capital comprised 41,354,353 ordinary shares of 25 pence each ("Ordinary Share"). Each Ordinary Share carries the right to vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at the date of this document is 41,354,353.







# AIREA plc

**AIREA plc**

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**W:** [aireaplco.co.uk](http://aireaplco.co.uk)

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