Financial Highlights

£435.0m
System sales ●
+2% 2024: £425.6m ●●

£142.2m
Revenue
+2% 2024: £139.2m

£35.2m
Adjusted EBITDA* ●
0% 2024: £35.1m

£12.7m
Profit before tax
+38% 2024: £9.2m

9.0p
Adjusted basic earnings per share ●**
+5% 2024: 8.59p

4.67p
Basic earnings per share
+23% 2024: 3.78p

£55.6m
Adjusted net debt ●
£(9.5)m 2024: £65.1m

2.50p
Dividend per share
+4% 2024: 2.40p

Operational Highlights

- A resilient performance reflecting the essential nature of the majority of the Group's services and the benefits of international, diversification amid challenging macro conditions.
- Underlying demand for non-discretionary services combined with sector diversification, and increase in planned and higher value work enabled Pirtek Europe and Water & Waste Services division to marginally increase System sales.
- Filta International performed strongly and gained good traction with the FiltaMax strategic growth initiative. System sales increased by 13% and Adjusted EBITDA by 21% (in local currency).
- Willow Pumps also performed strongly with Adjusted EBITDA increasing 15% as the Special Projects Division becomes established.
- Adjusted net debt reduced to £55.6m at 31 December 2025 representing leverage of 1.6x.
- Significant progress with *One* Franchise Brands initiatives. Group-wide finance system and CRM are now live.
- Following Board review, confirmation of no current intention to seek a transfer of the Company's listing to the Main Market.

● Alternative Performance Measures (see Note 1 to the Accounts).
●● Prior Year Adjustment. 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.
* Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, exchange differences, share-based payment expense and non-recurring items.
** Adjusted EPS is earnings per share before amortisation of acquired intangibles, share-based payment expense, and non-recurring items.

At a Glance

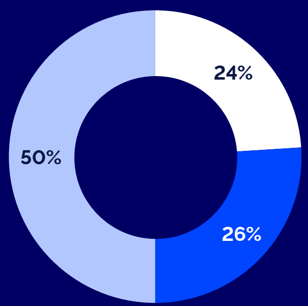
Multi-brand international franchisor. B2B van-based service.

7
Market-leading franchise brands

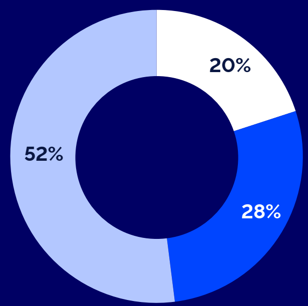
10
Countries

582
Franchise partners

System sales
by geographic region



Adjusted EBITDA
by geographic region



North America Europe UK

Pirtek
Leading European provider of on-site hydraulic hose replacement and related services. UK & Ireland, Germany & Austria, Benelux, France and Sweden.

£19.2m
Adjusted EBITDA*

Read more on pages 12-20

Water & Waste Services
Drainage, plumbing, pumps maintenance and Fats Oil & Grease ("FOG") services to commercial kitchens in the UK.

£11.8m
Adjusted EBITDA*

Read more on pages 12-20

Filta International
Cooking oil filtration, biodiesel recycling, bulk new oil supply & cleaning services for commercial kitchens in North America and Europe.

£7.0m
Adjusted EBITDA*

Read more on pages 12-20

B2C
Leading UK home service brands: ChipsAway, Ovenclean & Barking Mad.

£2.0m
Adjusted EBITDA*

Read more on pages 12-20

Click to see
Our Brands here

* Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, exchange differences, share-based payment expense and non-recurring items.

Investment Case

A Strong Platform For Growth

Internationally diversified Group of market-leading franchise brands, providing resilient services in large fragmented markets, delivering scalable franchisee-led growth under a highly experienced management team.

Market-leading franchise brands

Portfolio of seven high quality, franchise brands, leaders in their markets. Internationally-diversified across ten countries.

Resilient essential services

Resilient underlying demand for our essential reactive and planned services. Strategy to increase sector diversification.

Significant growth opportunities

Small, but growing shares of large fragmented markets. Our maximum potential model illustrates a potential for System sales of £2.1bn.

Highly cash generative

Capital light and highly cash-generative model as our franchise partners invest in their businesses. Average cash conversion 2023-2025: 98%.

Operational gearing

Operationally geared, with inherent scaleabilty being augmented by *One* Franchise Brands initiative, including digitally-enabled integration.

Highly experienced team

Highly experienced team with a strong track record of growing franchise businesses, with a shareholding of almost 30%.

Markets

Our Market Environment

Against a backdrop of challenging macro conditions in most key markets, the Group benefited from the inherent resilience of its reactive and essential planned services and international diversification. Filta International performed strongly and North America is our fastest growing market.

Macroeconomic environment

How we see it

- Reactive essential reactive and planned services held up well due to resilient underlying demand.
- Project work and other discretionary spending continued to be subdued as customers prioritised operational expenditure.
- The US was a supportive macro environment, with challenging macroeconomic conditions in certain European sectors.

How we are responding

- Diversifying into growth and/or supported sectors and continuing to expand our range of services.
- Benefiting from the traction of the FiltaMax strategic growth initiative launched in 2022.
- Developing opportunities to unlock potential in untapped or underpenetrated territories (eg, Pirtek van franchise, Filta under-served territories, new Metro Rod territories).

Cost and price factors

How we see it

- Continued widespread cost and price inflation challenges in respect of wages, materials, rent and other services.
- A "race to the bottom" on price in certain businesses driven by competitive pressures.
- Recruitment and retention of engineers an ongoing challenge but may change as labour markets soften.

How we are responding

- Implementing price and material increases across a number of our businesses.
- Offering various Management Service Fee ("MSF") incentives for franchisees on incremental growth.
- Launching new mobile service technician recruitment initiatives (e.g. Pirtek Germany).
- Leveraging the Group's combined purchasing power to help our franchise partners be more competitive (e.g fuel cards, parts and equipment).

Markets continued

Customer needs

How we see it

- Customers have been holding back discretionary and project work.
- Customer expectations continue to be demanding in terms of service level agreements and complying with their requirements.
- Customers are becoming increasingly technology-enabled.

How we are responding

- Focusing on consistent operational service delivery, and experience with a view to retaining customers.
- Providing a technology response through automation and AI where appropriate.
- FiltaClean allowing us to target new customer who value the service (e.g Quick Service Restaurants).
- Offering our expanded range of services to provide bundled offerings with economies of scale.

Market dynamics

How we see it

- Continued competitive pressures nationally and locally.
- Pirtek continues to experience competitive activity from companies not historically active in the reactive market.
- Buy and build activity in Water & Waste Services markets is strengthening some competitors.

How we are responding

- Positioning the benefits of our services, e.g., reduced customer downtime.
- Leveraging market leadership positions and increasing sales resource across the business.
- Differentiation through improved training, further accreditations and increased technical skills across the business.

The *One* Franchise Brands strategic inititiative is helping to build additional resilience by broadening and deepening our customer base, reduce sector dependency and establish a more efficient overhead structure. We are also better positioned to benefit as and when market conditions improve.

Business Model

How It Works

Our key resources and strengths

- **Market-leading franchise brands**
  Our principal brands have a leadership position in their key markets.
- **Size and financial strength**
  We have nearly 600 franchise partners and System sales of £435m, providing scale and diversification.
- **Established, resilient franchise networks**
  Our franchise partners are at the very backbone of the Group, operating successful and sustainable businesses.
- **Technology-enabled business**
  We use technology to enhance the natural operational gearing of our franchise business.
- **Leveraging *One* Franchise Brands**
  Our strategic Group-wide initiative to enhance sales, spend smartly and collect cash.
- **Highly experienced management team**
  The team has deep franchising expertise, a strong long-term track record of delivery and a significant shareholding in the business.

What we do

International multi-brand franchisor

We have seven franchise brands in ten countries delivering B2B essential van-based essential reactive and planned services.

Our services

Pirtek
Leading European provider of on-site hydraulic hose replacement and related services in UK & Ireland, Germany & Austria, Benelux, France and Sweden.

B2C
Leading home service brands in the UK: ChipsAway, Ovenclean and Barking Mad.

Water & Waste Services
Drainage, plumbing, pumps maintenance and FOG services to commercial kitchens in the UK.

Filta International
Cooking oil filtration, biodiesel recycling, new oil supply and cleaning services for commercial kitchens in North America and Europe.

The value we create for our stakeholders

Franchise partners
We support our franchise partners to grow their businesses so that "as they grow, we grow". We have 582 franchise partners across seven market-leading brands.

Employees
We want to provide a great place for our c.600 people to work, develop their talents and careers, feel purposeful and positively impact wellbeing.

Customers
We aim to provide a first-class service on the c1.5m jobs a year, based on our speed of response, national coverage, one-stop solutions, technology-enabled customer service and quality of work.

Shareholders
We have a good long-term track record of delivering growth in earnings, and the cash generative nature of our business supports a progressive dividend policy.

Suppliers
We build long-term relationships with our suppliers so they have the opportunity to supply us with the highest possible quality of products, equipment and services.

Business Model continued

How We Make Money

This table sets out the reconciliation of System sales to Adjusted EBITDA, our two principal KPIs.

Reconciliation of System sales to Adjusted EBITDA, 2025

	System sales £m	Statutory Revenue £m	Gross profit £m	Gross profit as % System sales %	Admin expenses £m	Adjusted EBITDA £m	Adjusted EBITDA* %
Total franchise sales The underlying sales of our franchisees.	**387.6**	**67.8**	**56.5**	**14.6%**	**(22.2)**	**34.3**	**86%**
Direct Labour Organisation ("DLO") sales The sales relating to our DLO operations.	**47.4**	**47.3**	**17.2**	**36.3%**	**(13.8)**	**3.4**	**9%**
Other Includes product sales and other services for franchise partners including marketing, IT, resales.	**–**	**27.1**	**11.0**	**–**	**(9.1)**	**1.9**	**5%**
Group overheads These primarily relate to salaries and professional service fees of the plc.	**–**	**–**	**–**	**–**	**(4.4)**	**(4.4)**	**–**
Total	**435.0**	**142.2**	**84.7**	**19.5%**	**(49.5)**	**35.2**	**100%**

* Before group overheads.

For further information, see our KPI'S on pages 21 and 22.

Strategy

Business-Building Strategy

Our business-building strategy has five levers of growth that are driving the implementation of *One* Franchise Brands with a focus on enhancing sales, spending smartly and collecting cash.

Expanding and developing our range of services

Widening and deepening our range of services enables us to increase penetration and spend per customer. We have modest shares of large, fragmented markets as illustrated by our Maximum Potential Model.

Progress in 2025

In our Water & Waste Services division, we drove the development of tanker and pump sales and expanded into lining and excavation. Pirtek increased Total Hose Management ("THM") in its core markets together with technical sales and related services. Filta International developed FiltaClean and FiltaGold, both royalty-based services.

Priorities for 2026

- Continue to drive expanded range of sales at Metro Rod. Reposition Metro Plumb to grow local and domestic work.
- In Pirtek, drive THM, technical sales, ram and cylinder repairs, oil spill products and environmental services.
- In Filta International, further develop the FiltaClean offering and sell FiltaClean and FiltaGold to existing and new customers.

Developing a Group-wide technology platform

Helps enhance the customer experience, increase sales and drive efficiency and productivity. Opportunities to improve and harmonise processes and work more smartly. Technology and data standardisation creates a platform to deploy AI.

Progress in 2025

We made good progress on the rollout of the Group-wide technology initiatives with the One finance system (NetSuite) and One CRM (HubSpot) now live and in use across the majority of businesses. Good progress was made developing the One works management system (Vision) for Pirtek, which includes additional functionality.

Priorities for 2026

- Leverage One Finance process improvements and efficiencies.
- Complete development of and rollout of One works management system to Pirtek, synchronising with the end of contracts on legacy systems.
- Development of enhancements to One CRM.
- Roll-out One Reporting across the Group.

Strategy continued

Leveraging shared central services across the Group

Leverage the investment in technology and other central services such as sales & marketing and finance to optimise business effectiveness and efficiency.

Progress in 2025

Roll-out of One Finance and One CRM provides platform from which to improve and harmonise processes and work more smartly. Sales development initiatives across Pirtek. Initiated pan-European procurement initiatives. Embedding of AI across Group-wide marketing.

Priorities for 2026

- Leverage Group-wide technology initiatives to develop shared services.
- Leverage opportunities to buy more smartly using the Group's scale.
- Harmonise HR and people management across the Group.

Optimising our service delivery through our franchise network

Our objective is to grow our business with a franchise model, so "as they grow, we grow". The role of DLOs is to accelerate the growth of our franchise businesses and broaden the range of services offered to our customers.

Progress in 2025

Transfer of Filta pump work to Willow Pumps has led to optimisation of service delivery and improved profitability. Filta UK franchise partners delivering FOG servicing and installation previously carried out by direct labour. Expansion of range of services in each principal brand.

Priorities for 2026

- Support franchise partners across each brand to expand their range of services.
- Develop accredited sub-contractor model to further expand specialist services at Filta International.
- Develop initiatives to drive under utilised territories, e.g. van franchises.

Developing our connected businesses

Develop Group-wide sales opportunities through connecting the Group through our newly-launched CRM. This includes cross selling and upselling. Work smartly by sharing best practice, leverage expertise and relationships.

Progress in 2025

First full year of the new Management Board has encouraged the sharing of best practice, e.g. franchise network and sales development, including "Tools to scale", lapsed customers initiative, engineer recruitment and franchise partners' incentives.

Priorities for 2026

- Leverage benefits of Group-wide CRM to develop sales.
- Develop Group-wide communications across Support Centres, DLOs and franchise networks.
- Develop initiatives to reduce engineer labour downtime and improve productivity,

Chairman's Statement

A resilient performance, benefiting from international diversification

Stephen Hemsley
Executive Chairman

Introduction

The Group delivered a resilient performance in 2025, as the benefits of some of our *One* Franchise Brands' initiatives started to be realised, mitigating challenging macroeconomic conditions in certain European sectors. The Group also benefited from the essential nature of the majority of its services and its international diversification across its portfolio of market-leading franchise brands, with Filta International in the US performing strongly. The Group's robust cash generation continues to support the planned deleveraging alongside ongoing investment for growth and shareholder returns.

The integration of the Group to establish a platform of efficient group-wide systems continues to progress well. The *One* Franchise Brands strategic initiative is achieving its objectives of broadening and deepening our customer base, increasing sector diversification, and establishing a more efficient overhead structure. We have made good progress on the rollout of the Group-wide technology initiatives with the finance system and CRM now live and in use across the majority of businesses.

Chairman's Statement continued

The works management system for Pirtek continues to be developed and will be rolled out during 2026 to synchronise with the end of contracts on the legacy systems. The Group's clear strategic focus remains to accelerate the pace of integration, drive operational gearing and deleverage.

Capital allocation

Capital allocation decisions will balance deleveraging, maintaining a progressive dividend policy and investment in the organic expansion of the Group. As debt reduces, we will also consider purchasing our own shares when this covers share option dilution and enhances earnings per share.

As previously stated, the Board does not anticipate making any further significant acquisitions until the outstanding debt is substantially repaid and the integration of the existing group is complete, with the benefits of integration being delivered. As part of our ongoing review of capital allocation and given the considerable medium-term potential of our key B2B franchise networks we are now actively reviewing the strategic fit of businesses that no longer support the growth of the B2B franchise channels and/or are unlikely to deliver shareholder value in an acceptable timeframe. The Board is, therefore, considering the sale of certain businesses and capital generated through such disposals will be applied to accelerate debt repayment.

In the January trading update, the Company announced its intention to launch a new share buy-back programme of up to £10m, subject to obtaining certain consents. This programme will replace the previous £5m programme, announced in October 2024, of which circa £2.6m had been invested. In keeping with our overriding objective of deleveraging, the use of the new facility will continue to be used opportunistically to buy shares into the EBT to cover future option dilution and to purchase shares for treasury or cancellation where this is earnings-enhancing, and it is considered the best use of capital.

Trading venue

In line with the Company's statements in October 2024 and August last year, the Board has continued to assess the most appropriate market for the Company's shares. The Board has valued the feedback received from shareholders and has seen sustained institutional interest in the Company within the AIM market.

Taking these factors into account and balancing the potential benefits of a move against the additional demands and costs associated with a Main Market listing, the Board has concluded that remaining on AIM is currently in the best interests of shareholders. We, therefore, now confirm that we have no current intention to seek a transfer to the Main Market.

Outlook

Global macro conditions remain uncertain, but our business continues to demonstrate strong underlying resilience. Our focus on essential, non-discretionary services – delivered across ten countries and approximately 1.5 million jobs a year – and strong customer retention provides a highly diversified, stable foundation even in a volatile environment.

Early 2026 trading has continued to be varied with a continued strong performance in the US, with Filta International benefitting from a strong Used Cooking Oil ("UCO") price and our shift to royalty-based income. In Europe, volumes continued to be subdued, affected in part by the more severe winter weather in the early part of the year and continued macro-economic uncertainty.

While mindful of the geopolitical backdrop, we believe current System sales expectations continue to be realistic with room for improvement, and the accelerated integration of the Group gives us confidence in our cost control. On this basis, the Board continues to expect a full year performance for the year ending 31 December 2026 within the current range of analyst forecasts.

Initiatives to expand revenues across a more diversified customer base, sell more services to existing customers and enhance the quality of earnings and efficiency across the Group position it well for an improvement in its markets, including anticipated infrastructure investment in Germany and the UK.

Conclusion

In many of my recent Chairman's statements, I have referenced challenging trading conditions, and unfortunately that was also the backdrop to 2025. However, I believe we delivered a creditable performance, and this was entirely due to the determination, flexibility and sheer hard work of our franchise partners and corporate teams. As ever, my heartfelt thanks to them all.

Stephen Hemsley
Executive Chairman

£35.2m

Adjusted EBITDA*

1.6x

Leverage ratio**

* Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, exchange differences, share-based payment expense and non-recurring items.

** Leverage is calculated using Adjusted net debt at 31 December 2025 of £55.6m and Adjusted EBITDA for the financial year ended 31 December 2025 of £35.2m.

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%**

Operational Review continued

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%.

Operational Review continued

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.

Operational Review continued

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).

Operational Review continued

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

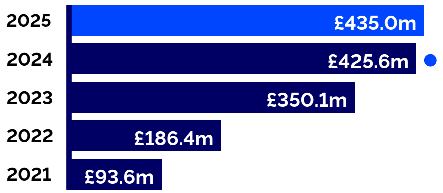
Key Performance Indicators

Tracking Our Progress

The Board reviews Franchise Brand's Key Performance Indicators ("KPIs") to track performance against the Group's six main priorities. The Board tracks six main financial KPIs which are set out on pages 21 and 22. The Group's Management Board reviews non-financial KPIs which vary for each division.

System sales
(£m)

£435.0m

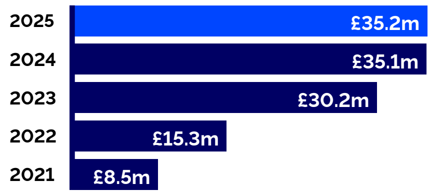


Definition
System sales are the underlying sales of our franchise partners and the statutory revenue of our DLO operations. It is considered a good indicator of Group performance as it allows total sales to end customers to be visible on a comparable basis across all the Group's businesses.

Progress in 2025
System sales increased by 2% in 2025. Underlying demand for the Group's essential reactive and planned services was resilient despite challenging macroeconomic conditions. The Group benefited from international diversification,

Adjusted EBITDA
(£m)

£35.2m



Definition
Earnings before interest, tax, depreciation, amortisation, exchange differences, share-based payment expenses and non-recurring items. Adjusted EBITDA is the most important KPI used in managing the financial performance of the business.

Progress in 2025
Adjusted EBITDA increased by 0.4% to £35.2m (2024: £35.1m) primarily as a result of modest growth in System sales being offset by both cost of sales and overhead increases of 3% each.

● Prior Year Adjustment 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.

Key Performance Indicators continued

Adjusted EBITDA to System sales
(%)

8.1%

Definition
Adjusted EBITDA/System sales is the key measure of the Group's operational gearing.

Progress in 2025
Operational gearing reduced slightly from 8.3% in 2024 to 8.1% in 2025 as a result of the relatively fixed nature of the cost base against modest System sales growth and the investment we are making in the business.

Adjusted EPS
(p)

9.00p

Definition
Earnings per share before amortisation of acquired intangibles, share-based payment expense and non-recurring items.

Progress in 2025
Adjusted EPS increased 5% in 2025 as a result of the 25% reduction in interest charge due to debt repayments and reductions in the base rate. We also took proactive steps to reduce the cost of our banking facilities.

Dividend per share
(p)

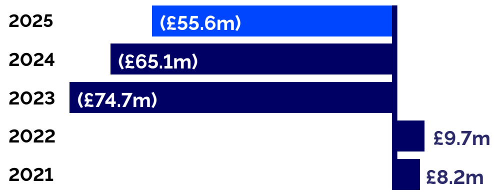
2.50p

Definition
Dividend per share represents the amount of our profit after tax that is paid out to shareholders as an interim and final dividend divided by the weighted average number of shares in issue.

Progress in 2025
Dividend per share increased 4% in 2025, a similar rate to the growth in earnings. The Company has had a progressive dividend policy since IPO.

Adjusted net debt
(£m)

(£55.6m)



Definition
Adjusted net debt represents total borrowings less cash and cash equivalents, excluding debt on right-of-use assets. It is the metric used in calculating compliance with our banking covenants.

Progress in 2025
We made good progress reducing Adjusted net debt driven by repaying bank loans of £15.5m which resulted in Adjusted net debt reducing to £55.6m at 31 December 2025 representing leverage of 1.6x.

Working Responsibly

Our guiding principles

We have five guiding principles that inform the way we work with each other, support our franchise partners, and serve our customers and communities.

Click to see how our growth is powered by the ambition, talent, and dedication of our franchisees and employees.

We demand integrity

We are professional in everything we do and treat people with respect.

We empower people

We empower our people and expect them to take ownership of a situation and to be accountable for their actions and the results they generate.

We are fair

We consider that fairness and transparency are essential to creating high-trust working relationships with each other, and with our franchise partners, suppliers, and customers.

We challenge ourselves

We set high standards, are demanding of ourselves, prepared to challenge the norm and have a relentless focus on continuous improvement.

We work as a team

We place a huge amount of importance on teamwork between our colleagues and our franchise partners to create a dynamic business.

Working responsibly continued

Sustainability Policy

1. Purpose
Across all our businesses, we are committed to delivering excellent and efficient services to our customers Our dedicated franchise partners and teams deliver approximately 1.5m jobs a year, having a positive impact on customers and the communities across the ten markets in which we operate.

Sustainability is at the heart of our business and our Sustainability Policy sets out the Group's commitment to operating responsibly, reducing the environmental and social impacts associated with our activities, offering employment and development opportunities, positively impacting the communities in which we operate and creating long-term value for our stakeholders.

Our approach is designed to support our franchise networks, direct operations, employees, customers and supply chain partners, while ensuring the long-term resilience and competitiveness of our business.

2. Scope

This Policy applies to:
- All Group companies.
- All directly employed staff.
- All franchise partners operating under the Group's brands.
- Contractors and suppliers working on our behalf.

Franchise partners are required to adopt and implement this Policy (or a local equivalent standard approved by the Group).

3. Sustainability framework
This is structured around four strategic pillars and one enabling pillar:

1. Safe, skilled and empowered people – Supporting health, safety, wellbeing, skills and development opportunities.
2. Responsible and resilient operations – Minimising environmental impact, improving efficiency and optimising service delivery.
3. Helping customers enhance value – Reduce downtime and waste, improve efficiency and value through timely, effective service.
4. Positive community impact – creating local employment, making a social and charitable contribution.
5. Robust governance & transparent reporting – Maintaining strong governance and accountability.

4. Our Commitments

People
We will:
- Maintain a safety-first culture and continuously improve incident prevention.
- Provide access to training and skills development pathways.
- Promote diversity, inclusion, equal opportunity and non-discrimination.
- Monitor working conditions and labour standards across the value chain.

Environment
We will:
- Measure, manage and seek to reduce greenhouse gas emissions.
- Improve route efficiency and adopt lower-emission vehicles where viable.
- Reduce waste and increase reuse and recycling.
- Ensure safe handling and disposal of chemicals, fluids and hazardous materials.

Customers
We will:
- Support customers in reducing downtime, resource loss and waste.
- Develop preventive maintenance and efficiency improvement programmes.
- Communicate sustainability benefits of our services clearly and credibly.

Governance & transparency
We will:
- Maintain Board oversight of sustainability strategy and performance.
- Set measurable targets and monitor progress.
- Ensure compliance with relevant legislation and industry standards.
- Publish transparent sustainability reporting.

5. Roles and responsibilities
- The Board provides oversight and approves sustainability strategy and targets.
- The Executive Team integrates sustainability into business planning and operations.
- Operational and Franchise Leaders implement the Policy locally.
- All employees and franchise partners are responsible for applying this Policy day-to-day.

6. Continuous improvement
In keeping with our philosophy of continuous learning and development, we are always looking for opportunities to improve our approach on our sustainability journey. This Policy will be reviewed annually to reflect changes in regulation, customer expectations, operational needs, and industry best practice.

Working responsibly continued

Sustainability framework

PILLAR 1: PEOPLE

Safe, skilled & empowered

We are committed to ensuring the health, safety and wellbeing of all individuals working for or on behalf of the Group. We support continuous skills development and a culture of respect, fairness and inclusion.

Focus areas:

- Zero harm safety programme (incl. leading indicators, not only RIDDOR outcomes)
- Standardised technician training & certification pathways (consistent across networks)
- Franchise partner and supplier labour standards (e.g., working hours, right-to-work)
- Diversity, inclusion and equal opportunity frameworks
- Wellbeing: fatigue management, mental health support for field teams

PILLAR 2: OPERATIONS

Responsible & resilient

We seek to minimise the environmental impact of our fleet, facilities and operational activities, reduce waste and resource use, and adopt practices that support long-term operational resilience.

Focus areas:

- Fleet: transition to low-emission vehicles where operationally practical
- Routing optimisation / telematics to reduce fuel use
- Efficient product usage (e.g., hoses, fittings, spares) to reduce waste
- Waste handling and recycling arrangements across franchise and direct sites
- Decarbonisation pathway and environmental management standardisation (e.g., ISO 14001 rollout where possible)

PILLAR 3: CUSTOMERS

Reducing downtime & waste

Our services help customers maintain safe and efficient operations. We aim to further enhance the value our services provide in preventing waste, improving resource efficiency and supporting customers' sustainability goals.

Focus areas:

- Quantify avoided waste (e.g., fluid loss prevented)
- Demonstrate how fast response reduces business downtime (energy waste & inefficiency)
- Offer preventive maintenance programmes
- Develop customer sustainability case studies to support bid processes

PILLAR 4: COMMUNITIES

Having a positive impact

We are committed to making a positive contribution to the communities we work in through the employment we create and services we provide. Both we and our franchise partners participate in a wide range of local community engagement and support activities.

Focus areas:

- Create meaningful local employment
- Strengthen local community partnerships and charitable contributions
- Paid volunteer days
- Operate as a trusted service provider

Enabling pillar: good governance & transparent reporting

We maintain robust governance, policies and performance data to support compliance, ethical conduct, and transparent reporting to stakeholders.

Focus areas:

- Minimum franchise sustainability standards
- Central policy suite: sustainabiility, modern slavery, whistleblowing, responsible tax, anti-bribery, supplier code of conduct
- Single ESG reporting data model (usable across countries and networks)
- Supplier ESG screening
- Alignment with appropriate reporting standards: TCFD, SECR, UK Sustainable Reporting Standards (when finalised)

Working responsibly continued

UN Sustainable Development Goals

At Franchise Brands, our commitment to working responsibly is aligned with the United Nations Sustainable Development Goals ("SDGs"). These goals provide a globally recognised framework for assessing the environmental, social, and economic factors that increasingly influence long-term business performance.

The Group uses the SDG framework as a strategic reference tool. It helps align sustainability initiatives with stakeholder expectations, and provides a consistent structure for communicating our approach to responsible and sustainable growth.

Our focus is particularly on SDG 3 (Good health and wellbeing), SDG 5 (Gender equality), SGD 8 (Decent work and economic growth), and SDG 11 (Sustainable cities and communities). These align with our core business and where we believe we can make an impact.

UN goal:	How we principally contribute:
3 GOOD HEALTH AND WELL-BEING **Good health and wellbeing**	– Employee assistance programme for all staff. – Mental health first aiders training. – Access to a range of health, wellbeing and lifestyle discounts. – Highly developed health and safety processes and training.
5 GENDER EQUALITY **Gender equality**	– High proportion of females in our Support Centres: 56% in Metro Rod and over 60% in B2C. – Leadership development opportunities for female managers. – More females in management positions.
8 DECENT WORK AND ECONOMIC GROWTH **Decent work and economic growth**	– Development opportunities, rewards and recognition. – Share option scheme which covers 240people. – Create local employment in the community, fostering a culture of "giving back".
11 SUSTAINABLE CITIES AND COMMUNITIES **Sustainable cities and communities**	– High standards of quality and sustainability. – Manage and commitment to reduce environmental impact. – Accreditations and certifications.

Working responsibly continued

Social

A great working environment
Our people are at the heart of our business and our most valuable resource. They play a key role in supporting our franchisees and helping them to grow their businesses. We support our people in a number of ways, are always receptive to ideas and feedback and encourage them to get involved.

Gender pay gap
We reward our people fairly. This includes upholding equal pay. As part of our commitment to be an Employer of Choice we report on our gender pay gap. We are pleased to report our gender pay gap reduced to 12% (2024: 18%) and we are proud of the increasing number of women we have in management roles.

Share ownership
Our strong ownership culture is one of the keys to our success and 240 people in the Group, or 40% of employees, have share options.

12.4%
Gender pay gap

606
number of people in the Group

Breakdown of our Group-wide employees

	Support Centres	DLO and Corporate Operations	Total	Male (%)	Female (%)
PIRTEK					
UK & Ireland	56	11	67	61%	39%
Germany & Austria	44	3	47	83%	17%
Belgium & Netherlands	16	33	49	12%	87%
France	–	74	74	92%	8%
Sweden	–	24	24	83%	8%
Total	**116**	**145**	**261**	**81%**	**19%**
WATER & WASTE SERVICES					
Metro Rod & Metro Plumb	109	–	109	44%	56%
Filta UK	12	22	34	59%	41%
Kemac	–	37	37	84%	16%
Willow Pumps	–	83	83	73%	27%
Total	**121**	**142**	**263**	**61%**	**39%**
FILTA INTERNATIONAL					
FILTA INTERNATIONAL	29	–	29	72%	28%
Total	**29**	**–**	**29**	**72%**	**28%**
GROUP					
B2C	13	–	13	40%	60%
AZURA	23	–	23	87%	13%
FRANCHISE BRANDS PLC	17	–	17	58%	42%
Total	**53**	**–**	**53**	**66%**	**34%**
Franchise Support Centres			265	57%	43%
DLOs and corporate operations			309	80%	20%
Azura			23	87%	13%
Franchise Brands plc			17	58%	42%
Total	**319**	**287**	**606**	**71%**	**29%**

* Full-time equivalent members of staff as at 31 December 2025.

Working responsibly continued

Some of the ways we create a great working environment

"Our collective success is rooted in the diverse strengths of our people, across all of our brands. Together, we create greater value."

Julian Mason, Group Head of HR

"We are committed to drive engagement across our workforce by investing in people's career progression, embracing AI and creating a supportive wellbeing culture."

Rupi Gill-Sodhi, Pirtek HR Manager

Keeping everyone informed and updated

- Implementing new and progressive HR communications strategy.
- Informal drop-in sessions and coffee mornings with management.
- All staff weekly calls, monthly briefings, staff lunches including with guest speakers.
- Using AI to deliver innovative group-wide communications.

Health and wellbeing

- Employee assistance programme access to counselling and occupational health and commitment to mental health first aiders.
- Health cash plans offering a wide range of benefits including access to virtual GP.
- Access to on-site gym facilities and a range of health, wellbing and lifestyle discounts.

Making things easier

- A range of flexible working options and family friendly support which goes beyond legal compliance.
- Retail benefits and discounts to help with the cost of living.
- Free on-site EV car chargers. Training centre vans and pool cars available.
- In house recruitment – making applications easier.

Reward & Recognition

- Group wide share options.
- Incentives for sales referrals and cross selling.
- Long service awards. Employee of the month initiatives.
- Salary sacrifice schemes.
- Journey to paying the Real Living Wage across all businesses.

Making a difference

- Fostering a culture of "giving back", from group charity events to paid volunteer days. Recognised as a brand that is an integral part of the fabric of or communities.
- Employee suggestions boxes.
- Partnering with a large range of charities Group-wide.

Personal and career development

- Innovative UK-based HR-information system.
- e-learning tools and training libraries.
- Leadership development, mentoring and coaching.
- Ladies networking and development activities.
- Cyber security training programme that helps handle and mitigate the challenges of cyber threats.

Working responsibly continued

Non-Financial and Sustainability Information Statement

Scope of this Statement

Franchise Brands plc is a UK-incorporated company with shares admitted to trading on the AIM market and had more than 500 employees during the year ended 31 December 2025. As such, we are required to report under the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 (the Regulations).

The disclosures we are required to make by the Regulations are set out in this section of the Strategic Report and relate to the Company and all of its subsidiaries, including those incorporated outside the UK.

Together with this section of the Strategic Report, the disclosures in the remainder of the 'Working Responsibly' section on pages 23 to 44 provide the disclosures required to be included in this Non-Financial and Sustainability Information Statement.

Climate change – overview

Following a period of very rapid growth, from our 2023 financial year onwards, we are reporting in line with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 (the Regulations). However, we see this as much more than a compliance and disclosure exercise.

We have now set up the necessary governance to ensure that we can embed and track climate action across our business model. We have identified potential climate change-related risks and opportunities for our business and have assessed them from an impact perspective. We expect that these will evolve over the longer-term as those effects become more pronounced. We are already taking steps aimed at mitigating those risks and positioning the business to take advantage of the opportunities. We are improving our emissions data collection and are aiming to develop a credible and commercially viable decarbonisation pathway for the Group with associated metrics in place over the next two years.

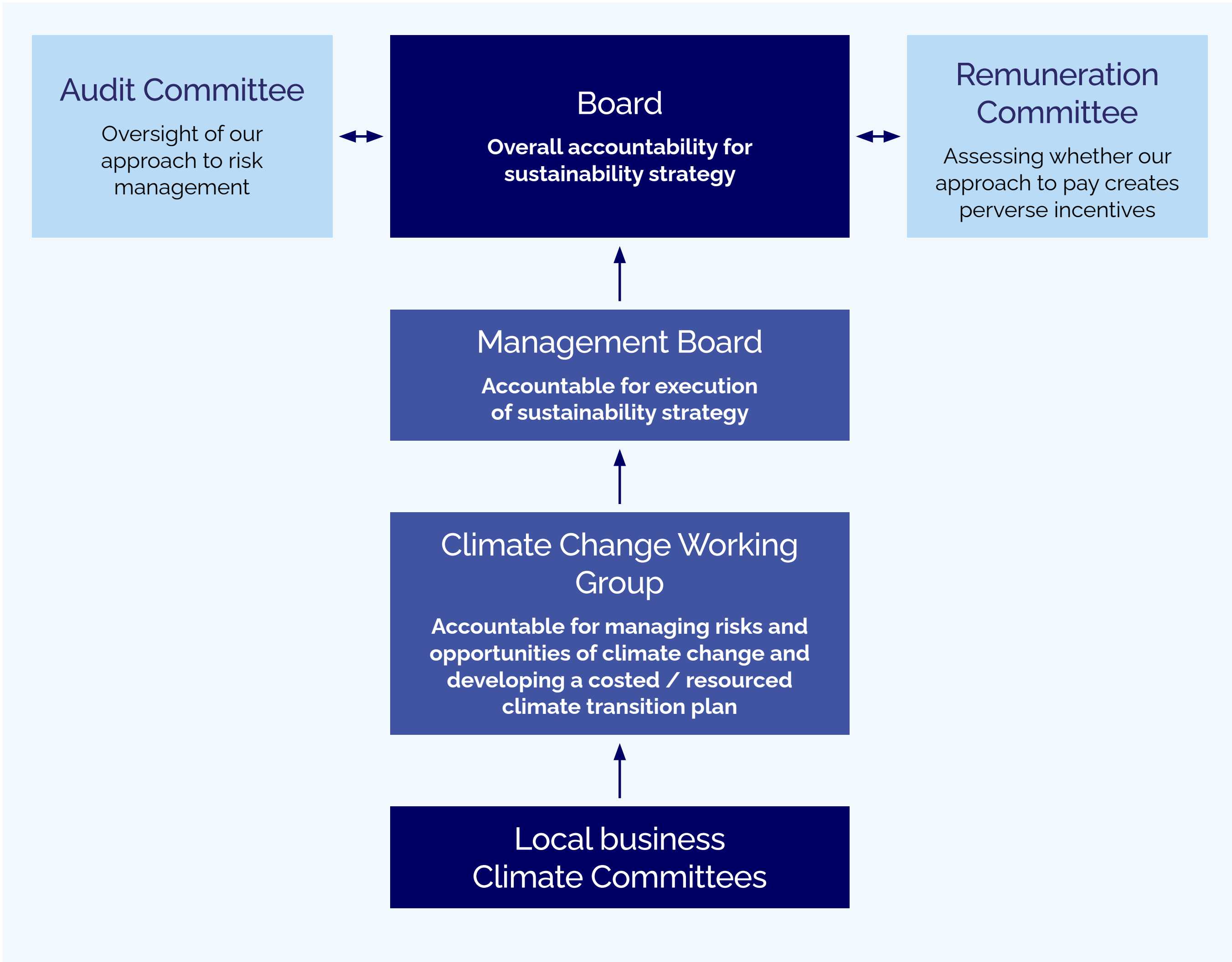
The table opposite sets out the current status of Franchise Brands' climate-related reporting with the eight disclosures required by the Regulations.

Required disclosure	Comment	See page
(a) Describe the Company's governance arrangements in relation to assessing and managing climate-related risks and opportunities.	We have met this requirement.	32
(b) Describe how the Company identifies, assesses and manages climate-related risks and opportunities.	We have met this requirement.	33
(c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the Company's overall risk management process.	We have met this requirement.	33
(d) Describe the principal climate-related risks and opportunities arising in connection with the Company's operations, and the time periods by reference to which those risks and opportunities are assessed.	We have met this requirement.	34
(e) Describe the actual and potential impacts of the principal climate-related risks and opportunities on the Company's business model and strategy.	We have met this requirement.	34
(f) Provide an analysis of the resilience of the Company's business model and strategy, taking into consideration different climate-related scenarios.	We have met this requirement.	35
(g) Disclose the targets used by the Company to manage climate-related risks and to realise climate-related opportunities and of performance against those targets.	We had no targets set in the reporting year. Scope of work for 2026 includes developing appropriate climate-related targets.	35
(h) Describe the key performance indicators used to assess progress against the targets used to manage climate-related risks and realise climate-related opportunities.	We have KPIs in place and continue to develop appropriate KPIs to help us monitor and measure our performance.	36

Working responsibly continued

Governance

Climate change and the requirements of the Regulations have been considered by both the Board and the Management Board. Importantly, we treat climate change as an integral part of the strategy, risks and operations of the Group.
A Climate Change Working Group ('Working Group') was created by the Board to consider the potential risks and opportunities for each of the Group's businesses. This is led by the Company Secretary, Rob Bellhouse, and comprises senior managers drawn from each of the Group's businesses. The composition of the Working Group was widened in 2025 to ensure that each of our major subsidiaries is represented. We are supported by external consultants who provide technical insights and know-how and support us on our climate change journey.



Working responsibly continued

Strategic approach

The Working Group leads and oversees our reviews of our climate-related risks and opportunities. We currently consider these under three different scenarios:

- **Delayed transition** (warming limited to 1.5-2.0˚C by 2100, the Inter-governmental Panel on Climate Change (IPCC) Representative Concentration Pathway (RCP) 2.6) – this is the scenario that would result if the international climate change response is delayed, requiring a very aggressive policy response starting in 2030.
- **Current policies** (3.1˚C by 2100, IPCC RCP 4.5) – this is the scenario that will result if climate change continues on its current path, with no new material policy responses implemented.
- **No climate policies** (Close to 5.0˚C by 2100, IPCC RCP 8.5) – this is the scenario that could result if major economic blocs reverse some or all of the measures that have been taken to date, and further exploit fossil fuels. It is sometimes referred to as a worst-case scenario.

These scenarios were chosen for our assessment of climate-related risks and opportunities as they represent the upside, central (current) and downside cases, respectively, for the possible trajectory of climate change.

The Working Group considered the risks and opportunities resulting from climate change under each of these three scenarios over three time periods:

- **Short-term** (2026-2028) – the period to the end of the Group's current strategic planning horizon.
- **Medium-term** (2029-2035) – this is highly relevant as 2035 is the date by which European vehicle manufacturers are currently expected to stop manufacturing vehicles with internal combustion engines. This is a key time horizon for us, as the delivery of van-based services forms the vast majority of the Group's business.
- **Longer-term** (2035-2050+) – the period when sustained physical risks from climate change are expected to become more acute.

Risk management

Risks and opportunities, both physical and transition, are a key element of the Working Group's discussions. Following a 'top-down' high level review undertaken by the Management Board members in late 2023, the Working Group has now completed two formal reviews of our climate-related risks and opportunities. Importantly, the most recent exercise involved the management teams of each of our main businesses to ensure that we captured a wider range of perspectives. This did not identify any new risks but did provide a deeper understanding of those risks.

More importantly, the businesses highlighted a number of potential opportunities over a range of time horizons.

In late 2024 we reviewed potential physical risks to the Group's operational sites linked to the impact of climate change. This identified that, of our current locations, only Filta's US site in Orlando is potentially at risk in the short to medium term. A mitigating action has already been put in place. Please see page 39 for more information. We have identified potential business opportunities arising from the physical risks associated with climate change. While these might offer an incremental benefit to certain of our businesses, the overall effect is not expected to be material for the Group.

The Working Group has also assessed climate change-related transitional risks and opportunities. The key issue we have identified is a risk arising from the transition from internal combustion engines (ICE) to electric vehicles (EVs). Following trials, we are concerned that the EVs currently available are not viable in our business for the reasons explained in the risk register on pages 37-39. The constraint on the future production of ICE vehicles is solely policy driven. As a result, either a technological breakthrough is required, or governments may need to relax their positions if the technological constraints cannot be overcome. While the UK currently retains 2035 as the deadline after which no ICE vans can be sold as new, the EU has already relaxed its position somewhat, replacing the hard deadline with a longer-term emissions reduction target. Despite this, there is a near-term risk in the Netherlands, where some municipalities will remove the current exemption which allows Euro 6/VI ICE vehicles to travel into their cities on 31 December 2027 (though this is intended to be deferred for a further 12 months). Our preparations, with the intention of being able to meet that deadline, are underway. We continue to trial different manufacturers' electric vans to establish their viability in our business. In the short term, some franchises are trialling solar panels on their vehicle roofs to power the equipment used. This avoids engine idling, so improves energy efficiency and reduces emissions.

The main climate-related risks and opportunities that the Working Group has identified are discussed in the table on pages 37-39. These have been discussed with the Board. On the basis that the assumptions listed in that table are borne out in practice, the Working Group's conclusion, based on our current understanding, is that we do not expect that any of the risks or opportunities, whether physical or transition, will be financially material to the Group under the scenarios and time horizons considered.

Working responsibly continued

Our commitment to addressing climate change

In 2025 the Board approved an initial goal of achieving Net Zero emissions across Scope 1 and Scope 2 (which we refer to as 'in our own operations') by 2045.

To set a wider Net Zero goal, including our Scope 3 emissions, will require buy-in from our franchisees, both present and future, since the majority of carbon emissions associated with our business activities arise from their vehicle fleets. We are already starting to improve our collection of data on Scope 3 emissions, which is detailed in the SECR information on page 40. While this is a material step forward, there is more that can and will be done during 2026.

The Working Group has agreed to use CO_2-equivalent emissions per job undertaken as our principal intensity metric, which will include Scope 3 data relating to the vehicles we and our franchise partners use. We need to establish our confidence in the data for 2025, but assuming this is sufficiently robust, 2025 will become our base year. Tracking the reduction in this metric relative to 2025 will therefore become our key performance indicator in subsequent years. We have a number of opportunities to reduce the carbon intensity of our business which we are pursuing.

As we start to get better visibility of our Scope 3 emissions as a Group, we are committed to setting incremental reduction targets and Net Zero targets which are both credible and commercially viable.

The table below sets out the current status of our climate change programme in relation to each of the requirements of the Regulations:

Required disclosure	How do we address this?	Actions taken in 2025	Actions to be taken in 2026 and beyond
Governance			
(a) A description of the Company's governance arrangements in relation to assessing and managing climate-related risks and opportunities	The Board is ultimately accountable for, and oversees, the Group's response to climate change. The Board has delegated a Climate Change Working Group, led by the Company Secretary, to provide the initial identification and assessment of climate-related risks and opportunities and, subsequently, to support local subsidiary management teams in managing those risks and opportunities. As we treat managing climate-related risks and opportunities as part of the normal process of running the business, oversight of these rests with the Management Board.	The Working Group was strengthened by adding members from two of our European businesses, one of which faces a near-term transition risk. The most recent review of climate-related risks and opportunities was led by the Working Group members and involved the management teams of each of our material subsidiary companies. The Company Secretary reported on the progress made by the Working Group to the Board in January 2025 and presented the main climate-related risks and uncertainties to the Board in October 2025, as part of a wider review of key environmental and social risks.	We believe that the current governance arrangements and approach remain appropriate and proportionate, given the climate-related risks and opportunities we have identified. We therefore expect to maintain our current approach for the foreseeable future. The Working Group has scheduled quarterly meetings throughout 2026 to create greater momentum in our response to climate change. The Board and Management Board will be provided with an update on all material matters discussed. Should any risks or opportunities be identified that require additional focus, we will adapt our governance arrangements accordingly.

Working responsibly continued

Required disclosure	How do we address this?	Actions taken in 2025	Actions to be taken in 2026 and beyond
Risks and opportunities			
(b) A description of how the Company identifies, assesses, and manages climate-related risks and opportunities	**Identification and assessment** This has been undertaken on a 'top-down' basis by the Management Board, supplemented by two 'bottom-up' reviews overseen by the members of the Working Group. The most recent of these also involved the management teams of each of our material subsidiary companies. **Management of risks and opportunities** Our local management teams have primary responsibility for managing risks within their businesses, which includes our response to the risks and opportunities associated with climate change. Importantly, local management includes many members of the Management Board, who are also business leaders. Please see page 51 for a description of how the Group manages risk.	The Working Group led an in-depth review of the climate-related risks and opportunities on a business-by-business basis. This considered a number of climate change scenarios and time horizons. The most recent review of climate-related risks and opportunities was led by the Working Group members and the management teams of each of our material subsidiary companies. The outcome of the most recent review of climate-related risks and opportunities will be reported to the Management Board and Board.	The Working Group will continue to develop our understanding of climate-related risks and opportunities by conducting further review exercises. We will also encourage local management teams to do the same, which should help to strengthen local accountability for managing these risks and opportunities.
(c) A description of how processes for identifying, assessing and managing climate-related risks and opportunities are integrated into the Company's overall risk management process	We have a policy framework in place for the timely identification, assessment and management of risk, which enables all categories of risk to be rated and compared directly. The process for the identification, assessment and management of climate-related risks and opportunities is therefore fully integrated within the Group's risk management framework. For further details of our approach to risk management, see page 51.	The Working Group used the Group's risk management framework to undertake a review of climate-related risks and opportunities. This did not identify any shortcomings in the process for the identification or assessment of risk, including climate-related risk.	We will continue to use the Group's risk management framework to undertake reviews of climate-related risks and opportunities. We will ask local subsidiary management teams to undertake reviews of these risks and opportunities as part of their normal reviews of business risk, to supplement and support the reviews by the Working Group.

Working responsibly continued

Required disclosure	How do we address this?	Actions taken in 2025	Actions to be taken in 2026 and beyond
Risks and opportunities			
(d) A description of (i) the principal climate-related risks and opportunities arising in connection with the Company's operations and (ii) the time periods by reference to which those risks and opportunities are assessed	We do not currently judge any of the identified risks and opportunities to be material to the Group, in terms of either the potential financial or environmental impacts. The identified climate-related risks and opportunities that we believe could become material to the Group are set out in the table on pages 37-39. The introduction to this Statement explains our definitions of the short, medium and long term and why we have chosen these time periods.	The Working Group led an in-depth review of the climate-related risks and opportunities on a business-by-business basis. This considered a number of climate change scenarios and time horizons. The most recent review confirmed our initial view that none of the climate-related risks and opportunities we have identified was, or was likely to be, material to the Group. The main risk that has the potential to become material relates to the transition from vehicles powered by internal combustion engines to electric motors, as explained in the introduction to this Statement.	The Working Group will continue to evolve and improve its understanding of the climate-related risks and opportunities for the Group. Specifically, we will continue to monitor the legal and regulatory environment around the transition from vehicles powered by internal combustion engines to electric motors, and the evolution in the capabilities of EVs.
Business model and strategy			
(e) A description of the actual and potential impacts of the principal climate-related risks and opportunities on the Company's business model and strategy	Our assessment of climate-related risks and opportunities has not identified any that have, or that we currently expect will have, a material impact on the business model or strategy of the Company or Group. The identified climate-related risks and opportunities that we believe could become material to the Group, and their potential impacts, are set out in the table on pages 37-39.	The Working Group has considered the impacts on the business model and strategy of the Company or Group, as explained in the introduction to this report. The work undertaken in the year confirms our initial view that the identified climate-related risks and opportunities are unlikely to have a material impact on the Group's business model and strategy.	Based on our evolving and improving understanding of climate-related risks and opportunities, we will continue to review whether these have, or could have, an impact on the Group's business model and strategy

Working responsibly continued

Required disclosure	How do we address this?	Actions taken in 2025	Actions to be taken in 2026 and beyond
Business model and strategy			
(f) An analysis of the resilience of the Company's business model and strategy, taking into consideration different climate-related scenarios	Our scenario analysis conducted in early 2026 indicates that our business model and strategy are resilient. Our businesses are diverse, both geographically and by business sector. Having considered the climate-related risks and opportunities in a range of scenarios over various time horizons, we do not currently believe that any of these will be material to the Group. Based on our current understanding, we believe that the Company's business model and strategy will continue to be resilient.	The Working Group has assessed climate-related risks and opportunities under various scenarios and time horizons, as explained in the introduction to this report. The risk identification and assessment work undertaken to date confirms our initial view that the Company's business model and strategy are likely to be resilient in each of the scenarios considered.	We will continue to refine our understanding of our climate-related risks and opportunities. A focus for this work will be whether these have, or could have, a material impact on the resilience of the Company's business model and strategy.
Targets, metrics and KPIs			
(g) A description of the targets used by the Company to manage climate-related risks and to realise climate-related opportunities and of performance against those targets	We are currently using our Scope 1, 2 and 3 emissions data as the key metric in this area. We intend to set a target restricting the growth in our GHG emissions in our own operations (excluding future acquisitions) to a rate lower than that of the growth of the business (the latter most probably measured in terms of system sales). In January 2025 the Board approved a goal of achieving Net Zero emissions across Scopes 1 & 2 by 2045. We are currently refining the route to achieving Net Zero, which will include identifying and setting milestones for that journey. It is likely that the GHG intensity metrics and the milestones for our journey to Net Zero will form part of our revised targets.	In January 2025 the Board set a long-term goal of achieving Net Zero emissions across Scopes 1 & 2 by 2045. In October 2025 the Board agreed which environmental and social risks it regarded as 'key' to the Group. This included one climate-related risk, being the transition risk relating to the move from internal combustion engines to electric vehicles.	The Working Group intends to use CO_2-equivalent emissions per job undertaken as our principal intensity metric.. (which will include Scope 3 data relating to the vehicles we and/or our franchisees use) and track this relative to a baseline year, most likely 2025. Given that we are at an early stage of our carbon-reduction journey and are still improving our Scope 3 data collection mechanisms, it has not possible to set any targets at this stage. However, this task is a near-term priority

Working responsibly continued

Required disclosure	How do we address this?	Actions taken in 2025	Actions to be taken in 2026 and beyond
Targets, metrics and KPIs			
(h) A description of the key performance indicators used to assess progress against targets used to manage climate-related risks and realise climate-related opportunities, and of the calculations on which those KPIs are based	The Group measures and reports on a wide range of energy consumption and associated GHG emissions, in line with the Greenhouse Gas Protocol, as required by the Streamlined Energy and Carbon Reporting Regulations (SECR). This report is on pages 40-44. We have been measuring and reporting Scope 1 and 2 emissions and estimating and reporting our Scope 3 emissions for a number of years. We expect this will continue to be the bedrock of our reporting. As noted opposite, we have agreed an intensity metric which we intend to use as a KPI, to enable the energy intensity of our business to be tracked year-on-year, so we can monitor progress against the targets that we intend to set.	We started to improve the breadth and quality of data used in estimating the Scope 3 emissions relating to the vehicles used in our seven franchise networks by the almost 600 franchise partners through whom our services are delivered. This data has been included in the SECR report on pages 40-44.	The key task in the short-term is to further refine our measurement of the Scope 3 emissions relating to our franchise partners' operations. As noted under (g) above, we intend to use CO_2-equivalent emissions per job undertaken as our principal intensity metric. This will be calculated by dividing total CO_2 emissions (including an assessment of Scope 3 data relating to the vehicles we and our franchise partners use) by the number of jobs completed in the year, tracked relative to a baseline year, most likely 2025. This will provide us with a means of ensuring that we use carbon responsibly as we pursue our goals of growing the Group's business.

Working responsibly continued

Materiality and Resilience

Following a 'top-down' high level review undertaken by the Management Board members in late 2023, the Working Group has now completed two formal reviews of our climate-related risks and opportunities. Importantly, the most recent exercise involved the management teams of each our main businesses in this process to ensure that we captured a wider range of perspectives. The time horizons and climate change scenarios we considered, and the reasons for choosing these, are explained on page 31.

Based on our current understanding, none of the risks or opportunities we have identified are believed to be material to the Group at this time, under any realistic scenario. For the purposes of our risk management framework, in financial terms we regard "materiality" as being 1% of Group Adjusted EBITDA, so approximately £350,000.

The risks and opportunities identified that could have the potential to become material to the Group are as follows:

Risk description	Likely impact and effect	Time horizon	Climate change scenario(s)	Assumptions	Possible mitigations
Risk					
No new vehicles powered by internal combustion engines (ICE) are permitted to be sold in the UK after 2035, and the availability of ICE vehicles in the EU will be severely curtailed from that date (transition risk)	Our business is largely the provision of essential, mainly reactive, van-based services. Our initial trials of electric vehicles (EVs) suggest that: • EVs cannot carry the loads typically found in our, or our franchisees', vans over a range that makes them a practicable alternative to ICE. • EV tankers (used in Metro Rod and Willow Pumps) cannot run for the length of time needed, or support the range required. • EV charging times are not compatible with the response times which form a key part of our customer service proposition, especially in Pirtek Europe. For these reasons, our interim conclusion is that the electric vehicles (EVs) currently available do not provide a viable alternative to ICE vehicles.	M/L	Current policies Delayed transition	The constraint on the future availability of ICE vehicles is solely policy driven. Either a technological breakthrough is required for EVs to be a viable alternative, or governments will need to relax their positions if the operational constraints cannot be overcome.	We are working with motor industry contacts to gain insights from vehicle manufacturers and other industry sources into the likely future development of EV vans and commercial vehicles and share in their understanding of the evolution and development of government policy. We and our franchise partners will remain reliant on ICE vehicles for the foreseeable future. We have considered alternative fuels that could reduce the carbon footprint of our current fleet such as hydrotreated vegetable oil fuel or hydrogen. However, these do not appear to be operationally or economically viable alternatives at this time.

Working responsibly continued

Risk description	Likely impact and effect	Time horizon	Climate change scenario(s)	Assumptions	Possible mitigations
Risk					
Bans on any ICE vehicles entering Zero Emission Zones (ZEZ) in certain town centres, with some Dutch cities implementing this from 1 January 2028 or 2029 (transition risk)	Where our customers are located in a ZEZ, or the van would need to cross this, we will not be able to use any ICE vehicle from 2028, although this may be extended by one year. While EV range is not a material issue in a geographically compact country such as the Netherlands, our initial trials of a small EV highlighted that this could not carry the full range of tools and hoses/fittings. As a result, our 'first time fix' percentage declined and the customer suffered extended downtime.	S	Current policies Delayed transition	The cities involved will not relax their policy change. We will be able to identify a viable EV to service work in the ZEZs.	We will continue trials, to seek to identify a larger EV capable of carrying the full payload of tools, hoses and fittings. We and/or our franchise partners will need to install EV charging points at every depot to ensure that the EVs needed to access relevant city centres can be kept fully charged.
Introduction or extension of carbon pricing, which could arise primarily in the form of increased fuel costs or road pricing, including the extension of Low Emission Zones (transition risk)	Due to the franchised nature of the vast majority of the Group's businesses, we do not judge that the increase in operating costs will prove to be material to the Company, although it could affect our franchisees' returns and ultimately our business model and strategy.	M/L	Current policies Delayed transition	While national and local governments may seek to increase the costs of using ICE vehicles, there will be a natural ceiling for those costs to avoid causing harm to their economies.	We are already implementing operations management software which includes 'plan my day' functionality designed to minimise driving times and distances. The possible use of EVs and/or alternative fuels could also help mitigate the effect of carbon pricing. We will continue trials of EVs and use our insight into the future evolution of EVs (or other alternative technologies) and government policy.

Working responsibly continued

Risk description	Likely impact and effect	Time horizon	Climate change scenario(s)	Assumptions	Possible mitigations
Risk					
Group operating premises in areas at risk from the effects of climate change (physical risk)	In the short term, Filta's offices and warehouse in Orlando, Florida are at risk from tropical cyclones, extreme heat, changing precipitation patterns and changing air temperature. In the longer term, certain of our, or our franchisees', locations in the UK, Belgium and the Netherlands could be at risk from rising sea levels, if coastal defences are not bolstered. Other sites could become 'at risk' in the most extreme climate change scenarios.	S/L	Delayed transition	National and local governments will take steps to protect their major centres of population and economic activity from any rise in sea levels.	Filta have already opened a second warehouse location in Las Vegas and could relocate from the Orlando site if required. The Orlando-based staff can all work remotely whenever required.
Opportunities					
Climate change results in more frequent and/or more pronounced weather events, or a general change in local climates, which leads to an increase in demand for the Group's services (physical risk)	Pirtek may see a benefit from longer or hotter weather, as hydraulic hoses used outdoors perish more quickly in these conditions. Metro Rod may see a benefit from longer periods of wet weather, as these reveal drains that have become blocked. Metro Plumb may see a benefit from longer periods of cold weather, as this may lead to burst pipes. In all of the cases above, there could be a switch from reactive work to planned or preventative work which may affect the overall demand for the Group's services.	M/L	Delayed transition	No material assumptions.	We track system sales and monitor trends in the business very closely, so would be able to alert our franchise partners to the need to have larger numbers of engineers and technicians available to support any longer-term increases in customers' requirements.

Working responsibly continued

Environmental

Priorities in 2025

Approach and performance

We acknowledge the significant environmental risk posed by climate change and are committed to reducing our environmental impact. In 2025 the Board approved an initial goal of achieving Net Zero emissions across Scope 1 and Scope 2 (which we refer to as 'in our own operations') by 2045.

Actions taken in 2025

We strengthened our Change Working Group by adding members from two of our European businesses.
The members led a review of climate-related risks and opportunities involving the management teams of each of our material subsidiary companies. For the second year we have voluntarily collected and analysed emissions from our franchise partners. Improving on 2024, we have collected and analysed emissions from 38 franchise partners (2024: 21) who accounted for 11% (2024: 9%) of Group System sales.

Activities planned for 2026

Focus on factors which minimise the environmental impact of our fleet, facilities and operational activities, reduce waste and resources. These including route optimisation using technology and efficient product usage (e.g., hoses, fittings, spares) to reduce waste.

For further information see pages 29-39.

Franchise Brands plc Streamlined Energy and Carbon Reporting 2025

Franchise Brands plc has reported scope 1, 2 and 3 greenhouse gas (GHG) emissions in accordance with the requirements of Streamlined Energy and Carbon Reporting (SECR).

This SECR report reflects the period 1 January 2025 – 31 December 2025. The previous year's data for 1 January 2024 – 31 December 2024 have also been included in this report to allow for year-on-year comparison.

Methodology

Responsibilities of Franchise Brands plc and 51toCarbonZero

Franchise Brands plc was responsible for the internal management controls governing the data collection process. 51toCarbonZero was responsible for the data aggregation, GHG calculations and the resultant emissions statements.

Greenhouse gas emissions were calculated according to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. This standard is internationally accepted as best practice.

Scope and subject matter

The report includes sources of environmental impacts under the operational control of Franchise Brands plc In 1 January 2025 – 31 December 2025. This includes all offices that meet the mandatory reporting requirements.

* Location-based electricity (Scope 2) emissions use the average grid fuel mix in the region/country where the electricity was purchased and consumed. For SECR, location-based is mandatory.

** Market-based electricity (Scope 2) emissions use fuel mix that is specific to the purchased electricity's supplier and tariff. Where supplier-specific fuel mix data is absent, UK National Grid's residual fuel mix was used, in accordance with the GHG Protocol. For SECR, market-based is optional.

Working responsibly continued

GHG Sources Included in the Process

GHG Protocol Category	Data Source
Scope 1: Fuel used in company vehicles, natural gas (boilers), diesel for electricity generation, other fuels	– Natural gas consumption was provided as kWh or m3 at all sites excepting those where no utility bill information was available. These sites were charged in a single bill across all utility consumption with no separation and were unable to provide the total bill amount. – Company owned vehicle travel was provided in one of two ways. Either by litres of fuel consumed or distance travelled split by vehicle fuel type. Where car size information was unavailable the UK government 2025 average car size factor for the fuel type was used. – Litres of both fuels were converted to kWh using 2025 conversion factors calculated by DEFRA.
Scope 2: Purchased electricity *	– Companies provided their 2025 annual electricity consumption in kWh. – As with natural gas consumption some sites were excluded due to lack of data availability. Electricity was charged to these sites within a single utility charge where the specific energy consumption was unable to be disaggregated and the total utility spend was unavailable.
Scope 3: Fuel used for business travel in employee owned or hired vehicles	– Many Franchise Brands' companies utilise leased or employee-owned vehicles for business travel. – Expensed mileage in employee-owned or lease vehicles was reported in spend, fuel consumption (litres) and distance travelled by vehicle type. The reimbursement rate of 45p per mile was utilised to convert the spend to distance, which was then converted into kWh using 2025 conversion factors calculated by the UK Government. Activity data was converted directly into kWh using the 2025 UK government conversion factors. – Companies reported fuels used in leased vehicles either in a spend format or in litres. When the data was only provided in a spend format, the average fuel price per litre in 2025 was used to convert the spend into litres. In 2025 the average petrol price at the time of this report was 135.1p/litre in the UK. – Litres were converted to kWh using 2025 conversion factors provided by the UK Government.

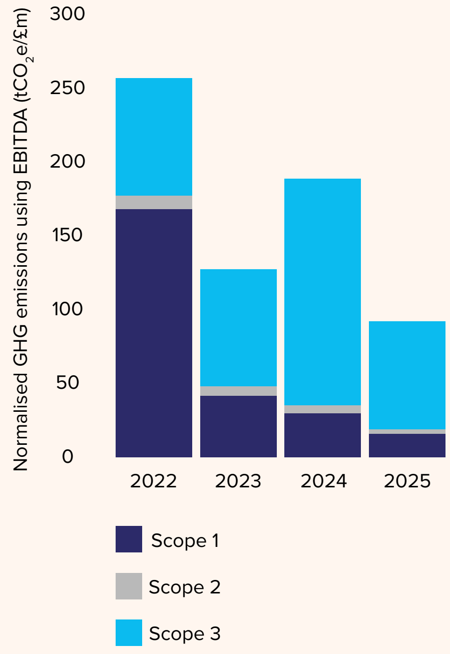
* Dual reporting of electricity emissions have been presented in line with the GHG Protocol. Location- based electricity emissions use the average grid fuel mix in the region/country where the electricity was purchased and consumed – for SECR, location-based is mandatory. Market-based electricity emissions use where provided the supplier's tariff-specific intensity factor and fuel mix, and where this is unavailable, the local grid's residual fuel mix intensity factor is used.

Working responsibly continued

	2022	2023	2024	2025	Change 2024-2025 %
Annual Energy Consumption (kWh)					
Electricity	587,263	937,241	1,074,624	942,064	(12%)
Gas	168,610	1,184,788	529,660	202,672	(62%)
Transport fuel	11,417,733	11,128,595	21,056,765	10,800,598	(49%)
Other Fuels	20,700	40,634	36,060	36,644	(1%)
Total	**12,194,306**	**13,291,258**	**22,697,109**	**11,981,978**	**(47%)**
Annual GHG Emissions (tCO_2e)					
Scope 1					
Combustion of Gas	31	217	97	38	(61%)
Mobile Combustion	2,523	1,021	929	504	(46%)
Combustion of Heating Oil	5	10	9	9	1%
Scope 2					
Purchased Electricity – Location-Based	138	193	202	150	(26%)
Purchased Electricity – Market-Based	252	345	394	306	(22%)
Scope 3					
Category 6: Business Travel in Employee – Owned Vehicles	437	1,626	5,093	2,626	(48%)
Category 3: Upstream emissions from purchased fuel and energy – Location-Based	777	748	306	183	(40%)
Category 3: Upstream emissions from purchased fuel and energy – Market-Based	783	780	344	204	(41%)
Total – *Location-Based*	**3,912**	**3,814**	**6,636**	**3,502**	**(47%)**
Total – *Market-Based*	**4,031**	**3,999**	**6,866**	**3,688**	**(46%)**
Intensity Ratio (tCO_2e/£ EBITDA)					
EBITDA £M	15.26	30.15	35.12	35.24	0.4%
Intensity Ratio: tCO_2e / £ Million Adjusted EBITDA – *Location-Based*	**256.34**	**126.50**	**188.95**	**99.36**	**(47%)**
Intensity Ratio: tCO_2e / £ Million Adjusted EBITDA – *Market-Based*	**264.13**	**132.64**	**195.14**	**104.39**	**(46%)**

Methodology: GHG Protocol Corporate Accounting and Reporting Standard.

Franchise Brands' year-on-year normalised GHG emissions by scope



Franchise Brands' year-on-year normalised GHG Emissions, split by Scope. Emissions have been normalised by Adjusted EBITDA.

Working responsibly continued

	UK	EUROPE	USA	Total
Annual Energy Consumption (kWh)				
Electricity	508,664	339,673	93,727	942,064
Gas	3,532	199,140	–	202,672
Transport fuel	6,316,875	4,483,723	–	10,800,598
Other Fuels	36,544	–	–	36,544
Total	**6,865,615**	**5,022,536**	**93,727**	**11,981,878**
Annual GHG Emissions (tCO_2e)				
Scope 1				
Combustion of Gas	1	37	–	38
Mobile Combustion	504	–	–	504
Combustion of Heating Oil	9	–	–	9
Scope 2				
Purchased Electricity – Location-Based	90	25	35	150
Purchased Electricity – Market-Based	237	34	35	306
Scope 3				
Category 6: Business Travel in Employee – Owned Vehicles	1,276	1,350	–	2,626
Category 3: Upstream emissions from purchased fuel and energy – Location-Based	159	16	8	183
Category 3: Upstream emissions from purchased fuel and energy – Market-Based	182	14	8	204
Total – *Location-Based*	**2,030**	**1,429**	**43**	**3,502**
Total – *Market-Based*	**2,200**	**1,436**	**43**	**3,679**
Intensity Ratio (tCO_2e/£ EBITDA)				
EBITDA £M	35.24	35.24	35.24	35.24
Intensity Ratio: tCO_2e / £ Million Adjusted EBITDA – *Location-Based*	**57.61**	**40.54**	**1.21**	**99.36**
Intensity Ratio: tCO_2e / £ Million Adjusted EBITDA – *Market-Based*	**62.43**	**40.75**	**1.21**	**104.39**

Methodology: GHG Protocol Corporate Accounting and Reporting Standard.

Working responsibly continued

Energy Efficiency and Carbon-Saving Measures

Pirtek

- Pirtek UK relocated to new, modern and eco-friendly office facility.
- Pirtek UK Support Centre fleet now 89% electric, with remaining 11% vehicles hybrid/petrol. Germany using eco-electricity power supply following new office premises.
- Full energy saving automated lighting system at Pirtek UK training centre and corporate franchises.
- Solar panels being trialled on mobile service units to negate the need to have the van engine running to power the equipment. Inverters on board for power tool charging.
- Solar panels on Pirtek Belgium corporate centre.

Water & Waste Services division

- Electric Mercedes vans are being trialled by Metro Plumb Kemac to lower emissions and fuel use.
- Energy efficient measures at the Metro Rod & Metro Plumb Support Centre which will improve efficiency and reduce energy consumption: new heating system and LED lighting.
- Solar panel installation is being assessed to reduce grid use and energy costs.
- Trees planted increased to 5,764 which is approximately 70-85 tonnes per year of CO_2 absorbed once they are fully grown.

Fllta International

- Acquires blocks of solar energy for Orlando Support Centre.

B2C division

- Continuing trials with EV vehicles.
- Trailing AI Meta Glasses to reduce the need for in person support – reducing travel and associated carbon costs.

Voluntary streamlined Energy and Carbon Reporting 2025

Introduction

Franchise Brands has volunteered for the second time to report emissions from franchise partners for a more comprehensive impact of the Group's environmental impact. Improving on 2024, we have collected and analysed emissions from 38 franchise partners (2024: 21) who accounted for 11% (2024: 9%) of Group System sales.

Voluntary SECR

	2024	2025	Change %
Annual Energy Consumption (kWh)			
Electricity	145,765	195,345	34%
Gas	77,266	48,769	(37)%
Transport fuel	5,523,432	10,553,260	91%
Total	**5,746,463**	**10,797,374**	**88%**
Annual GHG Emissions (tCO_2e)			
Scope 1			
Combustion of Gas	15	9	(39%)
Mobile Combustion	0	0	0%
Scope 2			
Purchased Electricity – *Location-Based*	30	35	15%
Purchased Electricity – *Market-Based*	678	91	34%
Scope 3			
Category 6: Business Travel in Employee-Owned Vehicles	1,719	3,000	75%
Category 3: Upstream emissions from purchased fuel and energy – *Location-Based*	12	15	23%
Category 3: Upstream emissions from purchased fuel and energy – *Market-Based*	19	24	27%
Total – *Location-Based*	**1,776**	**3,058**	**72%**
Total – *Market-Based*	**1,821**	**3,124**	**72%**

Methodology: GHG Protocol Corporate Accounting and Reporting Standard.

Section 172 Statement

In performing their duties, the Directors of the Company are required to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. But they must also take into account the potentially competing interests of a range of other stakeholders and considerations, as set out in section 172(1) of the Companies Act 2006 (the Act).

This statement explains how the Directors had regard to each of the requirements of the Act, and engaged with the stakeholders where relevant, during the year.

Our key stakeholders

While there will always be specific considerations for any individual decision taken by a Director, the Board has a clear understanding of which groups are our key stakeholders. This was formally confirmed in a review by the Directors in September 2025. Please see page 6 where we explain who we see as our key stakeholders.

How the Directors fulfilled this duty in 2025

This statement focuses on matters that are strategically important to the Company, consistent with the Group's size and complexity. The Directors seek to consider all relevant matters when making decisions, most especially when these are intended to drive performance and momentum for our business into the future.

As a progressive, principles-led Group, we are committed to working in partnership with all our key stakeholders. Processes are in place to engage as necessary to understand their perspectives and to ensure that these are considered in the Directors' decision-making and the actions we take.

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

When considering decisions which have a lasting effect, the Directors take into account the impact on our annual budget and our longer-term business plans. They also consider the cumulative impact of the decisions they have taken and how these may play out in the future. We are aware that a 'quick fix' is not a solution if it is likely to jeopardise our sustained success over the medium or long term.

The impact of the decision being taken over various time horizons will be an important consideration, if this could have a negative effect on key stakeholders' interests and so create risks to the sustained success of our business.

(b) The interests of the company's employees and the wider workforce

Our committed and dedicated employees and wider workforce are a crucial asset. They play a key role in supporting our franchise owners, providing them with the support they need to grow their businesses. We aim to cultivate and maintain a positive working environment and provide learning and development opportunities, recognition and rewards.

Our franchise partners and their staff are the very backbone of the Group. It is their commitment, hard work and entrepreneurialism that helps us grow our business. Our teams provide support and development to help them grow their businesses and maintain the highest brand and operational standards.

The Executive Directors are present in our businesses on a day-to-day basis so encounter our employees and wider workforce, as well as our franchise partners and their staff, as a matter of course. We encourage all of our Non-executive Directors to visit any of sites whenever they wish, which provides them with the same opportunity. All Directors are invited to attend individual brand conferences and award dinners. This provides an opportunity for face-to-face discussions with employees and other members of the Group's workforce and, crucially, franchise partners and their staff. The Board is regularly provided with the views of management at its meetings, since they inevitably have greater insight.

The Directors regard our workforce, our franchise owners and their employees as critical stakeholder groups. Any decision to be taken that could have a negative impact on their interests would need to be evaluated thoroughly and all practicable alternatives considered.

Section 172 Statement continued

(c) The need to foster the company's business relationships with suppliers, customers and others
We are fortunate in having strong relationships with a range of excellent suppliers across the Group. We also appreciate the faith shown in us and our franchise owners by the many thousands of customers that we serve on a daily basis. There are many other partners with whom we do business or on whom we depend, most notably our main lending bank and the other local banks we work with across the Group. The continuation of those relationships is of crucial importance and requires that we deliver on our commitments and are open and transparent in our communications.

The Executive Directors will routinely meet with suppliers, customers and other business partners (as well as our franchise owners) as part of their day-to-day roles. We invite key suppliers to attend many of our individual brand conferences, which provides a further opportunity for the Executive and Non-executive Directors to meet them face-to-face. The Board is also breifed on the views of management at its meetings.

Other than our lending bank, HSBC, we do not have any individual supplier or customer relationships that are of strategic significance to the Group as a whole, though many of our individual brands or businesses do have important relationships that need to nurtured and maintained.

The Directors would always consider carefully any decision that could have a negative impact on the interests of a business counterparty that is material to the interests of a Group company.

(d) The impact of the company's operations on the community and the environment
In general our businesses, and those of our franchise partners, are relatively small companies and so unlikely to have a negative impact on any specific local community. However, across our entire value chain we are reliant on thousands of people so we, and our franchise partners, engage proactively and provide support to communities in many ways. This can vary from outlining the career and skills development opportunities we offer to our people, through to providing kit for football teams, and a wide range of things in between.

Given the nature of the Group's services, we do not have or are likely to have a material impact on the environment. It is important that this remains the case, and any new product or service introduction is considered carefully to ensure that it is environmentally responsible and appropriate.

The Directors will always consider the impacts of the Company's actual or potential impact on communities and the environment when relevant to the decision they are being asked to make. Where relevant, they will be provided with professional opinions of subject matter experts.

(e) The desirability of the company maintaining a reputation for high standards of business conduct
We are acutely aware that reputation is earned over years but can be lost in an instant if there is improper business conduct. This is especially true of a franchised business, where we are asking third parties to put their capital, energy and commitment into our brands. All of our employees and wider workforce are required to observe our Guiding Principles (see page 23) which we believe should help protect the Company's interests. As a group of service-centred businesses, we are aware of the need to demonstrate high standards of performance, customer care and communications and business conduct every day, throughout the year.

The Directors are aware of the importance of protecting our hard-earned business reputation and aware that corners cannot be cut. In making their decisions, the Directors will consider carefully whether these risk compromising or damaging the Company's business reputation.

(f) The need to act fairly as between members of the company
Our shareholders are a key constituency since their capital finances our business and growth ambitions. Our overriding goal is the long-term delivery of value to our investors.

The Executive Directors engage with both current and prospective investors regularly, to communicate progress, discuss issues and understand their perspectives. The Non-executive Directors will join meetings or calls where the matters under discussion are relevant to them, particularly if they chair a Board Committee. All shareholders have the opportunity to attend the AGM and our Capital Markets Days and results presentations, which provides the Board with an opportunity to hear their views. We also run regular investor engagement through digital platforms such as Investor Meets Company, which provides a forum for 1:1 engagement.

The Board is provided with full feedback reports following all shareholder engagement roadshows, often on an anonymised basis to support candid communications.

The Directors are conscious that companies are run for the benefit of shareholders as a whole. No decision would be taken by a Director that directly advantaged one member of the Company over another.

Financial Review

A resilient, cash generative, profitable performance

Andrew Mallows
CFO

"The Group's robust cash flow generation continues to support deleveraging alongside ongoing investment for growth."

98%
Cash conversion

1.6x
Leverage ratio

Financial Review continued

Summary statement of income

	2025 £'000	2024 £'000	Change £'000	Change %
System sales*	**434,985**	**425,575**	**9,410**	**2%**
Statutory revenue	**142,152**	**139,206**	**2,946**	**2%**
Cost of sales	(57,394)	(55,887)	(1,507)	3%
Gross profit	**84,758**	**83,319**	**1,439**	**2%**
Administrative expenses	(49,513)	(48,198)	(1,315)	3%
Adjusted EBITDA	**35,245**	**35,121**	**124**	**0%**
Depreciation & amortisation of software	(6,146)	(6,072)	(74)	1%
Finance expense	(5,558)	(7,378)	1,820	(25%)
Foreign exchange	349	(386)	735	–
Adjusted profit before tax	**23,890**	**21,285**	**2,605**	**12%**
Tax expense	(6,574)	(4,743)	(1,831)	39%
Adjusted profit after tax	**17,316**	**16,542**	**774**	**5%**
Amortisation of acquired intangibles	(10,296)	(10,156)	(140)	–
Share-based payment expense	(874)	(1,480)	606	–
Non-recurring items	–	(444)	444	–
Tax on adjusting items	2,831	2,822	9	–
Statutory profit	**8,977**	**7,284**	**1,693**	**23%**
Total Profit and Other Comprehensive Income	**8,498**	**7,633**	**865**	**11%**

* Restated to reflect 2024 year-end restatement as detailed in note 1 of the 2024 Annual Report.

Adjusted EBITDA increased by 0.2% to £35.2m (2024: £35.1m) primarily as a result of modest growth in System sales being offset by cost of sales and overhead increases of 3% each.

Depreciation and amortisation of software decreased by 1% to £6.1m (2024: £6.1m) demonstrating the capital light nature of the Group's substantially franchised business.

The finance expense decreased by 25% to £5.6m (2024: £7.4m) due to debt repayments and reductions in the base rate. The Group also took proactive steps to reduce the cost of its banking facilities. The Group entered into a UK pooling arrangement with its primary lender (HSBC) to allow it to offset cash balances which previously attracted no interest. The Group subsequently entered into an agreement with HSBC to provide the whole debt facility, which reduced both the interest margin and the administrative costs of the previous syndicate of four lenders.

Financial Review continued

The average interest rate payable in 2025 reduced to 6.4% (2024: 7.6%). The interest margin at the start of 2025 was 2.5%, but following both the reduction in leverage ratio and our renegotiated margin, the interest margin had reduced to 1.7% by the end of the year.

Foreign exchange differences reflect the realised and unrealised gains or losses primarily associated with internal and external debt funding arrangements for both the Pirtek acquisition and the Pirtek intercompany loans.

The overall effective tax rate increased to 29.4% (2024: 20.9%) as a result of higher tax rates in the US and in overseas operations. The prior year also included a credit related to a prior over-provision and the recognition of a deferred tax asset.

Statutory profit after tax rose by 23% to £9.0m (2024: £7.3m).

Earnings per share

The Adjusted and basic EPS are shown in the table below:

	2025 £'000	2025 EPS p	2024 £'000	2024 EPS p	Change p	Change %
Adjusted profit after tax	**17,316**	**9.00**	**16,542**	**8.59**	**0.41**	**4.8%**
Amortisation of acquired intangibles	(10,296)	(5.35)	(10,156)	(5.28)	(0.07)	1.3%
Share based payment	(874)	(0.45)	(1,480)	(0.77)	0.32	(41.6%)
Non-recurring costs	–	–	(444)	(0.23)	0.23	(100.0%)
Tax on adjusting items	2,831	1.47	2,822	1.47	0.00	0.0%
Statutory profit after tax	**8,977**	**4.67**	**7,284**	**3.78**	**0.89**	**23.4%**

The total number of Ordinary Shares in issue on 31 December 2025 and 31 December 2024 was 193,784,080.

The Employee Benefit Trust ("EBT") started the period holding 1,247,122 Ordinary Shares, purchased 1,531,094 Ordinary Shares and disposed of 674,892 Ordinary Shares in respect of the exercise of employees' share options. The EBT therefore ended the period holding 2,103,324 Ordinary Shares.

On 31 December 2025, there were 13,319,157 shares under option (6.9% of the total number of Ordinary Shares), of which 3,551,310 had vested and were exercisable.

The total number of Ordinary Shares in issue on 31 December 2025, net of the EBT holding was 191,680,756 (31 December 2024: 192,536,958), and the basic weighted average number of Ordinary Shares in issue for the year was 192,317,519 (2024: 192,221,395).

Adjusted basic EPS increased by 4.8% to 9.00p (2024: 8.59p), and basic earnings per share increased by 23.4% to 4.67p (2024: 3.78p).

Cash flow and working capital

A summary of the Group cash flow for the period is set out in the table below:

	2025 £'000	2024 £'000
Adjusted EBITDA	**35,245**	**35,121**
Non-recurring costs	–	(444)
Working capital movements	(798)	(1,577)
Adjusted cash generated from operations	**34,447**	**33,100**
Taxes paid	(5,608)	(3,991)
Purchases of PPE	(996)	(1,470)
Proceeds from sale of PPE	1,104	248
Purchase/capitalisation of software	(2,104)	(1,657)
Purchase of IP	–	(9)
Net bank loans repaid	(15,720)	(9,250)
Overdraft utilised	7,542	–
Interest paid bank and other loan	(4,315)	(6,704)
Lease payments	(4,391)	(4,264)
Funds supplied to the EBT	(2,000)	(300)
Funds received from the EBT	460	223
Dividends paid	(4,711)	(4,429)
Other net movements	(1,270)	(776)
Net cash movement	**2,438**	**721**
Net cash at beginning of period	12,921	12,278
Exchange differences on cash and cash equivalents	(66)	(78)
Net cash at end period	**15,293**	**12,921**

Financial Review continued

Cash flow and working capital continued

The Group generated Adjusted cash from operating activities of £34.5m (2024: £33.1m) resulting in a cash conversion rate of 98% (2024: 94%).

Taxes paid increased to £5.6m (2024: £4.0m) and relate to both the UK and international quarterly payments. The 2024 tax payments benefited from the previously mentioned prior-year adjustments.

Property, Plant and Equipment purchases were £1.0m (2024: £1.5m) and related primarily to plant and equipment additions in the DLO businesses. The software purchases of £2.1m (2024: £1.7m) represent the capitalised component of our ongoing investment in developing our global IT platform.

Bank loans repaid represented both the £7.5m term loan repayments and an £8.0m repayment of the RCF. Interest paid reflects the cost of servicing this debt. Lease payments remain the same as the previous year.

Purchase of shares by the EBT of £2.0m relates to the re-commencement of the share purchase programme announced in October 2024.

Dividends paid reflect the combined cash cost of the final 2024 dividend and the 2025 interim dividend paid in 2025.

Net debt

The net debt of the Group may be summarised as follows:

	31 December 2025 £'000	31 December 2024 £'000	Change £'000	Change %
Cash	15,293	12,921	2,372	18%
Overdraft	(7,542)	–	(7,542)	(100%)
Term loan	(32,500)	(40,000)	7,500	(19%)
RCF	(29,465)	(37,431)	7,966	(21%)
Loan fee	653	689	(36)	(5%)
Hire purchase debt	(2,006)	(1,266)	(740)	58%
Adjusted (net debt)/net cash	**(55,567)**	**(65,087)**	**9,520**	**(15%)**
Other lease debt	(9,648)	(9,975)	327	(3%)
(Net Debt)/Net cash	**(65,215)**	**(75,062)**	**9,847**	**(13%)**

During the year, the term loan balance was reduced by £7.5m (2024: £10.0m) in accordance with the banking agreement and the RCF was reduced by £8.0m (2024: increased by £0.5m). Adjusted net debt, the metric used in calculating compliance with our banking covenants, reduced to £55.6m (31 December 2024: £65.1m). This reduced the leverage ratio to 1.6x Adjusted EBITDA, down from 1.9x at the end of 2024, which was in line with management's expectations and comfortably within banking covenants.

Dividend

The Board is pleased to propose a final dividend of 1.30 pence per share (2024: 1.30p per share), giving a total dividend for the year of 2.50p (2024: 2.40p), an increase of 4%. Subject to shareholder approval at the AGM on 30 April 2026, the final dividend will be paid on 22 May 2026 to those shareholders on the register at the close of business on 8 May 2026.

Andrew Mallows
CFO
24 March 2026

Risk Management

The nature of risk

Risk and return are two sides of the same coin. Like all businesses, we take levels of risk that we judge to be acceptable in order to deliver a return to our investors. But we also face risks that are we are not prepared to take, either due to the nature of the impact of those risks (such as a material safety risk) or if they have the potential to prevent us meeting our strategic objectives.

Effective risk management therefore underpins our business model and strategy. We identify the risks inherent in the businesses we operate and categorise these in one of three ways:

- Risks we will actively seek in the expectation of making a return (our risk appetite).
- Risks we will accept, but seek to manage (our risk tolerance).
- Risks we are not prepared to face – broadly these are risks which, if they materialise, will prevent us delivering on our business plans or have other impacts that we cannot live with.

Our risk management framework

At Franchise Brands, the Board is ultimately responsible for the systems of risk management and the effectiveness of those processes. The Board meets regularly and reviews business performance and the impact of risk, both operationally and financially.

During 2025 the Board adopted an updated risk management framework, designed to enhance and standardise the process for assessing the impact and likelihood of the risks we face. The methodology can be applied consistently across all categories of risk, including strategic, operational, financial and reputational risks, and regardless of whether the underlying source of the risk is internal or external to Franchise Brands.

Through the use of standardised risk rating scales for impact and likelihood across all risk categories, we are able to compare these ratings, normalise and rank these. Like many companies, we use a 5x5 matrix for assessing risk:

Impact ↑ \ Likelihood →	1	2	3	4	5
Unacceptable 5	5	10	15	20	25
4	4	8	12	16	20
Tolerable 3	3	6	9	12	15
2	2	4	6	8	10
Acceptable 1	1	2	3	4	5

Likelihood: Acceptable – Tolerable – Unacceptable

The Board has determined an escalation process for material risks, based on their combined score (ie, impact and likelihood ratings multiplied):

- At 10 or more – the risk must be escalated for acceptance by the local business leader.
- At 15 or more – the risk must be escalated for consideration by the Management Board.
- At 20 or more – the risk must be escalated for consideration by the Board as it is likely to be outside our risk tolerance on anything other than a short-term basis.

The identification, assessment and mitigation of risk is the responsibility of management. Our approach is to embed risk management principles and processes within our businesses so that managing risk is part of the everyday activity of managing the business, and vice versa.

Risk Management continued

Key roles and responsibilities

Board

- Approves the framework for the identification, assessment and management of risk.
- Monitors operational and financial performance to identify emerging risks to the delivery of strategic goals and business plans.
- Identifies risks on a 'top down' basis and reviews the Group risk register.
- Assesses the effectiveness of the risk management framework.

Management Board

- Responsible for implementing the risk management framework across the business and ensuring this is embedded in day-to-day operations.
- Oversees controls to mitigate and manage the impact of risk on the Group.
- Identifies risks on a 'top down' basis and reviews the Group risk register.
- Reviews the impact of risk on operational and financial performance and implements mitigation strategies where appropriate.

Operational (line) management

- Responsible for embedding risk management within the parts of the business for which they are accountable.
- Identifies risks on a 'bottom up' basis.
- Designs and implements controls to mitigate and manage the impact of risk locally.
- Monitors risk in their business and reports this to senior management.

Risks are identified on a 'bottom-up' basis by the leadership teams of each of the Group's businesses:

- We review and score the likelihood and potential impact of the risk, however this might materialise.
- We model the multiple of the likelihood and impact scores against our risk appetite and tolerance, and decide whether we will accept, manage or seek to eliminate the risk as explained above. In some cases, the availability of insurance for the particular risk may be a factor. As part of this process, we ask management to identify whether controls need to be implemented or adapted, either to mitigate the risk or provide early warning that the risk has materialised.
- We then monitor the impact of the identified risks, and the effectiveness of our risk management strategies and mitigations, including controls. These are then reported on and reviewed as part of the ongoing monitoring process.
- We repeat the risk identification process, to identify new potential risks or any change in those we have already identified.

To supplement this, we undertake an independent 'top down' risk review by the Board and the Management Board. This is intended to cross-check and verify the risk reviews undertaken by local management and also consider any intra-Group dependencies or vulnerabilities that may not have been recognised in the local risk reviews.

As with any programme of this nature, our risk management process is an iterative exercise. Our business and the risk universe in which we operate does not stand still, and our response to this will always be subject to evolution.

Principal Risks and Uncertainties

Based on the risk management work undertaken during the year, the Board believes that these are the principal risks and uncertainties that the Group currently faces. There are a number of other risks, in addition to those listed below, which could affect our business. We operate in a dynamic environment that is also affected by macro-economic events, so it is possible that new risks might emerge or the nature or impact of existing risks may evolve over time. The risks are therefore presented alphabetically rather than using the ratings of impact and probability determined at any arbitrary point in time. While mitigations are listed in the table below, due to the nature of risk there can be no certainty or assurance that those actions, or any additional planned actions, will be wholly effective.

Risk description and impacts	Underlying cause(s)	Mitigations in place	Change in the year	Link to strategy
Ability to grow our businesses Failure to deliver organic growth in our existing businesses in line with our strategic plans and market commitments	• Failure to attract or retain franchise partners of the required calibre • Failure of our franchise partners to attract and retain the skilled technicians needed to deliver the growth in the business • Inability to grow our business with existing customers, or to attract or retain new customers	• Diversification of the risk, geographically and across business sectors • Multiple levers for organic growth, with all businesses having small shares of large markets • Focus on areas where we have a proven track record • Clear understanding of what successful franchise partners do (including through the Maximum Potential Model) and recruiting with this in mind • Supporting our franchise partners with the recruitment of technicians, including direct recruitment support and referral of candidates from our existing technicians • Strong customer relationships, with cross-selling opportunities identified and being pursued	Decrease	Expanding and developing our services; Developing our technology platform; Leveraging shared central services; Optimising our service delivery; Connecting our businesses
Ability to pursue strategic options Inability to deliver on our buy-and-build strategy through lack of organic growth, lack of suitable acquisition opportunities or our inability to finance an acquisition	• Operational execution fails to deliver cash flow to pay down debt, leading to a breach of the bank covenants • Lack of suitable acquisition opportunities in the market at a price we are prepared to pay	• Strong and empowered management teams running each business with clear focus on growth, using operational gearing to drive profitability and cash flow • Relationships with investment banks and other agents acting on business sales • Relationships with our institutional shareholders and lending banks	Decrease	Expanding and developing our services; Developing our technology platform; Leveraging shared central services; Optimising our service delivery; Connecting our businesses

Strategy: Expanding and developing our services Developing our technology platform Leveraging shared central services Optimising our service delivery Connecting our businesses

Risk direction: Increase Decrease No change

Principal Risks and Uncertainties continued

Risk description and impacts	Underlying cause(s)	Mitigations in place	Change in the year	Link to strategy
Attraction and retention of customers Loss of key national or regional account customers could lead to failure to deliver on our strategic plans	• Poor delivery to existing customers leading to reputational damage in the market • Failure to secure or retain new customers as a consequence	• Diversification of the risk, geographically and across business sectors • Experienced management teams who are actively engaged in the business, with weekly reporting of trends and market developments • Strong customer relationships, supported by robust data gathering and analysis	→	
Climate change Ability to operate from current locations of our (or our franchise partners') businesses, due to the impact of climate change. Structural changes to cost base driven by legal or regulatory change could affect the economic viability of certain of our businesses	• Cost pressures, including from central or local government initiatives linked to climate change, such as replacing vehicles with low emissions models, ULEZ charges, future carbon pricing, etc (transition risks) • Physical risks arising from the anticipated impacts of climate change on our, and our franchise partners', operations	• Developing an understanding of the potential impact of the physical and transition risks of climate change in the short-, medium- and long-term, across different scenarios. For more information, see page 29 onwards • Choosing long-term locations for our businesses with physical risks (eg. flood, wildfire or storm) in mind and advising franchise partners to consider these risks • Engaging with manufacturers of vans and commercial vehicles to understand potential technological advances and whether governments are likely to implement, or relax, the proposed phasing-out of internal combustion engines in the UK and continental Europe	→	
Cyber-risks Loss of access to systems or data, disruption to the business(es), costs of incident management and rehabilitation, possible GDPR fines plus reputational damage	• Malicious parties seeking to hack our IT systems, either for extortion or otherwise • Accidental loss of unencrypted customer or personal data	• Migration of IT systems onto shared, centrally-managed infrastructure • Use of information security specialists • Investment in new systems and the retirement of legacy systems • Staff training and the raising of awareness on good cyber security practices	↑	
H&S or environmental incident Human, social and operational impact of a serious incident, in terms of direct and indirect costs and potential reputational damage	• Unsafe behaviour by our workforce or that of our franchise partners • Unsafe conditions in the workplaces where our technicians operate	• Diversification of the risk, geographically and across business sectors • Well developed H&S and environmental systems and processes • Training for franchise partners and, where relevant, their technicians • Operations manuals for each franchise partner, explaining what is expected of them • Compliance with customers' on-site HSE procedures • Near miss and incident reporting used to drive awareness-raising communications	–	

Principal Risks and Uncertainties continued

Risk description and impacts	Underlying cause(s)	Mitigations in place	Change in the year	Link to strategy
Legislative or regulatory change Government or regulator-led change constrains the ability of one or more of our businesses to operate either at all, or at viable levels of profitability	• Change driven by a perception of weakness or excessive risk in current business practices	• Diversification of the risk, geographically and across business sectors • Managing our operations in line with best practices • Awareness of legal and regulatory agenda and proposed changes • Lobbying and influencing, where necessary, either on a company or industry-wide basis		
Macro-economic environment External geopolitical and economic environment adversely impacts our operations and prevents us fulfilling our strategic plans and market commitments	• Geopolitical tensions lead to an adverse international climate, with disruptions to supply chains • Tariffs and other barriers or impediments to world trade • Uncertainty leads to adverse economic backdrop, including inflationary pressures, FX volatility and higher interest rates	• Diversification of the Group's business risk across seven brands, operating in different sectors and geographical locations • Diversification of our supplier base internationally • Fundamentally conservative approach to planning, budgeting and forecasting • Monitoring external macro-economic forecasts on key variables affecting our businesses • Relationships with our key customers to enable us to understand the pressures on their businesses • Continuous monitoring of business performance to identify macro-impacts and need for contingency plans		
People risks Lack of skilled and experienced people to deliver the growth in our business in line with our strategic plans. Potential loss of key individuals who will underpin and drive our growth initiatives, if succession plans do not deliver suitable replacements	• We have significant growth plans, which require that our franchise partners and DLOs retain and recruit significant numbers of technicians • We have a wide range of growth projects underway, some of which rely on key individuals • Like any business, we may find that our succession plans for the loss of a key person, particularly in unexpected circumstances, are not effective	• Diversification of the risk, geographically and across business sectors and low reliance on any individual franchise partner • Well established and high-quality franchise brands and investment to support our franchise partners in growing their businesses • Significant experience in franchise partner recruitment • Management bench strength and optionality increases as new businesses are acquired • Focus on identifying and nurturing high potential talent and retaining key individuals • Continuous monitoring of staff turnover, by a stable management team which has seen very low 'churn'		

This Strategic Report (comprising pages 1 to 55 inclusive) was approved by the Board on 24 March 2026 and is signed on its behalf.

Rob Bellhouse
Company Secretary