

23 June 2026

SYMPHONY ENVIRONMENTAL TECHNOLOGIES PLC

(“Symphony”, the “Company” or the “Group”)

Preliminary results

Symphony Environmental Technologies plc (“Symphony”, the “Company”, or, together with its subsidiary companies, the “Group”) a leading global innovator in technologies that make plastic products smarter, safer and more sustainable, is pleased to announce its preliminary results for the year ended 31 December 2025.

Highlights for 2025

- **Revenue reduced by 13%** due to operations in the Middle East where these have now been rectified and improved.
- **Improved gross margin performance**, with gross margins increasing to **51% (2024: 46%)**, reflecting a strategic shift towards higher-quality revenue streams and improved margin discipline.
- **Operating loss increased** due to Middle East operations and one-off strategic costs
- **d2w remains the Group’s core revenue driver, supported by regulatory and scientific momentum:** d2w accounted for the majority of FY25 revenues, with further validation from 2024 legislation in Jalisco (Mexico) and increasing scientific and regulatory recognition across Brazil, Canada, Mexico and the United States.
- **Stronger operational platform established**, with enhanced cost structure, improved margin quality and increased scalability, providing a clearer **pathway towards sustainable profitability and future cash generation**.
- **d2p® “making plastic smarter” technology platform advancing**, with multiple applications — including **flame retardant and advanced insect control solutions** — progressing through late-stage trials and customer evaluations.
- **Growing pipeline of commercial opportunities**, with several d2p® products approaching market validation or regulatory approval, supporting a **pathway to increased revenue generation** as these technologies move into wider adoption.
- **Continued progress in core technologies**, including repeat orders for **d2p® insect control solutions**, building on established capabilities in agricultural and irrigation applications.
- **Ongoing regulatory engagement supporting long-term growth**, with sustained progress in advancing recognition of biodegradable plastics and increasing alignment with global regulatory frameworks.

Post year end

- **Operational restructuring has delivered early results**, with the Group achieving a **net profit in the first five months of 2026**, reflecting the impact of improved margins and disciplined cost control.

Financial highlights

- Group revenue £5.73 million (2024: £6.59 million)
- Gross profit £2.95 million (2024: £3.06 million)
- Gross margin 51% (2024: 46%)
- Contribution after distribution costs £2.75 million (2024: £2.82 million)
- Administrative expenses £4.31 million (2024: £3.84 million) – including one off strategic costs of £0.50 million (see CEO statement for further details)
- Development cost impairment provision £0.47 million (2024: £nil)
- Operating loss £2.12 million (2024: £1.09 million)
- Reported loss before and after tax £2.50 million (2024: £1.34 million)
- Basic loss per share 1.08p (2024: 0.63p)
- Cash used in operations £1.24 million (2024: £1.40 million)
- Net borrowings (excluding convertible loans and lease liabilities) £0.86 million (2024: £1.02 million)

- Net cash raised by way of share issue £2.09 million (2024: £1.32 million)

Current Trading and Post-Year End Update

- Financial performance has materially improved in 2026 with the Group achieving a net profit for the first five months versus a loss in the comparative period last year, supported by a 10% increase in revenues, stronger gross margins and improved operating leverage.
- The Group has successfully completed the transition to a Symphony-led sales model with a Saudi manufacturing partner, restoring operational stability in the Middle East and improving margin quality. Middle East operations are now broadly cash-neutral.
- Continued commercial momentum, with further full-container orders of NbR™ and repeat orders for d2p® AI insecticidal technology.
- Progress in Indian regulatory developments, with a new standard establishing a clearer pathway towards certification. Certification is expected to be the key milestone required to unlock commercial activity, and the Board believes India represents a potentially significant medium-term commercial opportunity, subject to regulatory approvals, certification outcomes and market conditions.
- Repayment/conversion of the Group's £1.8 million convertible loans extended to 31 January 2027

Chairman's Statement

During 2025, the Group delivered a meaningful improvement in the quality of its business. Despite lower reported revenues following planned operational changes, margins strengthened significantly, reflecting a deliberate repositioning towards higher-quality, more sustainable revenue streams. This shift has enhanced the resilience of the operating model and provides a stronger platform for long-term value creation. The Board believes this realignment was essential to improve the Group's earnings capability and align the business more closely with evolving regulatory and market dynamics.

The Group also strengthened its balance sheet through a net equity raise of £2.09 million, providing additional financial flexibility to support continued investment in regulatory engagement, product development and commercial activity, while maintaining disciplined cost management.

The Group continued to strengthen its d2p® platform of "making plastic smarter" technologies. Applications including advanced insect control and flame-retardant solutions are progressing through final stages of trials, customer evaluation and testing to demonstrate compliance with international standards, with several already delivering encouraging results. These developments build on the Group's established expertise and extend its reach into higher-value applications and markets.

The Group continued to develop and commercialise its core technologies—d2w®, d2p® and NbR™—through direct sales, manufacturing partners and strategic distribution relationships across key global markets, including the Middle East, Europe, the Americas and Asia. The transition to a Symphony-controlled sales model alongside a Saudi manufacturing partner has strengthened operational stability, improved margin quality and enhanced regional execution. With regard to the recent situation in the Middle East, the Group has not experienced any material disruption to its operations.

Alongside commercial progress, the Group continued to reinforce the scientific credibility of its technologies through independent testing, recognised international standards and engagement with regulators. This supports increasing confidence among customers, regulators and partners across multiple markets.

The Group's objective remains unchanged: to enable plastics to be preferred, not prohibited, when supported by proven biodegradable and performance-enhancing technologies. During the year, the Group maintained extensive engagement with governments, regulators and standards bodies across multiple jurisdictions, with this activity beginning to translate into clearer regulatory pathways and a more supportive environment for adoption.

This includes recent developments in India, where the introduction of a new standard has provided a clearer pathway towards certification. The Board considers that certification represents the key milestone required to unlock commercial activity in India, where the Group has established a developing pipeline of customers. While progress remains dependent on regulatory approvals, certification outcomes and broader market conditions, the Board believes that India represents a potentially significant medium-term commercial opportunity for the Group, subject to certification, regulatory approvals and market adoption.

Performance during the first half of 2026 provides encouraging evidence of the progress made during 2025. The Group delivered a net profit in the first five months of the year, compared with a loss in the prior

period, achieved on revenue growth of 10%. This also reflects improved margin quality and operating leverage and provides early validation of the strategic and operational changes implemented.

While further progress is required, the combination of an improved operating model, strengthened margins, enhanced regulatory positioning and a maturing technology pipeline places the Group on a materially stronger footing than in prior periods.

While the timing of commercialisation remains dependent on customer adoption and, in certain cases, regulatory approvals, the Board has increasing confidence that the maturing pipeline of d2p® technologies provides a clear pathway towards broader deployment and future revenue growth.

The progress achieved during 2025, together with trading profitably during 2026 year to date, has established a more robust foundation from which the Group is focused on accelerating commercial delivery across its technologies, with the objective of achieving sustainable profitability and, over time, positive cash generation.

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Chairman

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Chief Executive's Review

Strategy and business model

The Group's principal activity is the development and supply of technologies designed to make plastic products smarter, safer and more sustainable. The Group's core technologies include d2w® oxo-biodegradable masterbatch, d2p® performance and protection technologies, and NbR™, a natural biodegradable resin developed to address microplastic and plastic pollution.

The Group's strategy is focused on improving the quality, resilience and sustainability of its operating model, while enabling plastics to be responsibly used through proven biodegradable and performance-enhancing technologies. During 2025, management prioritised margin quality, cost discipline and operational stability over short-term revenue growth, alongside continued investment in products with stronger long-term commercial potential.

The Group's business model is based on the development of proprietary technologies and intellectual property, which are supplied globally through a combination of direct sales, manufacturing partners and strategic distributors. In the Middle East, the Group operates through a Symphony controlled sales team and Saudi manufacturing partner, which is intended to improve manufacturing efficiency, margin quality and regional resilience.

The principal markets for the Group remain the Middle East, Europe, the Americas and Asia. Demand for the Group's technologies is influenced by regulatory developments, customer adoption of sustainable materials, and broader economic and geopolitical conditions. The Board continues to monitor changes in regulation and standards relevant to biodegradable, performance and insect-control technologies.

The Group invests significantly in specialist external experts across a number of jurisdictions to support engagement with governments, regulatory bodies and standards authorities. This includes active participation in the development, interpretation and application of international standards relevant to biodegradable, performance, food protection and insect-control technologies. The Group has products tested to, and assessed against, a number of recognised international standards, and continues to invest in independent laboratory testing to extend the scope and robustness of validation across a wide range

of plastic applications. These include, among others, bottles, drinking straws, flexible and rigid packaging, and agricultural films used in crop-growing and plant-based applications.

Key risks and uncertainties facing the Group include regulatory change, geopolitical instability (particularly in the Middle East), customer adoption rates and currency exposure. These risks are actively monitored by the Board and are mitigated through geographic diversification, cost control, working-capital management and ongoing engagement with regulators and customers.

The Directors consider that the actions taken during the year have strengthened the Group's operating platform and positioned the business for more sustainable financial performance.

Review of 2025

As set out in the Chairman's Statement, 2025 was a year in which the Group strengthened the foundations of the business. Against that backdrop, this review focuses on the operational delivery of that strategy, including trading performance, margin progression and developments across the Group's core technologies.

Despite lower reported revenues, reflecting planned operational changes in the Middle East, the Group delivered a materially improved margin profile during the year. Gross margin increased to 51% (2024: 46%), and gross profit was broadly maintained, driven by improvements in sales mix, sourcing efficiency, manufacturing processes and cost discipline. These outcomes demonstrate the effectiveness of management actions taken to enhance the quality and resilience of the operating model.

Contribution after distribution costs remained robust at 48% (2024: 43%), and further progress was made in reducing the Group's longer-term overhead structure, including the renegotiation of the Group's head office lease, which will deliver materially lower property costs from 2026 onward. Administrative expenses increased year-on-year, primarily reflecting one-off and strategic legal, regulatory and professional costs associated with government and standards engagement, expanded independent testing programmes, and the restructuring of Middle East operations. Management actions also included targeted engagement with governments and standards bodies in jurisdictions where bans or regulatory changes affecting plastic materials were being considered or implemented, to ensure that the Group's technologies were properly understood within those processes. Underlying recurring administrative costs remained tightly controlled, and these investments supported improved margin quality and operating leverage.

During the year, the Group also undertook a restructuring of its sales organisation, aligning commercial capability more closely with regional market opportunities. The recent conflict in the Middle East had no material effect on operations, although this may change should the situation escalate again in the future.

Overall, 2025 was a year in which management actions were focused on improving operational efficiency, margin quality and cost discipline, providing a stronger platform for the Group as it progresses through 2026.

d2w – progress and opportunities

Sales of d2w products decreased to £4.6 million (2024: £5.5 million), due to reorganisation in the Middle East.

Our new direct sales team and regional manufacturing partner is already making a significant difference across the Middle East, strengthening local market access and accelerating commercial activity. Notwithstanding the recent regional conflict, market conditions have diverged, and in several territories performance has improved, with demand strengthening. On this basis, we expect Middle East volumes to at least match 2024 levels. This recent conflict in the region has not had a material effect on operations.

We continue to identify growing sales opportunities in Latin America and Asia, driven by regulatory change in favour of biodegradable solutions and increasing demand from corporate customers for credible alternatives to traditional non-biodegradable plastics.

d2p – progress and opportunities

Sales of d2p products remained consistent at £0.7 million (2024: £0.7 million).

The Group continues to see strong performance from its d2p™ AI insecticidal technology, which remains the primary revenue-generating component within the broader d2p™ technology umbrella. Sales are underpinned by a growing number of applications, markets and product formats.

Current applications are wide-ranging and are predominantly focused on drip irrigation pipes used in crop production, where the technology delivers clear functional and commercial benefits. In addition, further agricultural and selected food-related applications are under development. Trials are ongoing with new customers and for additional product lines, alongside regulatory initiatives where required, supporting the continued expansion of d2p™ AI into new markets and use cases.

The Group continues to broaden the application base of its d2p™ technology portfolio. In addition to established insecticidal uses, flame-retardant applications are under active development, with testing in construction-related applications ongoing and progressing well.

Sales of the Group's d2p™ lemon-scent technology have also commenced and, while order sizes remain relatively modest, the emergence of repeat orders is encouraging and demonstrates early commercial validation.

Progress in food-contact applications utilising the Group's d2p™ technology approved by the FDA and Health Canada, in bread-related applications, has been slower than anticipated, however, further trials are planned, with new pilot programmes expected to commence in Latin America, India and Pakistan in the short term.

NbR (Natural Biodegradable Resin)

Marketing and sales activities continue across a number of territories, with active engagement underway in Peru, South Korea, Saudi Arabia and other parts of the Middle East. A number of product trials are ongoing, and these efforts resulted in a commercial order during Q1 2026 for a full 20-foot container of NbR delivered to Jordan. A further three full 20-foot orders have so far been received in Q2 2026.

Joint venture in India with Indorama Corporation - Symphony Environmental India Pvt Ltd ("Symphony India")

As previously advised, Symphony India is a joint venture company established in 2022 between Symphony Environmental Limited and Indorama India Pvt. Limited, a wholly owned subsidiary of Indorama Corporation. Symphony India is owned 46.5% by Symphony Environmental Limited, 46.5% by Indorama, and 7% by its Managing Director, Mr. Arjun Aggarwal.

During 2026, the regulatory framework for biodegradable plastics in India has continued to evolve. As announced in June 2026, the Bureau of Indian Standards introduced a new standard, IS 19877T:2026, establishing a clearer and more consistent methodology for assessing the potential biodegradability of plastics under controlled laboratory conditions. This replaces the earlier IS 17899T framework under which Symphony had previously generated positive test results.

The introduction of this new standard represents an important step towards defining the certification pathway required for approval by the Central Pollution Control Board. The Group is working with independent laboratories to complete the additional testing required under the revised framework, with certification targeted in the second half of 2026, subject to laboratory capacity and regulatory timelines. During the year, the Group invested a further £80,000 in Symphony India, with a matching investment from its joint venture partner, Indorama. The joint venture continues to operate at a modest loss while the certification and regulatory approval process progresses, and the approvals required to market and sell d2w® products in India remain pending.

The Board considers that certification represents the key milestone required to unlock commercial activity in India, where the Group has established a developing pipeline of customers. While progress remains dependent on regulatory approvals, certification outcomes and broader market conditions, the Board believes that India represents a potentially significant medium-term commercial opportunity for the Group.

Eranova

As announced in October 2020, the Group made an investment representing 1.7% of the enlarged capital of Eranova SAS (at £130,000 including costs) as part of a €6.00 million pre-industrial plant project. The pilot plant was completed during October 2021 and is operational and processing small volume commercial orders.

During 2025, Eranova raised significant further equity from its current shareholders and other third parties, pursuant to which, Symphony agreed to settle a loan it had provided to Eranova totalling £24,000 into shares.

Due to a number of inherent uncertainties occurring in early 2026, the Group has considered the fair value of Eranova to be £47,000 (2024: £130,000). This was calculated at 30% of both the fair value brought

forward and conversion of the £24,000 loan. The result was a 70% fair value reduction of £107,000 during the year (2024: £nil).

Trading results

Group revenue was £5.73 million (2024: £6.59 million) and is analysed in the table below. d2w sales were affected by a reorganisation in the Middle East.

	2025	2024
	£'000	£'000
d2w masterbatch revenues	4,561	5,464
d2p masterbatch revenues	727	719
Finished products and sundry revenues	444	408
Total revenues	5,732	6,591
Gross profit	2,948	3,057
- <i>Gross profit margin</i>	<i>51%</i>	<i>46%</i>
Distribution costs	(194)	(241)
- <i>Percentage of revenues</i>	<i>3%</i>	<i>4%</i>
Contribution after distribution costs	2,754	2,816
- <i>Percentage of revenues</i>	<i>48%</i>	<i>43%</i>

Gross profit margins increased substantially to 51% (2024: 46%) and, even with the reduced revenues, gross profit was similar to last year at £2.95 million (2024: £3.06 million). During the year, the Group further negotiated improved manufacturing costs with some manufacturing partners and continued its improved sourcing of some of its raw materials resulting in improved gross margins. Distribution costs were generally consistent with the previous year.

Administrative expenses increased to £4.31 million (2024: £3.84 million). One-off strategic costs of £0.50 million were incurred and are detailed further in this statement. Staff costs reduced from £1.99 million to £1.87 million. The new office lease negotiated in March 2025, whereby less than half of our current office space has been retained, has significantly reduced property costs.

Equity-settled share-based payment charges of £nil were included in the year as all options had vested in prior years (2024: £30,000).

An impairment of development costs amounting to £0.47 million was made during the year (2024: £nil) as commercial development of the Groups d2p antimicrobial bread bag technology is taking longer than anticipated.

As advised, the Group contracted with GCC Support Services, a marketing and advisory organisation which has experience working at high levels with governmental and commercial organisations, to invest in the Middle East region over the next twelve months to:

- (a) market and sell Symphony's d2w, d2p, and NbR (natural biodegradable resin) products;
- (b) devise and execute a public relations and media campaign specifically for the Middle East;
- (c) lobby for positive legislation in the region; and
- (d) work with Symphony on strategic developments in the region.

The Group expensed R&D costs of £0.40 million in 2025 (2024: £0.43 million). No R&D tax credit is due for earlier years.

The share of loss in respect of the joint venture in India was £40,000 (2024: £43,000). This loss was incurred while Symphony India continues to work on certification for biodegradable plastic, as described above, as well as developing d2p opportunities.

The reported operating loss was £2.12 million (2024: £1.09 million) and loss before and after tax of £2.50 million (2024: £1.34 million) with basic loss per share of 1.08 pence (2024: loss per share 0.63 pence).

The Group self-hedges its US Dollar foreign exchange exposure by purchasing goods where possible in US Dollars and utilises, when appropriate, bank forward currency contract agreements to minimise

exchange risk. As at 31 December 2025, the Group had a net balance of US Dollar assets (US Dollar cash balances and receivables less overdrafts and payables) totalling \$1.09 million (2024: \$2.23 million). There were no forward currency contracts at the end of the year (2024: none).

Convertible Loan

The Company has two Convertible Loan Agreements (“CLAs”) totalling £1.7 million. On 26 November 2025, the conversion dates of the CLAs were extended by 6 months from 31 December 2025 to 30 June 2026 and on 22 June 2026 were extended by a further 7 months to 31 January 2027. The main terms of the CLAs with SESR Investments Pte Limited, a 19.7% shareholder in the Company, as assigned from Sea Pearl Ventures Limited on 5 April 2025 are:

- Conversion to shares, if not repaid on 31 January 2027
- Conversion price: 80% of the volume weighted average share price for the 3 months prior to conversion
- Interest: 7% per annum, payable as a minimum of £80,000 before 31 January 2027 and the balance accrued on repayment and/or conversion
- Symphony is able to repay the loans in full or in part before conversion at its discretion

The Company currently has sufficient shareholder authority and will ask shareholders for continuing authority at the next annual general meeting, to convert the loans to shares if required on or before 31 January 2027.

Statement of financial position and cash flow

The Group had net borrowings (excluding convertible loans and lease liabilities) of £0.86 million as at 31 December 2025 (2024: £1.02 million). The Group used cash of £1.24 million from operations (2024: £1.40 million) primarily as a result of the loss incurred during the year. This was financed during the year by a net £2.09 million equity subscription and retail offer.

Other significant movements include a decrease in receivables and stock offset by a decrease in payables.

Additionally, right of use assets, which comprise mainly the head office operating lease, includes an addition of £0.50 million during the year due to the lease renewal in March 2025 whereby the Group contracted for less than 50% of the previous office space. This new lease has significantly reduced property costs going forward.

Current trading and outlook

Trading in early 2026 reflects the benefits of the strategic and operational actions implemented during 2025, with improved performance delivered on 10% increased revenue levels. These improvements have been driven by enhanced margin quality, tighter cost control and increased operating leverage.

The Group therefore delivered a net profit in the first five months of 2026, compared with a loss in the prior-year period, providing early validation of the repositioned operating model and cost base.

Operationally, the transition to a Symphony-controlled sales model and regional manufacturing partner has strengthened execution and margin quality in the Middle East, which continues to represent a key growth market for the Group. Trading conditions in the region remain stable, with no material disruption to operations, and recent developments suggest that pricing and supply conditions may begin to normalise over the coming months.

Alongside this, recent regulatory developments in India represent an important strategic milestone. The introduction of a new biodegradability standard provides a clearer pathway towards certification, which management believes is the key requirement to unlock commercial activity in what is considered a potentially significant medium-term market opportunity, subject to regulatory approvals, certification outcomes and market adoption.

More broadly, the Group is seeing increasing alignment in certain regions towards legislation and standards supporting biodegradable and performance-enhancing plastic technologies. While progress remains uneven across jurisdictions, these developments support the Group’s long-term strategy and may expand the addressable market over time.

While external factors, including regulatory timelines and market conditions, continue to influence the pace of commercialisation, management believes the Group is now operating from a significantly stronger platform. The focus for 2026 is on converting this improved position into sustained profitability through the continued development and commercialisation of its core technologies across key growth markets.

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Chief Executive

**Consolidated statement of comprehensive income
for the year ended 31 December 2025**

	Note	2025 £'000	2024 £'000
Revenue	4	5,732	6,591
Cost of sales		(2,784)	(3,534)
Gross profit		2,948	3,057
Distribution costs		(194)	(241)
Administrative expenses		(4,310)	(3,838)
Impairment of development costs	12	(468)	-
Impairment losses on financial assets	16	(94)	(65)
Operating loss	5	(2,118)	(1,087)
Finance costs	7	(230)	(214)
Share of results of joint ventures	14	(40)	(43)
Fair value loss on investment	13	(107)	-
Loss for the year before tax		(2,495)	(1,344)
Taxation	8	-	-
Loss for the year		(2,495)	(1,344)
Total comprehensive loss for the year		(2,495)	(1,344)
Basic earnings per share	9	(1.08)p	(0.63)p
Diluted earnings per share	9	(1.08)p	(0.63)p

All results are attributable to the parent company equity holders. There were no discontinued operations for either of the above years.

**Consolidated statement of financial position
as at 31 December 2025**

Company number 03676824

	Note	2025 £'000	2024 £'000
ASSETS			
Non-current			
Property, plant and equipment	10	94	124
Right-of-use assets	11	445	93
Intangible assets	12	63	589
Financial asset at fair value	13	47	130
Interest in joint venture	14	69	29
		718	965
Current			
Inventories	15	471	703
Trade and other receivables	16	2,198	2,414
Cash and cash equivalents	17	915	718
		3,584	3,835
Total assets		4,302	4,800
EQUITY AND LIABILITIES			
Equity			
<i>Equity attributable to shareholders of the Company</i>			
Ordinary shares	18	2,364	2,251
Share premium	18	7,741	5,767
Retained earnings	18	(10,911)	(8,416)
Total equity		(806)	(398)
Liabilities			
Non-current			
Lease liabilities	19	217	22
Other provisions	20	100	-
		317	22
Current			
Lease liabilities	19	120	25
Borrowings	19	3,231	3,410
Trade and other payables	20	1,440	1,741
		4,791	5,176
Total liabilities		5,108	5,198
Total equity and liabilities		4,302	4,800

**Consolidated statement of changes in equity
for the year ended 31 December 2025**

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
For the year to 31 December 2025				
Balance at 1 January 2025	2,251	5,767	(8,416)	(398)
Issue of share capital (note 18)	113	1,974	-	2,087
Total transactions with owners	113	1,974	-	2,087
Total comprehensive loss for the year	-	-	(2,495)	(2,495)
Balance at 31 December 2025	2,364	7,741	(10,911)	(806)
For the year to 31 December 2024				
Balance at 1 January 2024	1,848	4,854	(7,102)	(400)
Issue of share capital (note 18)	403	913	-	1,316
Share based payments (note 18)	-	-	30	30
Total transactions with owners	403	913	30	1,346
Total comprehensive loss for the year	-	-	(1,344)	(1,344)
Balance at 31 December 2024	2,251	5,767	(8,416)	(398)

**Consolidated cash flow statement
for the year ended 31 December 2025**

	Note	2025 £'000	2024 £'000
Cash flows from operating activities			
Loss after tax		(2,495)	(1,344)
<i>Adjustments for:</i>			
Depreciation	10-11	186	224
Amortisation	12	71	69
Loss on disposal of fixed assets	5	10	2
Impairment of intangible assets	12	468	-
Share-based payment expense	18	-	30
Share of JV loss	14	40	43
Change in fair value of financial assets at fair value	13	107	-
Interest expense	7	230	214
Net exchange differences		-	5
<i>Changes in working capital:</i>			
Movement in inventories	15	232	(58)
Movement in trade and other receivables	16	192	(602)
Movement in trade and other payables	20	(301)	16
Net cash used in operations		(1,260)	(1,401)
Taxation	8	-	-
Net cash used in operating activities		(1,260)	(1,401)
Cash flows from investing activities			
Additions to property, plant and equipment	10	(18)	(5)
Additions to intangible assets	12	(13)	(5)
Equity participation in joint venture	14	(80)	(44)
Net cash used in investing activities		(111)	(54)
Cash flows from financing activities			
Drawdown cash received from invoice finance facility	19	4,862	4,713
Customer receipts repayment of invoice finance facility	19	(5,096)	(4,395)
Repayment of lease capital	19	(110)	(187)
Proceeds from share issue	18	2,087	1,316
Lease interest paid	7	(27)	(14)
Bank, invoice finance and other interest paid	7	(98)	(95)
Net cash generated in financing activities		1,618	1,338
Net change in cash and cash equivalents		247	(117)
Cash and cash equivalents, beginning of year		(90)	32
Effect of exchange rates on cash		-	(5)
Cash and cash equivalents, end of year		157	(90)
Represented by:			
Cash and cash equivalents	17	915	718
Bank overdraft	19	(758)	(808)
		157	(90)

Notes to the Annual Report and Accounts

1 General information

Symphony Environmental Technologies plc ('the Company') and subsidiaries (together 'the Group') develops and supplies environmental plastic additives and masterbatches, together with plastic and rubber finished products to a global market.

The Company, a public limited company, is the Group's ultimate parent company. It is incorporated and domiciled in England (Company number 03676824). The address of its registered office is 6 Elstree Gate, Elstree Way, Borehamwood, Hertfordshire, WD6 1JD, England. The Company's shares are listed on the AIM market of the London Stock Exchange.

2 Basis of preparation and significant accounting policies

Basis of preparation

The financial information set out in this report does not constitute the Company's statutory annual report and accounts for the years ended 31 December 2025 or 2024 but is derived from the 2025 annual report and accounts. Statutory accounts for 2024 have been delivered to the Registrar of Companies and those for 2025 will be delivered to the Registrar of Companies following Notice of the Annual General Meeting. The auditor has reported on the financial statements for the year ended 31 December 2025; its report was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report and (iii) did not contain a statement under section 498(2) or section 498(3) of the Companies Act 2006.

This consolidated annual report and accounts has been prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

These consolidated annual report and accounts have been prepared under the historical cost convention except for investments that are measured at fair value. Financial information is presented in pounds sterling unless otherwise stated, and amounts are expressed in thousands (£'000) and rounded accordingly.

Changes to accounting policies during the year are detailed in 'Standards and interpretations adopted during the year' further in this note.

Consolidation

This consolidated annual report and accounts are made up to 31 December 2025.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the annual report and accounts of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

Going concern

During 2025 the Group's revenues were significantly reduced (from £6.59 million in 2024 to £5.73 million) due to its distributor operations in the Middle East. Notwithstanding this, its operating loss before one-off strategic costs and impairment provisions (totalling £0.97 million) was £1.15 million, being similar to the operating loss in 2024 of £1.09 million. The Group's gross margins increased from 46% in 2024 to 51% in 2025.

For 2026, the Group has repaired its position in the Middle East with a new distributor and manufacturer based in Saudi Arabia. This has additionally, and as expected, led to Group gross profit margins increasing substantially to over 60%. Operational cashflow in the Middle East is now neutral as opposed to being cash negative as it was before. The current geopolitical situation in the Middle East has not to date had a material adverse effect on operations. In addition, the Group has seen an increase in demand from one of its main end users in Latin America.

The Group therefore as a minimum expects FY2026 revenues to at least match FY2024 levels. With the current and forecasted higher gross profit margins, together with a cost base lower than 2024 levels, the Group is able to prudently project a profit for FY2026 without relying on material growth in many of the opportunities it has developed and continues to work.

On the basis of current financial projections, which have been drawn out to the end of 2027, including a sensitised cash flow analysis (sensitised by considering reduced revenues in key growth markets being the main area of forecast risk, together with available funds and facilities), the Directors are satisfied that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements, and accordingly, continue to adopt the going concern basis in preparing the Group and Company financial statements.

This is primarily underpinned by the following:

- Growth in demand from one of the Group's main end users
- Middle East volumes expected to match FY2024 levels due to new operations in the region as detailed above
- Group revenues also expected to match at least FY2024 levels
- Repeat and growing d2p AI business – other d2p growth potential areas
- Steady main markets in addition to the Far East - Latin America and Asia - with good growth potential
- Significant increase in gross profit margins
- Administrative costs reducing to below FY2024 levels

Although net current liabilities are £1.2 million at the end of the year, this includes £1.8 million in unsecured convertible loan funding and accrued interest which is repayable in cash or converted into equity at the Company's discretion on or before 31 January 2027, save a minimum of £80,000 of interest which must be paid before the 31 January 2027. The Company currently has sufficient shareholder authority and will ask shareholders for continuing authority at the next annual general meeting, to convert the loans to shares if required on or before 31 January 2027 thus not affecting cashflow. The Group is also supported by an invoice finance facility from the Group's bankers. Systems are in place which enable monitoring of cashflow requirements of the business which identifies any need for borrowing and usage of borrowed funding. The Group is not materially affected by any political or economic uncertainty. The Group continues to monitor the evolving geopolitical situation in the Middle East, which, as advised above, to date has not had a material adverse effect on operations.

Revenue

- Plastic additives and finished products, and associated products

Revenue is stated at the fair value of the consideration receivable and excludes VAT.

The Group's revenue is from the sale of goods. Revenue from the sale of goods is recognised in conformity to IFRS 15 "Revenues from Contracts with Customers" following the 5-step approach. This has been detailed below:

- Identification of the contract – Due to the nature of the goods sold, the Group effectively approves an implied contract with a customer when it accepts a purchase order from the customer.
- Identification of the separate performance obligations in the contract – The Group must fulfil the following obligations, which are agreed on acceptance of the purchase order:
 - To make the goods available for dispatch on the required date; and
 - To organise freight in accordance with agreed INCOTERMS (a series of pre-defined commercial terms published by the International Chamber of Commerce).
- Determine the transaction price of the contract – The transaction price is determined as the fair value of the consideration the Group expects to receive on transfer of the goods. The price of the sale includes the goods price and the cost of the transport, if applicable.
- Allocation of the transaction price to the performance obligations identified – Sales prices are agreed with customers and are not typically fixed on a per-unit basis. Where contracts include both goods and transportation, these are assessed as separate performance obligations. The transaction price is allocated between goods and freight based on relative stand-alone selling prices, with freight charges determined by reference to third-party quotes. The Group acts as principal in providing transport services, as it controls the service before transfer, and therefore recognises freight revenue on a gross basis.
- Recognition of revenue when each performance obligation is satisfied – Provided that the goods have been made available for dispatch on the required date, this performance obligation has been fulfilled and the revenue for this performance obligation is therefore recognised at this date. In respect to the freight element, the agreed INCOTERMS need to be satisfied. At this point, the Group recognises the revenue for this separate performance obligation.
 - For Incoterms EXW, FOB, CIF and CIP the performance obligation in respect to the goods

has been deemed fulfilled once the carrier has collected the goods from the warehouse. For incoterm DAP the performance obligation has been deemed fulfilled once the goods have reached the destination.

Intangible assets

- Research and development costs

Expenditure on research (or the research phase of an internal project) is recognised as an expense in the period in which it is incurred. Development costs incurred on specific projects are capitalised when all the following conditions are satisfied:

- completion of the intangible asset is technically feasible so that it will be available for use or sale;
- the Group intends to complete the intangible asset and use or sell it;
- the Group has the ability to use or sell the intangible asset; and
- the intangible asset will generate probable future economic benefits.

Among other things, this requires that there is a market for the output from the intangible asset or for the intangible asset itself, or, if it is to be used internally, the asset will be used in generating such benefits:

- there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the expenditure attributable to the intangible asset during its development can be measured reliably.

Development costs not meeting the criteria for capitalisation are expensed as incurred within administrative expenses.

The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. The nature of the Group's activities in the field of development work renders some internally generated intangible assets unable to meet the above criteria at present.

Amortisation commences upon completion of the asset and is shown within administrative expenses and is included at the following rate:

Plastic masterbatches and other additives - 10 years straight line.

For the Group, development costs incurred have been in respect to d2p antimicrobial masterbatch formulations for the packaging of bread products.

At the end of each reporting period, the Group assesses whether there is any indication that capitalised development costs may be impaired.

Impairment testing is performed when recoverable amounts cannot be determined for individual assets.

The recoverable amount for development costs is determined as the higher of:

- Value in use – the present value of estimated future cash flows expected to arise from the asset; and
- Fair value less costs of disposal

Key assumptions include forecast revenue, margins, development timelines, growth rates and a pre-tax discount rate reflecting current market assessments of the time value of money and project-specific risks.

Impairment losses are recognised immediately in profit or loss.

Judgements and estimates made by the Directors when deciding whether the recognition requirements for development costs have been met are included in note 3. All amounts disclosed within note 12 in development costs relate to plastic masterbatches and other additives.

- Trademarks

Trademarks represent the cost of registration and are carried at cost less amortisation. Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, to administrative

expenses over the useful economic life of that asset as follows:

Trademarks - 10 years straight line.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of depreciation and any provision for impairment. The cost comprises of the purchase price of the asset plus directly attributable costs.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, to administrative expenses over the useful economic life of that asset as follows:

Plant and machinery - 20% reducing balance.
Fixtures and fittings - 10% straight line.
Office equipment - 25% straight line.

The residual value and useful economic lives are reconsidered annually.

Impairment testing of intangible assets and property, plant and equipment

All individual assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. Any impairment is recognised within administrative expenses in the statement of comprehensive income.

Leased assets

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition three key evaluations are assessed:

- whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- whether the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- whether the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

A right-of-use asset and a lease liability is recognised on the statement of financial position at the lease commencement date. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred, an estimate of any costs to dismantle and remove the asset at the end of the lease (dilapidations), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Impairment is assessed when such indicators exist. Costs in relation to potential dilapidations are measured at present value of the expected future cash out flows and recognised as a provision, with a corresponding amount included in the right of use asset.

The Group has recognised a provision for dilapidations in respect of its leased office, representing the present obligation to restore the premises at the end of the lease term, including the costs of dismantling, and removing leasehold improvements. This obligation arises from the lease agreement and the Group's use of the property and is recognised in accordance with IAS 37 as a probable future outflow of economic benefits that can be reliably estimated based on current expectations and past experience.

The lease liability is measured on commencement of the lease at the present value of the lease payments unpaid at that date, discounted using the Group's incremental borrowing rate.

The Group determines its incremental borrowing rate by reference to a risk-free yield curve adjusted for the Group's credit risk, the lease term, the secured nature of the lease liability and the economic environment in which the lease is denominated. Incremental borrowing rates are determined at lease commencement and applied consistently to portfolios of leases with similar characteristics.

Lease payments included in the measurement of the lease liability are made up of fixed payments included in the lease agreement.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Investments in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these financial statements using the equity method of accounting.

Under the equity method, an investment in a joint venture is recognised initially in the consolidated statement of financial position at cost as at the date of acquisition and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is determined on the basis of purchase value plus all directly attributable costs of bringing the inventory to the current location and condition, on a first-in first-out basis.

Employee costs

- Employee compensation

Employee benefits are recognised as an expense.

- Post employment obligations

The Group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Group. The pension costs charged against profits are the contributions payable to the scheme in respect of the accounting period.

Taxation

Current tax is the tax currently payable based on taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. Tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets, insofar as Group companies are entitled to UK tax credits on qualifying research and development expenditure, such amounts are presented in the income tax line within the statement of comprehensive income.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates

that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the statement of financial position date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in profit or loss, except where they either relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity, or where they relate to items charged or credited in other comprehensive income the deferred tax change is recognised in other comprehensive income.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

Financial assets

The Group classifies all of its financial assets measured at amortised cost, apart from investments. Financial assets do not comprise prepayments. Management determines the classification of its financial assets at initial recognition.

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold their assets in order to collect contractual cash flows and the contractual cash flows are solely payments of the principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. The Group considers a financial asset in default when it is unlikely to receive the outstanding contractual amounts in full. For trade receivables, which are reported net; such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Financial assets measured at fair value comprise investments in equity instruments. These assets are classified as either fair value through profit and loss in accordance with the Group's business model and the contractual cash flow characteristics of the instruments. These assets are measured at fair value at each reporting date, with gains and losses recognised in profit and loss. Fair values are determined using quoted market prices where available. Where quoted prices are not available, valuation techniques are applied using observable market data where possible and otherwise using entity-specific assumptions.

The Group's financial assets held at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

The Group has an invoice financing facility whereby it transfers the rights to the cash flows from the related receivables to a third party but retains the credit risk by providing a guarantee. As the Group does not transfer substantially all the risks and rewards of the receivables, no derecognition of financial assets is required.

- Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and other short-term, highly liquid deposits that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash balances which are overdrawn are referenced in financial liabilities below.

Financial liabilities

The Group classifies its financial liabilities in the category of financial liabilities at amortised cost. All financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provision of the instrument.

Financial liabilities measured at amortised cost include:

- Trade payables and other short-dated monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.
- Bank, convertible loans and other borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs as well as any interest or coupon payable while the liability is outstanding. Redemption of the convertible loan can be in cash or equity in accordance with note 19. Convertible loans are classified as financial liabilities unless and until they are converted into equity. The convertible loans accrue interest and can be repaid by cash at the Group's discretion up until the contracted day of conversion.
- Invoice finance facility whereby trade receivables are transferred to a finance provider in exchange for immediate cash proceeds. The Group retains substantially all the risks and rewards of ownership of the receivables—typically because it provides credit protection and remains exposed to default risk—the receivables are not derecognised and continue to be presented within trade receivables. Cash proceeds received from the finance provider are recognised as a secured borrowing within interest-bearing loans and borrowings. The borrowing is derecognised when the underlying receivables are settled or when the Group's obligation to the finance provider is extinguished.

Unless otherwise indicated, the carrying values of the Group's financial liabilities measured at amortised cost represents a reasonable approximation of their fair values.

Equity settled share-based payments

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees and third parties are rewarded using share-based payments, the fair values of the instrument granted are determined using the Black-Scholes model. This fair value is appraised at the grant date. For employees, the fair value is charged to the statement of comprehensive income between the date of issue and the date the share options vest with a corresponding credit taken to equity.

Equity

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares;
- "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue and after capital reduction; and
- "Retained earnings" represents gains and losses arising from amounts recognised in profit or loss and the fair value of options granted under the Group's share-based payment schemes.

Changes in accounting policies

a) New standards, interpretations and amendments adopted from 1 January 2025

The following amendments are effective for the period beginning 1 January 2025:

- Lack of exchangeability (Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates)

On 15 August 2023, the IASB issued Lack of Exchangeability which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

These amendments had no effect on the consolidated financial statements of the Group.

The following illustrative examples have been issued during 2025 with no effective date:

Illustrative examples on reporting uncertainties in financial statements.

- On 28 November 2025, the IASB issued Disclosures about Uncertainties in the Financial Statements – Illustrative examples, which amended multiple IFRS Accounting Standards to

include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements. The illustrative examples are accompanying materials to IFRS Accounting Standards and do not have an effective date. The Group has considered these illustrative examples in its preparation of the consolidated financial statements and no additional disclosures or changes in presentation were considered necessary.

b) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the annual reporting period beginning 1 January 2026:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures)

These amendments are not expected to have a material impact on the Group's financial statements as in substance the amendments clarify existing IFRS 9 requirements and add limited disclosures under IFRS 7.

The following amendments are effective for the annual reporting period beginning 1 January 2027 - Annual Improvements to IFRS Accounting Standards - Volume 11:

- IFRS 1 – First-time Adoption of International Financial Reporting Standards
- IFRS 7 – Financial Instruments: Disclosures
- IFRS 9 – Financial Instruments
- IFRS 10 – Consolidated Financial Statements
- IAS 7 – Statement of Cash Flows

The Group is currently assessing the effect of these.

The following applicable standards and amendments are effective for the annual reporting period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements

The Group is currently assessing the effect of this.

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

3 Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are evaluated continually and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates and assumptions. Material changes to the estimates and judgements made in the preparation of the financial statements are detailed in the notes.

Estimates and assumptions:

In preparing these accounts the following areas were considered to involve significant estimates and assumptions:

- Investments

Estimates and judgements are made as to the carrying value of Investments based on the status of the investment against expectations and the forward-looking prospects. In order to calculate fair value, judgements and estimates have been made as to the financing and operating risk of the invested company, together with the marketability of the investment. This included consideration of recent fund-raising initiatives by Eranova, the current non-marketability of the shares, Inherent risks surrounding a developing company not at a fully commercial stage and other management information available.

The carrying value of investments as at 31 December 2025 was £47,000. The Group analysis and recognised transfers between levels of the fair value hierarchy at the end of the reporting period in which changes have occurred. See note 13.

- Inventory provisions

Estimates are made as to impairment provisions to the carrying value of inventories based on whether the items are still sellable and also the expected net value that can be achieved on sale. The resultant value was calculated based on net proceeds fairly achievable over the short to medium term and were based on specific items where saleability is in doubt, and the dates of the last movements of each stock item as an indicator to future value except for certain raw material items which are known to be required in the short term. There is a provision of £209,000 for the impairment of inventories as at 31 December 2025. See note 15. Shortening the period of last movements by six months has an effect of increasing the provision by £38,000 as at 31 December 2025.

- Expected credit losses (ECLs)

Trade receivables are reflected net of an estimated provision for impairment losses. In line with IFRS 9, the Group uses an expected credit loss model to determine the provision for doubtful debts and also specific provisions for balances for which it has specific concerns over recoverability. The expected credit loss model involves segmenting debtors into groups and applying specific percentages to each of the debtor groupings. The Group has considered the profile of its debtor balance and has determined that a grouping based on credit terms and aging is considered the most appropriate. In addition, forward looking information has been used in the assessment and conclusion of ECLs in line with the model.

Higher percentages are applied the longer the term with the customer and the older the debt with the customer, with the view that there is a greater risk of unforeseen circumstances arising the further away the settlement date. See note 16 for further information. At the year end, the Group has provisions of £94,000 (2024: £65,000) on a total trade receivables balance of £1,829,000 (2024: £2,174,000) calculated using this method. An increase of 10% on the ECL as at 31 December 2025 would increase the provision by £2,000.

- Dilapidations provision

Estimates are made in respect of provisions for dilapidations relating to leasehold properties, based on the Group's obligation to restore leased premises to their original condition at the end of the lease term. The provision is determined by estimating the expected future costs of reinstatement, taking into account:

- the condition of the property at the reporting date;
- lease terms and specific reinstatement obligations;
- external contractor cost estimates and historical experience; and
- the expected timing of settlement of the obligation.

Where material, the provision is discounted to present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The Group entered into a new lease during the year relating to its head office and dilapidation provision of £100,000 (2024: £nil) has been recognised (see note 20). An increase of 10% would increase the provision by £10,000.

Judgements:

In preparing these accounts the following areas were considered to involve significant judgements:

- Functional currency

A significant proportion of the revenues generated by entities within the group are denominated in United States Dollars (USD). The functional currency of the Company and of all individual entities within the Group has been determined to be Sterling. Identification of functional currencies requires a judgement as to the currency of the primary economic environment in which the companies of the Group operate. This is based on analysis of the economic environment and cash flows of the subsidiaries of the Group, which

has determined, based upon the currency of funding and operating costs, that the functional currency continues to be Sterling.

- Development costs

Judgements by the Directors are applied when deciding whether the recognition requirements for development costs have been met. In capitalising these costs, judgements are made relating to ongoing feasibility and commerciality of products being developed. In making these judgements, cash flow forecasts are used, and these include significant estimates in respect to sales forecasts and future economic feasibility. See note 12.

4 Segmental information and revenue analysis

The Board has reviewed the requirements of IFRS 8 “Operating Segments”, including consideration of what results and information the Board reviews regularly to assess performance and allocate resources, and concluded that all revenue falls under a single operating segment. The Board assesses the commercial performance of the business based upon the revenues of the main products items within its single operating segment as follows:

	2025	2024
	£'000	£'000
Revenues:		
d2w masterbatches	4,561	5,464
d2p masterbatches	727	719
Finished products	248	283
Other	196	125
Total	5,732	6,591

The revenues of the Group are divided in the following geographical areas:

Geographical area	2025	2024
	£'000	£'000
UK	302	270
Europe	980	879
North America	388	238
Central and South America	2,488	2,576
Middle East and Africa	937	1,808
Asia	637	820
Total	5,732	6,591

Revenues attributable to the above geographical areas are made on the basis of final destination of the customer to which the goods are sold. The geographical areas above are what the Company considers to be key markets.

Within the above, revenues are attributed to the following countries which are represented by over 5% of total revenues:

Country	2025	2024
	£'000	£'000
Mexico	1,795	1,650
UAE	873	1,772
France	645	490
USA	359	173
China	285	246
UK	223	270
Other countries	1,552	1,990
Total	5,732	6,591

Credits are made to revenue on agreement of a dispute. Payments are made by customers either before or after satisfaction of performance obligations depending on the credit risk associated with the customer. Payments made before satisfaction of performance obligations are disclosed as a liability in accounts payable in the financial statements. If the satisfaction of performance obligations is made before payment, then the value is included in accounts receivable until extinguished by the payment. Non-current assets of £9,000 are held outside of the UK (2024: £9,000).

Major customers

There were three customers that each accounted for greater than 10% of total Group revenues for 2025 (2024: one customer). In 2025 the three customers accounted for £2,228,000 or 40% (2024: £1,741,000 and one customer being 26%) of total group revenues. The Group promotes its products through a global network of distributors and aims to generate revenues from as many sources as practicable.

5 Operating loss

The operating loss is stated after charging:

	2025	2024
	£'000	£'000
Depreciation – property, plant and equipment	38	47
Depreciation – right-of-use assets	148	177
Loss on disposal of property, plant and equipment	10	2
Amortisation	71	69
Development cost impairment	468	-
Research and development expenditure	396	430
Fees payable to the Company's auditor:		
Audit related services:		
Audit of the annual report and accounts	40	35
Audit of the annual report and accounts of the Company's subsidiaries	60	55
Net foreign exchange loss	8	11

6 Directors and employees

Staff costs (including directors) during the year comprise:

	2025	2024
	£'000	£'000
Wages and salaries	1,566	1,739
Social security costs	204	134
Pension contributions	101	113
	1,871	1,986

Average monthly number of people (including directors) by activity:

	2025	2024
R&D, testing and technical	6	5
Selling	5	7
Administration	10	10
Management	5	5
Marketing	1	1
Total average headcount	27	28

Remuneration in respect of the Directors, who are also the key management, was as follows:

	2025	2024
	£'000	£'000
Emoluments (all short term)	605	623

There were no Directors' pension contributions made during the year (2024: £nil). The Directors are considered to be the key management personnel of the Group. Further details on Directors' remuneration and share options are set out in the Remuneration Committee Report.

Remuneration in respect to the highest paid director was as follows:

	2025 £'000	2024 £'000
Highest paid director	245	260

7 Finance costs

	2025 £'000	2024 £'000
Interest expense:		
Bank and invoice finance borrowings	98	95
Convertible loan	105	105
Lease interest (right-of-use assets)	27	14
Total finance costs	230	214

8 Taxation

	2025 £'000	2024 £'000
Tax charge	-	-

No tax arises on the loss for the year.

The UK corporation tax rate applicable for the year is 25% (2024: 25%). The tax assessed for the year is different from the standard rate of corporation tax in the UK of 25%. The differences are explained as follows:

	2025 £'000	2024 £'000
Loss for the year before tax	(2,495)	(1,334)
Tax calculated by rate of tax on the result		
Effective rate for year at 25% (2024: 25%)	(624)	(334)
Fixed asset differences	(468)	31
Expenses not deductible for tax purposes	34	1
Movement in deferred tax not recognised	1,058	302
Total tax charge	-	-

The recognition of the deferred tax asset is based on sensitising management forecasts to estimate the future taxable profits against which the losses will be relieved. Judgements have been made in respect to profitability going forward based upon current sales leads and market receptiveness to anticipated product launches. The Group has not recognised a deferred tax asset in respect of losses available for use against future taxable profits due to uncertainties on timing. The Group has tax losses of approximately £22,200,000 (2024: £21,700,000). These tax losses have no expiry date. The unrecognised deferred tax asset in respect of these losses based on latest profit projections is approximately £5,550,000 (2024: £5,421,000).

These brought forward losses are subject to the loss restriction rules introduced on 1 April 2017. Groups with more than £5m taxable profits per annum will only be able to utilise 50% of their brought forward losses against taxable profits exceeding the £5m cap. As Symphony does not expect its taxable profits to exceed £5m in the near to immediate term, it is not possible to quantify the impact of these changes at this moment in time.

The Group also has gross fixed liabilities of £1,596,000 (2024: gross fixed assets £305,000) which give rise to a deferred tax liability of £nil (2024: £76,000). Other gross temporary liabilities of £11,000 (2024: £7,000) give rise to a deferred tax asset of £nil (2024: £2,000). The total deferred tax liability of £nil (2024: £76,000) is sheltered by the unrecognised deferred tax asset in respect of losses and temporary differences. The unrecognised deferred tax balances disclosed in the above for 2025 have been calculated at 25%.

9 Earnings per share and dividends

The calculation of basic earnings per share is based on the loss attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year. The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares on the assumed conversion of all dilutive options and warrants.

Reconciliations of the profit and weighted average numbers of shares used in the calculations are set out below:

Basic and diluted	2025	2024
Loss attributable to equity holders of the Company	£(2,495,000)	£(1,344,000)
Weighted average number of ordinary shares in issue	231,511,990	214,448,178
Basic earnings per share	(1.08) pence	(0.63) pence
Dilutive effect of weighted average options	5,978,406	-
Total of weighted average shares together with dilutive effect of weighted options- see below	231,511,990	214,448,178
Diluted earnings per share	(1.08) pence	(0.63) pence

No dividends were paid for the year ended 31 December 2025 (2024: £nil).

The effect of options for the years ended 31 December 2025 and 31 December 2024 are anti-dilutive and are therefore not included in the total weighted average shares and diluted earnings per share calculation.

A total of 15,416,500 options and warrants were outstanding at the end of the year which may become dilutive in future years.

The Group also has a convertible loan, which including accrued interest, amounted to £1.77 million outstanding as at 31 December 2025 (2024: £1.67 million) – see note 19 – the main terms are:

- Conversion to shares if not repaid, on 31 January 2027
- Conversion price: 80% of the volume weighted average share price for the 3 months prior to conversion
- Interest: 7% per annum, payable as accrued on repayment and/or conversion
- Symphony able to repay the loans in full or in part before conversion at its discretion

The Group currently has sufficient shareholder authority and will ask shareholders for continuing authority at the next annual general meeting, to convert the loans to shares if required on or before 31 January 2027.

10 Property, plant and equipment

Year ended 31 December 2025	Plant & Machinery £'000	Fixtures & Fittings £'000	Office Equipment £'000	Total £'000
Cost				
At 1 January 2025	335	293	146	774
Additions	-	-	18	18
Disposals	(112)	(233)	(14)	(359)
At 31 December 2025	223	60	150	433
Depreciation				
At 1 January 2025	278	284	88	650
Charge for the Year	10	1	27	38
Disposals	(105)	(230)	(14)	(349)
At 31 December 2025	183	55	101	339
Net Book Value				
At 31 December 2025	40	5	49	94
At 31 December 2024	57	9	58	124
Year ended 31 December 2024				
Year ended 31 December 2024	Plant & Machinery £'000	Fixtures & Fittings £'000	Office Equipment £'000	Total £'000
Cost				
At 1 January 2024	385	293	146	824
Additions	-	-	5	5
Disposals	(50)	-	(5)	(55)
At 31 December 2024	335	293	146	774
Depreciation				
At 1 January 2024	311	280	65	656
Charge for the Year	15	4	28	47
Disposals	(48)	-	(5)	(53)
		-		
At 31 December 2024	278	284	88	650
Net Book Value				
At 31 December 2024	57	9	58	124
At 31 December 2023	74	13	81	168

11 Right-of-use assets

Year ended 31 December 2025	Land & buildings £'000	Plant & Machinery £'000	Fixtures & fittings £'000	Office Equipment £'000	Total £'000
Cost					
At 1 January 2025	905	60	-	35	1,000
Additions	450	-	50	-	500
Disposals	(905)	-	-	(13)	(918)
At 31 December 2025	450	60	50	22	582
Depreciation					
At 1 January 2025	865	15	-	27	907
Charge for the Year	125	9	9	5	148
Disposals	(905)	-	-	(13)	(918)
At 31 December 2025	85	24	9	19	137
Net Book Value					
At 31 December 2025	365	36	41	3	445
At 31 December 2024	40	45	-	8	93

Right-of-use assets are assets used by the business under operating lease agreements and accounted for under IFRS 16. The resultant lease liability is included in borrowings. See note 19.

Included in additions is a provision of £100,000 for dilapidations in respect to the new building lease. See note 20.

Year ended 31 December 2024	Land & buildings £'000	Plant & Machinery £'000	Office Equipment £'000	Total £'000
Cost				
At 1 January 2024	905	60	78	1,043
Additions	-	-	(43)	(43)
At 31 December 2024	905	60	35	1,000
Depreciation				
At 1 January 2024	705	4	64	773
Charge for the Year	160	11	6	177
Disposals	-	-	(43)	(43)
At 31 December 2024	865	15	27	907
Net Book Value				
At 31 December 2024	40	45	8	93
At 31 December 2023	200	56	14	270

12 Intangible assets

Year ended 31 December 2025	Development costs £'000	Trademarks £'000	Total £'000
Cost			
At 1 January 2025	2,557	113	2,670
Additions	-	13	13
Disposals	-	(2)	(2)
At 31 December 2025	2,557	124	2,681
Amortisation			
At 1 January 2025	303	50	353
Charge for the Year	58	13	71
Disposals	-	(2)	(2)
At 31 December 2025	361	61	422
Impairment			
At 1 January 2025	1,728	-	1,728
Recognised in the year	468	-	468
At 31 December 2025	2,196	-	2,196
Net Book Value			
At 31 December 2025	-	63	63
At 31 December 2024	526	63	589

Development costs are capitalised and impaired in accordance with the policy set out in note 2. Judgements and estimates applied in accordance with this policy are set out in note 3.

An impairment of development costs amounting to £0.47 million was made during the year (2024: £nil). The impairment relates to one asset class and cash generating unit, being the Group's d2p antimicrobial bread bag technology. The commercial development of this technology, which represented the only asset class in development costs, is taking longer than anticipated and there is currently no economic value in the asset and no recoverable amount.

The impairment charge of £0.47 million (2024: £nil) has been made to the statement of comprehensive income in the year. There is no effect to future anticipated cash flows of the Group.

Year ended 31 December 2024	Development costs	Trademarks	Total
	£'000	£'000	£'000
Cost			
At 1 January 2024	2,557	108	2,665
Additions	-	5	5
At 31 December 2024	2,557	113	2,670
Amortisation			
At 1 January 2024	245	39	284
Charge for the Year	58	11	69
At 31 December 2024	303	50	353
Impairment			
At 1 January 2024	1,728	-	1,728
At 31 December 2024	1,728	-	1,728
Net Book Value			
At 31 December 2024	526	63	589
At 31 December 2023	584	69	653

13 Financial asset at fair value

The Group holds an interest in the following minority unlisted share.

	2025	2024
	£000	£'000
Financial asset held at fair value:		
At the beginning of the year	130	130
Exchange of loan capital for shares	24	-
Net change in fair value (unrealised)	(107)	-
At the end of the year	47	130

The Group had originally invested £130,000 (1.7%) into Eranova SAS, a French company developing products from green algae. During the year loan capital and interest of £24,000 was converted to shares in Eranova.

During the year the Group recognised a fair value loss of £107,000 (2024: £nil) relating to its investment in Eranova.

During 2025, Eranova completed equity fundraising transactions which supported a value of approximately £154,000 for the Group's investment, consistent with the opening carrying value of £130,000 together with the £24,000 loan converted into equity during the year.

Subsequent to the fundraising, information became available indicating that key elements of the business plan underpinning those transactions were no longer expected to be achieved. As a result, management concluded that the fundraising transaction price was no longer representative of fair value at the reporting date and that a significant reduction in value was appropriate. In determining fair value at the reporting date management used the most recent transaction evidence, adjusted downwards to reflect increased uncertainty regarding the future execution of the business plan and other factors. Management estimated that these factors reduced the value by approximately 70%. This represents a significant unobservable input, and the resulting fair value measurement is subject to significant estimation uncertainty and management judgement.

In the prior year, the investment was classified within Level 2 of the fair value hierarchy, as fair value was primarily supported by recent external fundraising transactions with only limited adjustments for company-specific factors. At the year end, the investment was transferred from Level 2 to Level 3. The transfer reflects the increased significance of unobservable inputs in determining fair value at the reporting date.

Sensitivity analysis

For the fair value of this equity security as a whole there are currently no inputs where a sensitivity analysis could be reasonably established and as such, just considering the overall value of the investment, a 5% change would have the following effect.

	Increase £'000	Decrease £'000
Adjusted total company value (5% movement)	2	(2)

The Company is parent to the following subsidiary undertakings

Name	Country of incorporation	Nature of business	Proportion of ordinary shares held by parent	Proportion of ordinary shares held by the Group
Symphony Environmental Limited	England and Wales	Development and supply of environmental plastic additives and products	100%	100%
Symphony Plastics Trading LLC	UAE	Supply of environmental plastic additives and products	0%	100%
D2W Limited	England and Wales	Dormant	0%	100%
Symphony Recycling Technologies Limited	England and Wales	Dormant	100%	100%
Symphony Energy Limited	England and Wales	Dormant	100%	100%

All of the above subsidiaries are consolidated in the Group annual report and accounts. The above companies have their registered offices at 6 Elstree Gate, Elstree Way, Borehamwood, WD6 1JD except Symphony Plastics Trading LLC which is registered in Dubai, UAE, registration number 1566819.

Symphony Plastics Trading LLC was incorporated in December 2025 for the purposes of facilitating trade in the Middle East, one of the Group's key markets.

14 Interest in joint ventures

	Total £'000
At 1 January 2025	29
Equity participation by capital injection during the year	80
Share of joint venture total comprehensive income (see below)	(40)
At 31 December 2025	69

The Group has a 46.5% share of Symphony Environmental India (Private) Limited, a company incorporated in India.

The primary activity of Symphony Environmental India (Private) Limited is the marketing and sale of the Groups d2w and d2p product range in India. The contractual arrangement provides the Group with only the rights to the net assets of the joint arrangement, with the rights to the assets and obligation for liabilities of the joint arrangement resting primarily with Symphony Environmental India (Private) Limited. Under

IFRS 11 this joint arrangement is classified as a joint venture and has been included in the consolidated financial statements using the equity method.

Summarised material financial information in relation to the joint venture in accordance with IFRS 12 is shown below.

	Year to 31 December 2025 £'000	Year to 31 December 2024 £'000
Revenue	104	92
Loss from continuing operations (before and after tax)	(86)	(93)
Total comprehensive income	(86)	(93)
Group's share of total comprehensive income (46.5%)	(40)	(43)
Current assets	82	94
Non-current assets	38	1
Current liabilities	(53)	(146)
Net assets	(67)	(51)
Group's share of net assets (46.5%)	-	-

Within current liabilities are cash borrowings of £31,000 (2024: £83,000). There was no material cash and cash equivalents at the end of the year (2024: £nil).

The joint venture's reporting date is 31 March. The above is based on management information. There are no unrecognised losses, material capital commitments or contingent liabilities as at 31 December 2025. There were no dividends received during the year (2024: £nil).

15 Inventories

	2025 £'000	2024 £'000
Finished goods and goods for resale	218	298
Raw materials	253	405
	471	703

The cost of inventories recognised as an expense and included in 'cost of sales' amounted to £2,223,000 (2024: £3,223,000). There is a provision of £209,000 for the impairment of inventories (2024: £188,000). There is no collateral on the above amounts.

16 Trade and other receivables

	2025 £'000	2024 £'000
Trade receivables	1,735	2,109
Other receivables	103	85
VAT	27	29
Prepayments	333	191
	2,198	2,414

The Directors consider that the carrying value of trade and other receivables approximates to their fair values.

Symphony Environmental Technologies plc applies the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. The ECL balance has been determined based on historical data available to management such as adherence to payment terms and length of time to settle payment, in addition to forward looking information utilising management knowledge such as the anticipated condition of the market in which its customers operate. Based on the analysis performed, management expect that all balances will be recovered.

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 120 days and therefore are all classified as current. The majority of trade and other receivables are non-interest bearing. Where the effect is material, trade and other receivables are discounted using discount rates which reflect the relevant costs of financing. Further disclosures are set out in note 23.

Trade receivables are secured against the facilities provided by the Group's bankers. As at 31 December 2025 £1,113,000 (2024: £1,454,000) of trade receivables had been sold to the Group's bankers who are a provider of invoice discounting services. The Group is committed to underwrite any of the debts transferred and therefore continues to recognise the debts sold within trade receivables until the debtors repay or default. Default, whereby the Group repays its bankers, is when payment has not been received 60 days from due date. These debts are repurchased by the Group and therefore continue to be recognised. Since the trade receivables continue to be recognised, the business model of the Group is not affected. The proceeds from transferring the debts of £700,000 (2024: £934,000) are included in borrowings (note 19 - invoice finance facility) until the debts are collected or the Group makes good any losses incurred by the Group's bankers.

Included in trade receivables are debtors which are past due but where no material expected credit loss has been recognised as there has not been a change in the credit worthiness of these debtors and the amounts are considered recoverable by virtue of being credit insured under the Group's credit insurance policy with Atradius. Debts are written off when there is no credit insurance against that debt and there are no reasonable grounds for recovery.

The ageing analysis of debt taking into account credit terms is shown below.

Days past due	0 - 30 £'000	31-60 £'000	61-90 £'000	91-120 £'000	>120 £'000	Total Gross £'000	Specific and ECL £'000	Total Net £'000
31 December 2025	1,719	-	-	-	110	1,829	(94)	1,735
31 December 2024	2,011	34	36	9	84	2,174	(65)	2,109

The ECL is included within debts past 120 days overdue at 10% for 2025 and 10% for 2024. The increase in receivables past 120 days due is due to late payments from the previous Middle East distributor. Expected credit losses of £94,000 (2024: £65,000) are now presented separately within "impairment losses on financial assets", to improve clarity and consistency of presentation.

17 Cash and cash equivalents

	2025 £'000	2024 £'000
Cash at bank and in hand	915	718
	915	718

The carrying amount of cash equivalents approximates to their fair values. All cash balances are held in the United Kingdom.

18 Equity

	Group and Company			Group	
	Ordinary shares Number	Ordinary shares £'000	Share premium £'000	Retained earnings £'000	Total £'000
At 1 January 2025	225,099,120	2,251	5,767	(8,416)	(398)
Issue of share capital	11,264,875	113	1,974	-	2,087
Loss for the year	-	-	-	(2,495)	(2,495)
At 31 December 2025	236,363,995	2,364	7,741	(10,911)	(806)
At 1 January 2024	184,806,833	1,848	4,854	(7,102)	(400)
Issue of share capital	40,292,287	403	913	-	1,316
Loss for the year	-	-	-	(1,344)	(1,344)
Share based payments	-	-	-	30	30
At 31 December 2024	225,099,120	2,251	5,767	(8,416)	(398)

During the year the Company issued 11,264,875 Ordinary Shares (2024: 40,292,287 ordinary shares) for a net consideration of £2,087,000 (2024: £1,316,000).

Ordinary shares in the Company carry one vote per share and each share gives equal rights to dividends and to the distribution of the Company's assets in the event of liquidation.

Share options

As at 31 December 2025 the Group maintained an approved share-based payment scheme for employee compensation. All share-based employee compensation will be settled in equity. There were nil new approved staff options issued in the year (2024: 3,050,000). As at 31 December 2025 there were 4,825,000 approved staff options outstanding (2024: 4,825,000). Vesting requirements are solely continuation of service after a period of one year.

The Company has an unapproved share option scheme which is open to directors. Options granted under the scheme are for £nil consideration and are exercisable at a price equal to the quoted market price of the Company's shares on the date of the grant. The vesting period is 0 to 12 months. If the options remain unexercised after a period of 2-15 years from the date of grant, the option expires. There were nil (2024: 1,400,000) unapproved options issued during the year.

The weighted average exercise price of all of the Group's options are as follows:

	Number	2025 Weighted average exercise price £	Number	2024 Weighted average exercise price £
Outstanding 1 January	16,416,500	0.04	12,866,500	0.04
Granted	-	-	4,450,000	0.06
Expired	(1,000,000)	0.10	(900,000)	0.15
Outstanding 31 December	15,416,500	0.08	16,416,500	0.08

There were no options exercised during the year (2024: none). The number of share options exercisable at 31 December 2025 was 15,416,500 (2024: 16,416,500). The weighted average exercise price of those options exercisable was 8p (2024: 8p). The weighted average option contractual life is fifteen years (2024: fifteen years) and the weighted average option life remaining is 3 years (2024: 4 years). The range of exercise prices is 4.5p to 25p (2024: 4.5p to 25p). The exercise price range is as a result of the share price at time of grant which is used as a guide on issue.

Directors

Directors' interests in shares and share incentives are contained in the Remuneration Committee Report on page 34 of the full 2025 annual report.

IFRS2 expense

The IFRS 2 share-based payment charge for the year is £nil (2024: £30,000). The 2024 charge related to two schemes as follows:

£26,000 of the charge was calculated using the Black Scholes model with a two-year term, risk free rate of 3.96%, volatility of 60% (based on 12 months share price month prior to grant) and dividend yield of 0%.

£4,000 of the charge was calculated using the Black Scholes model with a two-year term, risk free rate of 3.80%, volatility of 61% (based on 12 months share price movement prior to grant) and dividend yield of 0%.

19 Borrowings

	2025 £'000	2024 £'000
Non-current		
Leases	217	22
Current		
Bank overdraft	758	808
Invoice finance facility	700	934
Convertible loans	1,773	1,668
Borrowings	3,231	3,410
Leases	120	25
Total current	3,351	3,435
Total borrowings	3,568	3,457

The bank overdraft relates to US Dollars and is kept for hedging purposes as at the year end. Interest is charged on overdrafts at 2.4% above the host countries currency base rate. The Group also has an invoice finance facility with its bankers. The bank overdraft and invoice finance facility are secured by a fixed and floating charge over the Group's assets.

The invoice finance facility is a £1.75 million debt purchase facility with a payment percentage of 80 per cent of invoice value. A fee is incurred for each notified debt, and interest is charged at 3.1 per cent above UK base rate per annum. The facility is fully recourse.

Convertible loans include capital plus accrued interest. The convertible loans were drawn down as £1,000,000 on 13 March 2023 and £500,000 on 18 October 2023. On 26 November 2025, the conversion dates were extended by 6 months from 31 December 2025 to 30 June 2026 and on 22 June 2026 were extended by a further 7 months to 31 January 2027. The main terms of the convertible loan agreements with SESR Investments Pte Limited (assigned from Sea Pearl Ventures Limited on 5 April 2025 and who is a 19.7% shareholder in the Company) are:

- Conversion to shares if not repaid, on 31 January 2027
- Conversion price: 80% of the volume weighted average share price for the 3 months prior to conversion
- Interest: 7% per annum, payable a minimum of £80,000 before 31 January 2027 and the balance as accrued on repayment and/or conversion
- Symphony able to repay the loans in full or in part before conversion at its discretion

The Company currently has sufficient shareholder authority and will ask shareholders for continuing authority at the next annual general meeting, to convert the loans to shares if required on or before 31 January 2027.

The Group's leasing activities are detailed in the table below:

Right-of-use asset	Number of assets leased	Remaining term
Head office	1	3.25 years
Plant & Machinery	1	0.75 years
Office equipment	1	1.25 years
Fixtures & fittings	1	2.25 years

The weighted average discount rate on initial application was 4.5%. None of the above remaining leases has a remaining option extension, option to purchase or termination option except for the plant and machinery lease for £60,000 which has an option to purchase.

In March 2025, the Group entered into a new lease for its head office in London. The office unit is the same as the previous lease but only half of the space has been leased. This right of use asset has been recognised at an amortised cost of £450,000 being the initial lease recognition of £350,000 plus dilapidations provision of £100,000 (see note 20). A new fixtures and fittings lease was also entered into during the year with an initial lease recognition of £50,000 representing the same as a right of use asset. See right of use assets note 11.

The maturity of lease liabilities are as follows:

Gross payments	2025 £'000	2024 £'000
No later than one year	16	-
Later than one year and no later than five years	364	55
	380	55

During the year the Group had no other leases other than those included above.

The following lease payments were made during the year:

Gross payments	2025 £'000	2024 £'000
Lease capital	110	187
Lease interest	27	14
Total cash outflows	137	201

Reconciliation of liabilities arising from financing activities

For the year ended 31 December 2025

	1 January 2025 £'000	Cash flows £'000	Non-cash changes £'000	31 December 2025 £'000
Bank overdraft	808	(50)	-	758
Invoice finance facility	934	(234)	-	700
Convertible loan	1,668	-	105	1,773
Leases	47	(137)	427	337
Total liabilities from financing activities	3,457	(421)	532	3,568

The non-cash changes for the leases is interest of £27,000 and new right-of-use assets of £400,000. The non-cash changes for the convertible loan is an interest amount of £105,000.

The cash flows from the invoice finance facility relate to £4,862,000 of drawdown cash received from the invoice finance facility, and £5,096,000 of receipts received from customers for repayment direct to the invoice finance facility.

For the year ended 31 December 2024

	1 January 2024 £'000	Cash flows £'000	Non-cash changes £'000	31 December 2024 £'000
Bank overdraft	1,091	(283)	-	808
Invoice finance facility	616	318	-	934
Convertible loan	1,563	-	105	1,668
Leases	234	(201)	14	47
Total liabilities from financing activities	3,504	(166)	119	3,457

The non-cash changes for the leases pertain to lease interest of £14,000.

The non-cash changes for the convertible loan is an interest amount of £105,000.

The cash flows from the invoice finance facility relate to £4,713,000 of drawdown cash received from the invoice finance facility, and £4,395,000 of receipts received from customers for repayment direct to the invoice finance facility.

20 Trade and other payables

	2025 £'000	2024 £'000
Financial liabilities:		
Non-current		
Dilapidations provision	100	-
Current		
Trade payables	814	1,082
Other payables – customer deposits	115	33
Social security and other taxes	56	119
Accruals	455	507
	1,440	1,741

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 58 days (2024: 103 days). The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The dilapidations provision in respect to estimated dilapidations on expiry in March 2029 of the new building lease and is included in the right-of-use asset additions.

Customer deposits are contract liabilities under IFRS 15. The Group requests deposits are made where credit insurance or other means of securing credit terms are not available. Performance obligations are normally satisfied within three months of receipt of a deposit. As such, the customer deposits of £33,000 brought forward at the beginning of 2025 were recognised as revenue in 2025 thereby being fully satisfied. The levels of customer deposits will vary depending on the sales mix at any point in time. The levels of deposits at the end of 2025 was higher than at the end of 2024 due in particular to one UK and one European transaction which was satisfied by delivery in January 2026.

The Directors consider that the carrying value of trade and other payables, excluding provisions, approximate to their fair value.

21 Commitments and contingencies

a) Capital commitments

The Group had capital commitments totalling £nil at the end of the year (2024: £nil).

b) Contingent liabilities

Together with its subsidiary, Symphony Environmental Limited, the Group's bankers have provided a Group composite facility of £10,000 and invoice finance facility of £1.75 million (2024: £10,000 and £1.5 million).

22 Related party transactions

There were no other related party transactions outside of remuneration to key management personnel (see note 6) during the year (2024: none). The Group has not traded with the joint venture in India (note 14) in either 2025 or 2024.

23 Financial Instruments

Classification and measurement

The Group's financial assets and liabilities, which are all held at amortised cost, are summarised as follows:

	2025 £'000	2024 £'000
Financial assets:		
Trade receivables	1,735	2,109
Other receivables	103	85
Cash and cash equivalents	915	718
	2,753	2,912
Financial liabilities:		
Trade payables	814	1,082
Other payables	115	33
Accruals	455	507
Bank overdraft	758	808
Leases	337	47
	2,479	2,477

The Group's £47,000 carrying investment in Eranova SAS, is held at fair value (see note 13).

Risk management

The main risks arising from the Group's financial instruments are liquidity risk, interest rate risk, currency risk and credit risk. The Directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Liquidity risk

The Group seeks to manage financial risk to ensure financial liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short term flexibility is achieved through trade finance arrangements and overdrafts.

Having reviewed the maturity of financial liabilities and the forecast cash flows for the forthcoming twelve-month period, the Directors believe that sufficient cash will be generated from trading operations to meet debt obligations as they fall due.

The maturity of financial liabilities as at 31 December 2025 is summarised as follows:

Gross cash flows:	Trade and other payables and accruals £'000	Leases £'000	Bank overdraft £'000	Total £'000
Zero to sixty days	1,384	8	758	2,150
Sixty-one days to three months	-	30	-	30
Four months to six months	-	38	-	38
Seven months to one year	-	68	-	68

One to three years	-	236	-	236
	1,384	380	758	2,522

The maturity of financial liabilities as at 31 December 2024 is summarised as follows:

Gross cash flows:	Trade and other payables and accruals	Leases	Bank overdraft	Total
	£'000	£'000	£'000	£'000
Zero to sixty days	1,620	6	808	2,434
Sixty-one days to three months	-	5	-	5
Four months to six months	-	4	-	4
Seven months to one year	-	15	-	15
One to three years	-	25	-	25
	1,620	55	808	2,483

Interest rate risk

The Group seeks to reduce its exposure to interest rate risk where possible, but this is offset by the availability of trade finance arrangements which are transaction specific to meet liquidity needs and so have variable interest rate terms.

Sensitivities have been looked at in the range of an absolute rate increase of 5% or a decrease of 1% which enable an objective calculation to be made depending on any interest rate changes in the future. Any rate changes would be outside the control of the Group.

The Group's exposure to interest rate risk as at 31 December 2025 is summarised as follows:

	Fixed	Variable	Zero	Total
	£'000	£'000	£'000	£'000
Cash and cash equivalents	-	915	-	915
Trade receivables	-	-	1,735	1,735
Other receivables	-	-	103	103
	-	915	1,838	2,753
Trade payables	-	-	(814)	(814)
Other payables	-	-	(115)	(115)
Leases	(337)	-	-	(337)
Bank overdraft	-	(758)	-	(758)
	(337)	157	909	729
Sensitivity: increase in interest rates of 5%	-	8	-	8
Sensitivity: decrease in interest rates of 1%	-	(2)	-	(2)

The Group's exposure to interest rate risk as at 31 December 2024 is summarised as follows:

	Fixed	Variable	Zero	Total
	£'000	£'000	£'000	£'000
Cash and cash equivalents	-	718	-	718
Trade receivables	-	-	2,109	2,109
Other receivables	-	-	85	85
	-	718	2,194	2,912
Trade payables	-	-	(1,082)	(1,082)
Other payables	-	-	(33)	(33)
Leases	(47)	-	-	(47)
Bank overdraft	-	(808)	-	(808)
	(47)	(90)	1,079	942

Sensitivity: increase in interest rates of 5%	-	(5)	-	(5)
Sensitivity: decrease in interest rates of 1%	-	1	-	1

Sensitivity shows the effect on equity and statement of comprehensive income.

Currency risk

The Group operates in overseas markets and is subject to currency exposure on transactions undertaken during the year. The Group hedges the transactions where possible by buying goods and selling them in the same currency. The Group also has bank facilities available for hedging purposes.

A summary of foreign currency financial assets and liabilities as stated in the statement of financial position together with a sensitivity analysis showing the effect of a 10% change in rate with Sterling is shown below:

	Currency	Sterling balance 2025 £'000	Currency balance 2025 C'000	Sterling balance 2024 £'000	Currency balance 2024 C'000
Financial assets	Euro	190	€217	43	€52
Financial liabilities	Euro	(144)	€(165)	(20)	€(25)
Net balance	Euro	46	€52	23	€27
Effect of 10% Sterling increase			5		2
Effect of 10% Sterling decrease			(4)		(3)
Financial assets	USD	1,752	\$2,358	2,775	\$3,481
Financial liabilities	USD	(945)	\$(1,271)	(1,001)	\$(1,256)
Net balance	USD	807	\$1,087	1,774	\$2,225
Effect of 10% Sterling increase			90		161
Effect of 10% Sterling decrease			(73)		(197)

Sensitivity shows the effect on equity and statement of comprehensive income. A 10% change is shown to enable an objective calculation to be made on exchange rates which may be assumed for the future.

Credit risk

The Group's exposure to credit risk is limited to the carrying value of financial assets at the statement of financial position date, summarised as follows:

	2025 £'000	2024 £'000
Trade receivables	1,735	2,109
Other receivables	103	85
Cash and cash equivalents	915	718
	2,753	2,912

The credit risk associated with the cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises therefore from trade receivables. The seven largest customer balances at the end of the year make up 84% (2024: 82%) of the above trade receivables.

In order to manage credit risk, the Directors set limits for customers based on a combination of payment history, third party credit references and use of credit insurance. These limits are reviewed regularly. The maturity of overdue debts and details of impairments and amounts written off are set out in note 16.

Capital requirements and management

Interest bearing loans and borrowings are monitored regularly to ensure the Group has sufficient liquidity and its exposure to interest rate risk is mitigated. Management consider the capital of the Group comprises the share capital as detailed in note 18 and interest bearing loans and borrowings as detailed in note 19.

The Company satisfies the Companies Act 2006 requirement to hold £50,000 issued share capital of which at least 25% is paid up. See note 18.

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders

The Group monitors capital on the basis of the gearing ratio calculated as net debt divided by total capital. Net debt is calculated as total borrowings as shown in the consolidated statement of financial position less cash and cash equivalents. Total capital is calculated as equity as shown in the consolidated statement of financial position plus net debt. The Group's goal in capital management is to maintain an optimal gearing ratio (the ratio of net debt over debt plus equity).

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The gearing ratios at 31 December 2025 and 2024 were as follows:

	2025	2024
	£'000	£'000
Total borrowings (note 19)	3,568	3,457
Cash and cash equivalents (note 17)	(915)	(718)
Net debt	2,653	2,739
Total equity (note 18)	(806)	(398)
Net debt	2,653	2,739
Overall financing	1,847	2,341
Gearing ratio	141%	117%

The gearing ratio for 2025 is high due to the low balance sheet total. The negative movement in net equity from the previous year is primarily due to the impairment of development costs £0.47 million (2024: £nil). Within net debt is £1.77 million representing convertible loans which can be repaid in equity in accordance with the terms. See Note 19. If converted this would reduce the gearing ratio to 50% which is in line with management's working capital financing strategy.

24 Events since statement of financial position date

Repayment of the convertible loan notes totalling £1.77 million as at 31 December 2025 has been extended to 31 January 2027. See note 19.

The Group continues to monitor the evolving geopolitical situation in the Middle East, which, to date, has not had a material adverse effect on operations.

There have been no other material events since the year end.