



Operational Review



A creditable performance supported by the benefits of *One* Franchise Brands

Peter Molloy

CEO

"The *One* Franchise Brands strategic initiative has enabled the Group to develop sales opportunities across its businesses by sharing knowledge and expertise and by generally working more smartly."



Operational Review continued

Divisional performance

The focus of the Operational Review is the financial and business performance from System sales to Adjusted EBITDA. The Group's divisional trading results may be summarised as follows:

Year to 31 December 2025	Pirtek £'000	Water & Waste Services £'000	Filta Int'l £'000	B2C £'000	Azura £'000	Inter-company elimination £'000	2025 £'000
System sales	193,470	110,521	107,515	24,503	386	(1,410)	434,985
Statutory revenue	63,978	45,323	30,516	5,338	386	(3,389)	142,152
Cost of sales	(22,159)	(18,882)	(18,908)	(786)	–	3,341	(57,394)
Gross profit	41,819	26,441	11,608	4,552	386	(48)	84,758
GM%	65%	58%	38%	85%	100%	1%	60%
Administrative expenses	(22,624)	(14,604)	(4,580)	(2,601)	(730)	48	(45,091)
Divisional EBITDA	19,195	11,837	7,028	1,951	(344)	–	39,667
Group overheads	–	–	–	–	–	–	(4,422)
Adjusted EBITDA	–	–	–	–	–	–	35,245
Adjusted EBITDA/System sales	–	–	–	–	–	–	8.1%

Year to 31 December 2024	Pirtek £'000	Water & Waste Services £'000	Filta Int'l £'000	B2C £'000	Azura £'000	Inter-company elimination £'000	2024 £'000
System sales	190,984	110,270	97,826	25,972	808	(285)	425,575
Statutory revenue	63,913	46,054	25,597	5,752	808	(2,918)	139,206
Cost of sales	(22,010)	(19,661)	(15,691)	(1,001)	(0)	2,476	(55,887)
Gross profit	41,903	26,393	9,906	4,751	808	(442)	83,319
GM%	66%	57%	39%	83%	100%	15%	60%
Administrative expenses	(21,978)	(15,282)	(3,913)	(2,546)	(764)	442	(44,041)
Divisional EBITDA	19,925	11,111	5,993	2,205	44	–	39,278
Group Overheads	–	–	–	–	–	–	(4,157)
Adjusted EBITDA	–	–	–	–	–	–	35,121
Adjusted EBITDA/System sales	–	–	–	–	–	–	8.3%



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System sales are a primary Key Performance Indicator (“KPI”) of the Group and are considered a valuable indicator of Group performance as it allows total sales to end customers to be visible on a comparable basis across all Group businesses. System sales comprise the underlying sales of the Group’s franchise partners and the statutory revenue of the Direct Labour Organisations (“DLOs”). In 2025, System sales increased by 2% to £435.0m (2024: £425.6m). 2024 System sales were restated to £425.6m from £418.5m as certain Pirtek DLO operations were not included in System sales disclosures in the prior year.

Statutory revenue increased by 2.1% to £142.2m (2024: £139.2m). Statutory revenue comprises many different types of revenue calculated on different bases and is not a KPI used in the operational management of the Group.

Administrative expenses were well controlled and increased by 2%. Adjusted EBITDA, which is the main KPI of the business, increased by 0.4% to £35.2m (2024: £35.1m). Operational gearing (Adjusted EBITDA/System sales) reduced marginally to 8.1% (2024: 8.3%).

Pirtek Europe

Pirtek operates in eight European countries: the UK & Ireland, Germany & Austria, the Netherlands & Belgium (Benelux) France and Sweden. In the major markets of the UK & Ireland, Germany & Austria, and Benelux, the business is mostly franchised, whereas the operations in France and Sweden are corporately operated. The franchised operations account for 91% of Pirtek’s System sales and 97% of Adjusted EBITDA.

The sterling results for Pirtek Europe in 2025 may be summarised as follows:

Pirtek	2025 £'000	2024 £'000	Change %
System sales	193,470	190,984	1%
Statutory revenue	63,978	63,913	0%
Cost of sales	(22,159)	(22,010)	1%
Gross profit	41,819	41,903	(0%)
GM%	65%	66%	(0%)
Administrative expenses	(22,624)	(21,978)	3%
Adjusted EBITDA	19,195	19,925	(4%)
Adjusted EBITDA/System sales	9.9%	10.4%	-

The Pirtek Europe division generated total System sales of £193.5m, an increase of 1% (2024: £191.0m). Reactive sales held up well as a result of the successful diversification of the sectors serviced, mitigating project work and other discretionary spending which continued to be subdued. We consider the System sales growth achieved by Germany & Austria, our second largest market, creditable given the demanding macro-economic environment. The UK construction and plant hire sector remained challenging during the year, and this impacted System sales for the UK & Ireland.

System sales	2025 £'000	2024 £'000	Change %
UK & Ireland	82,741	83,201	(1%)
Germany & Austria	69,990	67,287	4%
Benelux	30,431	30,027	1%
France	7,906	7,779	2%
Sweden	2,402	2,690	(11%)
Total	193,470	190,984	1%

The underlying local currency System sales growth may be analysed as follows:

System sales local currency	2025 £'000	2024 £'000	Change %
UK & Ireland GBP	82,741	83,201	(1%)
Germany & Austria €	81,715	79,618	3%
Benelux €	35,547	35,534	0%
France €	9,225	9,201	0%
Sweden SEK	30,940	36,482	(15%)

UK & Ireland’s System sales (which accounted for 43% of total System sales) declined modestly. Reactive job numbers held up, but the average order value (“AOV”) reduced slightly, reflecting softness in the market for small projects. The strategic targeting of growth sectors, including rail, mining & quarrying and public services, all of which experienced double-digit System sales growth, provided some mitigation for the 3% decline in construction and plant hire. The business demonstrated a high level of resilience in terms of customer retention of national accounts. Good progress was also made to expand the range of services into ram and cylinder repairs, Total Hose Management (“THM”), air conditioning re-gassing and environmental treatment for oil spills.



Operational Review continued

Germany & Austria's System sales (which accounted for 36% of total System sales) increased by 3% in local currency. Against the backdrop of a challenging manufacturing environment, the business successfully targeted under-represented sectors. System sales in the industrial services sector increased 9%, driven by Total Hose Management work ("THM"). Other sectors which experienced good levels of growth were: rail, as a result of the overhaul and expansion of the German rail network (up 8%); infrastructure-related construction work, such as pipelines and roads (up 7%); and waste and recycling (up 4%). System sales in Maritime, a smaller sector, increased 9%. System sales in Manufacturing, the second largest sector in Germany & Austria, decreased 4%. The business saw a significant increase in sales for additional hydraulic services, such as repair of pressure and hydraulic accumulators, cylinder repairs, piping, and oil filtration (up 22%). THM grew 5% and accounted for 19% of total System sales in Germany & Austria.

System sales in Benelux (which accounted for 16% of System sales) were flat in local currency. The business benefited from an increase in construction-related infrastructure projects, up 6%. Double-digit growth was achieved in the waste management and agricultural sectors. The strategic targeting of growth sectors helped provide some mitigation for continued weakness in the core construction and plant hire, and heavy industrial sectors. The business demonstrated a high level of resilience in terms of customer retention. It also further expanded its range of services with more customers taking THM and preventative maintenance services, which grew by 6%.

The performance of the non-franchised, DLO operations in France and Sweden (which accounted for a combined 5% of System sales) remains challenging. System sales in France were flat against a stronger comparative in 2024, driven by the Paris Olympics. The Swedish economy remains challenging with core construction and plant hire sectors experiencing a further contraction, and this contributed to a decline in overall System sales of 15%.

Adjusted EBITDA on a country basis may be summarised as follows:

Adjusted EBITDA	2025 £'000	2024 £'000	Change %
UK & Ireland	9,937	10,098	(2%)
Germany & Austria	6,251	6,212	1%
Benelux	3,786	3,942	(4%)
France	17	177	(90%)
Sweden	(18)	313	-
Divisional overheads	(778)	(817)	(5%)
Total	19,195	19,925	(4%)

Adjusted EBITDA decreased 4% to £19.2m (2024: £19.9m), which is a disappointing performance, albeit in challenging market conditions. The ratio of Adjusted EBITDA to System sales decreased from 10.4% to 9.9% as a result of the 3% growth in administrative expenses and 1% System sales growth.

The underlying performance of each country, in local currency can be analysed as follows:

Adjusted EBITDA Local Currencies	2025 '000	2024 '000	Change %
UK GBP	9,937	10,098	(2%)
Germany & Austria €	7,284	7,341	(1%)
Benelux €	4,427	4,666	(5%)
France €	13	206	(94%)
Sweden SEK	(203)	4,240	(105%)
Group overheads GBP	(778)	(817)	(5%)

The performance of Germany & Austria is considered creditable against a very challenging macro-economic environment in 2025 and positions the business well for 2026. The UK and Benelux businesses experienced modest declines in Adjusted EBITDA.

Administrative expenses for the Pirtek division were well controlled and increased by 3% to £22.6m (2024: £22.0m). These increases were across all Pirtek businesses with the biggest impact being in the UK and Germany where additional investment was allocated for Group-wide IT initiatives. As a result of continued Group integration, divisional overheads reduced 5%.

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Water & Waste Services division

The results of the Water & Waste Services division may be summarised as follows:

	Metro £'000	Willow £'000	Filta UK £'000	2025 £'000
System sales	79,444	19,212	11,865	110,521
Statutory revenue	18,443	19,212	7,668	45,323
Cost of sales	(2,086)	(12,654)	(4,142)	(18,882)
Gross profit	16,357	6,558	3,526	26,441
GM%	89%	34%	46%	58%
Administrative expenses	(8,604)	(4,301)	(1,699)	(14,604)
Adjusted EBITDA	7,753	2,257	1,827	11,837

	Metro £'000	Willow £'000	Filta UK £'000	2024 £'000	Change £'000	Change %
System sales	79,410	18,296	12,564	110,270	251	0%
Statutory revenue	18,408	18,296	9,350	46,054	(731)	(2%)
Cost of sales	(2,353)	(11,911)	(5,397)	(19,661)	779	(4%)
Gross profit	16,055	6,385	3,953	26,393	48	0%
GM%	87%	35%	42%	57%	1%	2%
Administrative expenses	(8,023)	(4,424)	(2,835)	(15,282)	678	(4%)
Adjusted EBITDA	8,032	1,961	1,118	11,111	726	7%

The Water & Waste Services division continues to become more integrated and grow its franchise focus by expanding its franchise networks and reducing its DLO operations.





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Metro Rod

	2025 £'000	2024 £'000	Change £'000	Change %
System sales	79,444	79,410	34	0%
Statutory revenue	18,443	18,408	35	0%
Cost of sales	(2,086)	(2,353)	267	(11%)
Gross profit	16,357	16,055	302	2%
GM%	89%	87%	1%	2%
Administrative expenses	(8,604)	(8,023)	(581)	7%
Adjusted EBITDA	7,753	8,032	(279)	(3%)

Metro Rod includes Metro Plumb and Kemac. Metro Rod System sales were flat at £79.4m (2024: £79.4m). While the number of jobs carried out reduced by 10%, the AOV increased 9% as part of a targeted move to higher quality work. Gross profit increased 2% as a result of a 2% improvement in the gross profit percentage to 89% (2024: 87%) reflecting the franchising of the DLO in North Scotland. Tanker sales increased 7% and pump sales 9%, and together account for 24% of Metro Rod System sales (2024: 22%).

The business made good progress in sector diversification targeting housing associations, food manufacturing and transportation, and in developing planned work which increased 7%. Administrative expenses increased by 7% primarily as a result of reallocated central IT support charges, which are now charged on a usage basis which added £0.4m to this cost. Adjusted EBITDA reduced modestly to £7.8m (2024: £8.0m) as a result.

Metro Plumb System sales declined by 4% (2024: 14%). This was largely due to a large national account moving to self-deliver a large proportion of their work. Franchisees continued to expand their service offerings to include gas and air-source heat pumps.

Willow Pumps

	2025 £'000	2024 £'000	Change £'000	Change %
Statutory revenue	19,212	18,296	916	5%
Cost of sales	(12,654)	(11,911)	(743)	6%
Gross profit	6,558	6,385	173	3%
GM%	34%	35%	(1%)	(2%)
Administrative expenses	(4,301)	(4,424)	123	(3%)
Adjusted EBITDA	2,257	1,961	296	15%

Willow Pumps performed strongly in 2025 with statutory revenue increasing by 5% to £19.2m (2024: £18.3m). The business benefited from the growing maturity of its Special Projects division, introduced in 2024, which has now been fully embedded into the business. This has enabled the diversification of the service offering to include large and complex infrastructure projects.

The more traditional parts of the business also performed well with a growth in Service revenue and contracted planned maintenance. The business also benefited from the transfer of pump work from Filta Pumps to ensure the most economical divisional method of delivery and an improved customer experience.

Gross margin reduced slightly, primarily due to a change in the way in which margin is recognised on longer-term contracts. Overheads decreased by 3% as a result of the elimination of Metro Rod Exeter overheads, which Willow Pumps had operated corporately. As a result, Adjusted EBITDA increased 15% to £2.3m (2024: £2.0m).



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Filta UK

	2025 £'000	2024 £'000	Change £'000	Change %
System Sales	11,865	12,564	(699)	(6%)
Statutory revenue	7,668	9,350	(1,682)	(18%)
Cost of sales	(4,142)	(5,397)	1,255	(23%)
Gross profit	3,526	3,953	(427)	(11%)
GM%	46%	42%	4%	9%
Administrative expenses	(1,699)	(2,835)	1,136	(40%)
Adjusted EBITDA	1,827	1,118	709	63%

Filta UK comprises the Filta Environmental franchise network, the Filta Seal DLO and some remaining Fats, Oil and Grease ("FOG") installation work undertaken by direct labour.

In line with the Group's ambition to reduce DLO work where possible, all FOG servicing work and approximately half of the installation work has been transferred to franchise partners. As only the Management Service Fee ("MSF") paid by franchise partners is recognised in Statutory revenue this metric has declined year-on-year. All pump work has also been transferred to Willow Pumps, but is still invoiced from Filta at a zero margin. As a result, the double counting of the System sales in both businesses is eliminated in the consolidation.

System sales at Filta declined 6% to £11.9m (2024: £12.6m), driven by a reduction in FOG installations due to the slowdown in a large national account roll-out programme and reduced discretionary spending with Filta Seal.

As a result of these developments, Filta UK has become increasingly integrated within the Water & Waste Services division, which has enabled transactional finance to move to the Metro Rod Support Centre. This allowed the sale of a freehold property previously used by the Filta team which generated a profit of £0.6m. Overall, these efficiencies resulted in a 40% decrease in administrative expenses and a 63% increase in Adjusted EBITDA. Even excluding the profit on the sale of the freehold property, underlying Adjusted EBITDA increased by 14%.

Filta International

	US Franchisor £'000	US DLO £'000	Europe £'000	2025 £'000	North America £'000	Europe £'000	2024 £'000	Change £'000	Change %
System sales	103,107	991	3,417	107,515	94,446	3,380	97,826	9,689	10%
Statutory revenue	29,255	917	344	30,516	25,029	568	25,597	4,919	19%
Cost of sales	(18,142)	(671)	(95)	(18,908)	(15,419)	(272)	(15,691)	(3,217)	21%
Gross profit	11,113	246	249	11,608	9,610	296	9,906	1,702	17%
GM%	38%	27%	72%	38%	38%	52%	39%	(1%)	(2%)
Administrative expenses	(4,048)	(255)	(277)	(4,580)	(3,601)	(312)	(3,913)	(667)	17%
Adjusted EBITDA	7,065	(9)	(28)	7,028	6,009	(16)	5,993	1,035	17%

Filta International comprises the Filta franchise networks in North America and Europe. During the year, following the cessation of a franchise agreement in respect of three territories in Kentucky and Indiana, the Support Centre assumed management of two of these operations, and one was immediately assumed by another franchise partner. The remaining two territories are now reported as a DLO, of which one has subsequently been sold.

System sales in North America increased by 9% to £103.1m (2024: £94.4m) and by 13% in local currency to \$136.1m (2024: \$120.9m), benefiting from a supportive macro-environment. Excluding the revenue from the sale of used cooking oil ("UCO"), underlying Systems sales grew by 7% to £85.3m (2024: £79.6m) and in local currency by 11% to \$112.6m (2024: \$101.9m).

Good traction continues to be made with the FiltaMax strategic growth initiative in the 55 metro markets, where the range of services is being expanded and franchise partners are being upgraded. The business experienced continued momentum in growing the royalty-based FiltaGold and FiltaClean services, which now account for 23% of System sales (2024: 20%).

Good progress is also being made in converting the franchise partners onto a royalty-only model and away from the historic fixed monthly fee on each Mobile Filtration Unit ("MFU"). 45% of franchise partners are now on a percentage-based royalty and approximately 68% of System sales are now subject to a royalty.



Operational Review continued

Sales of UCO in 2025 increased by 20% to £17.8m (2024: £14.8m) and by 24% in local currency to \$23.5m (2024: \$19.0m). This resulted from a rise in the price of UCO of 12% in local currency and an 11% increase in volume.

Administrative expenses in the US franchisor increased by 12%, primarily due to an increase in professional fees related to the departure of a franchisee and the creation of the DLO referred to above. Adjusted EBITDA of the US franchisor grew by 17.6% to £7.1m (2024: £6.0m), and on a local currency basis by 21% to \$9.3m (2024: \$7.7m).

Filta Europe was sold to a master franchisee at the end of Q1 2025 and System sales are those achieved by the master franchisee in the territory and revenue represents our MSF.

B2C Division

	2025 £'000	2024 £'000	Change £'000	Change %
System sales	24,503	25,972	(1,469)	(6%)
Statutory revenue	5,338	5,752	(414)	(7%)
Cost of sales	(786)	(1,001)	215	(21%)
Gross profit	4,552	4,751	(199)	(4%)
GM%	85%	83%	3%	3%
Administrative expenses	(2,601)	(2,546)	(55)	2%
Adjusted EBITDA	1,951	2,205	(254)	(12%)

The B2C division includes ChipsAway, Ovenclean, and Barking Mad B2C brands. Its income is derived primarily from monthly fees paid by franchisees for using the brands and from the fees generated on recruiting new franchisees.

2025 remained challenging for franchisee recruitment and retention. 21 new franchisees were recruited (2024: 24), and 50 franchisees left the system (2024: 53), resulting in a net decline of 29 franchisees (2024: 29). As a result, the total number of franchisees reduced by 29 to 269 (2024: 298).

Gross profit declined by 4% due to lower monthly fee income on the reduced franchise base and the lower income from franchise recruitment. Strict cost control resulted in an increase in administrative expenses of only 2%. As a result Adjusted EBITDA declined by 12% to £2.0m (2024: £2.2m).

Azura

	2025 £'000	2024 £'000	Change £'000	Change %
System sales	386	808	(422)	(52%)
Statutory revenue	386	808	(422)	(52%)
Cost of sales	–	–	–	(0%)
Gross profit	386	808	(422)	(52%)
GM%	100%	100%	0%	0%
Administrative expenses	(730)	(764)	34	(4%)
Adjusted EBITDA	(344)	44	(388)	(882%)

Statutory revenue is comprised of third-party income of £0.4m (2024: £0.4m) and charges to Group companies of £0.0m (2024: £0.4m). The Azura resources are currently focused on supporting the development and rollout of the One Works Management system to the Pirtek businesses. When completed, Azura will generate revenues which were previously paid to third-party software providers, and the capitalised cost will be amortised. Throughout the year the charges to Group companies were temporarily suspended during ongoing development work.



Operational Review continued

One Franchise Brands

The *One Franchise Brands* strategic initiative has enabled the Group to develop sales opportunities across its businesses by sharing knowledge and expertise and working more smartly. This has reduced sector dependency and increased diversification. This initiative has also deepened and broadened customer relationships by providing a wider range of services.

Good progress was made establishing a platform of efficient Group-wide systems which can drive greater efficiency. The Group-wide finance system (NetSuite) has been deployed and is live across the majority of the Group and will facilitate process improvements and efficiencies. The Group is already benefiting from improved speed and quality of reporting.

The Group-wide CRM (HubSpot), the development of which was brought forward into 2025 from a planned roll-out in 2026, has now been rolled out to all major businesses. Once fully integrated, this system will provide both the Group and our franchise partners with actionable, real-time insights to enable sales growth to accelerate.

The Vision works management system is being rolled out to Pirtek on a phased basis to avoid dual running costs with legacy systems and to ensure functionality is optimised in each market. The rollout will be complete in 2026. In the meantime, the enhanced functionality the team at Azura has developed for Pirtek is being rolled out at Metro Rod.

The technology and data standardisation of the Group's integrated systems provides a platform for the application of Artificial Intelligence at scale. As the IT strategy evolves, AI will become increasingly central. The current investment is focused in two main areas: generative AI and agentic AI.

In generative AI, the focus is on generating new content for diverse use cases, from creating marketing materials to developing software code. For example, AI is being used to build software that automates repetitive processes and enhances the efficiency and productivity of the Group's people. Azura has also generated AI software tests that are able to validate their own application software, resulting in faster time to market and higher quality functionality.

“We see great future potential to deploy AI to help drive monitoring and predictive maintenance, providing customers with early alerts to breakdown or when maintenance is required.”

In agentic AI, the focus is on building digital agents to augment and scale the Group's teams. These digital agents will operate and further enhance current processes, increasing productivity and availability by operating at speed, learning continuously, and executing workflows precisely and at scale. The agents are being tested at the front end of the process to speed up job logging and acceptance, with the aim of deploying digital agents across a wider range of the Group's processes to further enhance productivity.

The Group sees significant future potential to deploy AI to help drive monitoring and predictive maintenance, providing customers with early alerts to breakdown or when maintenance is required. Intelligent scheduling and route optimisation are also being developed, which will help with demand forecasting, dynamic dispatch and real-time updates.

Peter Molloy
CEO