



Annual Report and Accounts 2025

Symphony Environmental Technologies plc

Company Number: 03676824

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Company Information

Company registration number	03676824
Registered office	6 Elstree Gate Elstree Way Borehamwood Hertfordshire WD6 1JD
Directors	Michael Laurier – Chief Executive Officer Ian Bristow FCCA – Chief Financial Officer Michael Stephen LL.M – Commercial Director & Deputy Chairman Nicolas Clavel – Non-Executive Director & Chairman Michael Kayser – Independent Non-Executive Director
Secretary	Ian Bristow
Nominated adviser and broker	Zeus Capital Limited 125 Old Broad Street London EC2N 1AR
Bankers	HSBC Bank plc 103 Station Road Edgware Middlesex HA8 7JJ
Solicitors	Hamlins LLP 61 Kingsway London WC2B 6AN
Auditor	Forvis Mazars LLP Chartered Accountants and Statutory Auditor 30 Old Bailey London EC1M 7AU
Registrars	MUFG Corporate Markets Central Square 29 Wellington Street Leeds LS1 4DL

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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, presents its 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.

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- 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.

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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.

N Clavel
Chairman
22 June 2026

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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.

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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,

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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>	51%	46%
Distribution costs	(194)	(241)
- <i>Percentage of revenues</i>	3%	4%
Contribution after distribution costs	2,754	2,816
- <i>Percentage of revenues</i>	48%	43%

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

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£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

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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.

M Laurier
Chief Executive
22 June 2026

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Strategic Report

Purpose

The purpose of the Company is to make plastic products smarter, safer and more sustainable.

Principal activities, business review and future developments

The primary business activities of the Group are the development and supply of environmental plastic additives and masterbatches, together with the development and supply of environmental plastic and rubber finished products to a global market.

A review of the business is given in the Chairman's Statement on pages 3 to 5 together with the Chief Executive's Review on pages 6 to 10. Future developments are summarised in the Current Trading and Outlook section of the Chief Executive's Review on page 10.

Business model, strategy and challenges

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.

The Board intends to deliver shareholder returns through capital appreciation through proprietary IP, operational efficiency, strategic partnerships and international expansion.

Challenges to delivering strategy and long-term goals are governmental policy (both preventative and adoptive), market competition, foreign exchange risks and raw material price volatility and availability, all of which are outlined in Principal Risks and Uncertainties on page 15, as well as steps the Board takes to protect the Group, mitigate these risks and secure a long-term future for the Group. The Group's strategy and principal risks have changed in light of the current geopolitical unrest in the Middle East.

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Key performance indicators

The Directors have monitored the progress of the overall Group strategy by reference to certain financial and non-financial key performance indicators.

<i>Key performance indicator</i>	2025	2024	Method of calculation
Revenue (£'000)	5,732	6,591	Revenues for the Group
Gross profit margin (%)	51%	46%	The ratio of gross profit to sales
Number of distributors	76	76	Number of distribution agreements

These are discussed within the Chairman's Statement and Chief Executive's Review.

Research and development

The Group invests in research and development expenditure and an amount of £0.40 million (2024: £0.43 million) is included in the operating loss for the year. See note 12.

Section 172 report

The Section 172 Report is shown on pages 13 to 14.

Principal risks and uncertainties

The Principal Risks and Uncertainties of the Group are shown on page 15.

Approval

The Strategic Report was approved on behalf of the Board on 22 June 2026.

M Laurier
Chief Executive
22 June 2026

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Strategic report - Section 172 Report

This report describes how the Directors have regard to the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006 when performing their duties. This report should be read in conjunction with the Chairman's Statement on pages 3 to 5 and Chief Executive's Review on pages 6 to 10.

The Board's main duty is to promote the success of the Company for the benefit of shareholders as a whole having regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the Company's employees,
- the need to foster the Company's business relationships with suppliers, customers and others,
- the impact of the Company's operations on the community and the environment,
- the desirability of the Company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the Company.

A summary of how the Company takes into account its stakeholder groups is set out below. The Company is committed to maintaining high standards of business conduct and has implemented controls and policies to reinforce this commitment including a whistleblowing policy, modern slavery policy, anti-bribery and corruption policy.

Shareholders

The Board discharges its duty to promote the success of the Company for the benefit of members as a whole by developing products which it believes will be commercially successful, and by implementing routes and channels in order to maximise revenues generated by these products. Two key decisions referred to below, the setup of a new subsidiary in the UAE and new manufacturing and operations arrangements with Pure Polymers in Saudi Arabia, are tangible actions in order to maximise the Group's activities in one of its main commercial markets. The Board considers this in the long-term and has over many years developed its networks of customers and distributors, and extensive product offerings. The Board uses its regular meetings to oversee strategy implementation and challenge when necessary. The Company discusses its activities and plans with its corporate advisors and brokers who are able to review and advise considering the Company's wider shareholder base. Regular communications are carried out with larger shareholders. Any communications received from shareholders are responded to in good time.

Employees

The Board is committed to a culture of openness and integrity. There is an open-door policy for all staff, and the executives always make themselves available to all members of staff. The Group also has heads of departments who are responsible for day-to-day management of staff, which ensures meeting agendas, change management and other topics include input from all the Group's staff. This also allows for effective dialogue and feedback between the executives and staff via the department heads. Staff training is actively encouraged, and the Group is certified to ISO 9001 and ISO 14001.

Distributors, customers and suppliers

The Group operates an extensive distributor network with several distributors selling Symphony's products for ten years or more. The Group works alongside its distributors in helping end-customers with their packaging solutions. A key decision referred to below was the setup of a new manufacturing and operations arrangement with Pure Polymers in Saudi Arabia giving the Group greater control in the region. The Group has dedicated teams managing the distribution network on a regional basis which allows for input from, and dialogue with, the Group's distributors on areas that affect them. Meetings are also held regularly between the executives and the distributors. The Group uses a small number of dedicated suppliers and works with them on many areas of product development. The executives also meet with key suppliers from time to time.

Governments and regulators

The Group actively works with policy makers around the world advocating its products as well as advising on plastics and the environment.

Communities and the environment

Symphony is built around sustainability and commitment to the environment and is constantly searching for ways to further protect the natural and human world. The Group's suite of d2w and d2p products have been developed with human health and the environment in mind. The Board believes that the Group's

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technologies enable end users to fulfil many of their own community and environmental criteria. The Group also uses factories located as close to its customers as possible, reducing the transport carbon footprint.

The Group and its associates are constantly engaged with governmental decision makers and associated organisations around the world to add input on developing key packaging regulations. The Group is on the approved lists of many governmental regulatory authorities including SASO (Saudi Arabian standards organisation) and ESMA (UAE standards organisation).

Key decisions made during the year

During the year the Board made certain decisions relating to the operations of the Group and developments of its products. Key decisions were:

- The set up of a new trading company in UAE. The newly incorporated company, Symphony Plastic Trading LLC, based in Dubai, was formed in November 2025 and will be the hub of operations in what is a key region for the Group.
- New manufacturer and distributor operations with Pure Polymers in Saudi Arabia. This enables greater control of our sales operation in Saudi Arabia and better production facilities for supply to the wider region. See d2w - progress and opportunities within the Chief Executive's Report

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Strategic report - Principal Risks and Uncertainties

The Board is responsible for developing a comprehensive risk framework and a system of internal controls. We have identified the following as the principal risks and uncertainties the Group faces. The risks are listed in order of risk weighting.

PRINCIPAL ACTIVITY	PRINCIPAL RISK	IMPACT	MITIGATION
Political and Regulatory Risk	Negative government policy	The Group may not be able to market or sell products in areas where there are regulations in place which favour other technologies or are explicitly negative towards the Group's technologies.	The Group mitigates this risk by having a large and well-established global footprint and by being active in international standards committees, as well as liaising with appropriate governmental departments.
Publicity Risk	Negative media comments	The Group's products are in a high-profile area with a number of organisations competing for mainstream technological acceptance. This may lead to negative comments in the media who may prefer these other technologies over the Group's.	The Group mitigates this risk with active public relations activities both in house and use of external resources.
Market Risk	Market competition	The Group faces competition from suppliers of similar products which could affect revenues and/or gross margins.	The Group mitigates this risk by having a large number of distributors globally who can concentrate on any competition issues within their market, and also by differentiating the Group and its products by branding and marketing activities.
Operational Risk	Commodity pricing and availability	The Group uses commodity and speciality materials in the make-up of its products. There is a risk of price volatility and material availability.	The Group mitigates this risk by using more than one supplier of its raw materials and continually researching separate supply alternatives for the materials used.
Financial Risk	Foreign exchange rate fluctuation	The Group sells products in many countries and generates revenues in US Dollars and Euros. Foreign exchange rates fluctuate and, as such, assets created in foreign currencies are liable to constant revaluations into their Sterling equivalent.	The Group mitigates this risk by purchasing, where practicable, in currencies to match revenues. The Group also has foreign exchange forward contract and other facilities with its bank to use as and when appropriate.
Geopolitical Risk	Instability in regions which could affect supply and/or pricing	The Group buys and sells products in many regions of the world and these regions could be affected by war and other types of unrest.	The Group mitigates this risk by purchasing from a number of different regions in the world which can be used to cover areas which may become unstable.

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Board of Directors

Michael Laurier

Chief Executive Officer

Appointed to the Board: 4 December 1998

Committee Membership: None

Background and Experience

Michael Laurier is the Chief Executive of the Company. Michael's career began with his long-established family packaging business, Brentwood Sack and Bag Co Limited. He took over responsibility for sales and production in the mid-seventies and changed the emphasis of the company's business from jute products to polythene packaging, introducing the then innovative high density and medium density polythene bags into the UK market in 1975. He co-founded Symphony Plastics in 1995. Michael drives the strategies and main relationships of the Group.

Ian Bristow

Chief Financial Officer

Appointed to the Board: 4 December 1998

Committee Membership: None

Background and Experience

Ian Bristow was in private practice for seven years, qualifying as a Chartered Certified Accountant in 1992. In 1994, he joined Brentapac UK plc until it was sold in 1994. He went on to co-found Symphony in 1995 and has been Finance Director/Chief Financial Officer and Company Secretary of the Group since inception. Ian's continued experience with Symphony, as an AIM listed company with the many financial and governance requirements that are required, continues to build as the Group develops.

Michael Stephen

Commercial Director & Deputy Chairman

Appointed to the Board: 3 August 2007

Committee Membership: None

Background and Experience

Michael Stephen was a member of the UK Parliament from 1992 to 1997 and was a member of the Trade and Industry Select Committee and the Environment Select Committee of the House of Commons and was Parliamentary Private Secretary at the Ministry of Agriculture. He has been Commercial Director and Deputy Chairman of the plc, and Chairman of its subsidiary company since 2007. He qualified as a Solicitor with Distinction in Company Law. He was called to the Bar, and practised from chambers in London for many years, dealing with civil cases in the High Court and Court of Appeal. Michael is able to use his legal and political knowledge to assist in shaping the commercial structure of the Group's many trading relationships as well as managing product and country regulatory issues.

Nicolas Clavel

Non-Executive Director and Chairman

Appointed to the Board: 16 October 2008

Committee Membership: Audit, Remuneration (Chairman)

Background and Experience

Nicolas Clavel started his career in international banking in the mid-seventies and his area of expertise has been structured trade finance and equity investments with a particular focus on Emerging Markets. He is Chief Investment Officer of Scipion Capital Ltd (the Investment Manager of Scipion Active Impact Fund DAC, Ireland). Nicolas is Swiss and is based in London and Geneva. Nicolas brings high level commercial and financial analysis, especially in emerging markets where Symphony has many of its opportunities.

Michael Kayser

Independent Non-Executive Director

Appointed to the Board: 2 January 2024

Committee Membership: Audit (Chairman), Remuneration

Background and Experience

Michael is an experienced finance professional and qualified accountant with more than 40 years' experience across a variety of roles in both UK and with international organisations. During the last 10 years he has primarily provided non-executive director services to organisations including the Transport Research Foundation, Biome Technologies Plc, the Transport Systems Catapult and Stobart Group Limited. Prior to this, Michael also worked for Accenture, Guinness (worldwide Finance Director for its beer division), HSBC, Laporte plc (Finance Director), Lloyds Register (CFO and Chief Operating Officer), Royal Bank of Scotland (private equity) and Unilever. Michael brings to the board commercial and financial expertise gained from large and small quoted and unquoted businesses.

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Chairman's Corporate Governance Statement

Dear Shareholder

As Chairman of the Board of Directors of Symphony Environmental Technologies plc ("Symphony", the "Company", or, together with the subsidiary companies, the "Group"), it is my responsibility to ensure that Symphony has both sound corporate governance and an effective Board. As Chairman, my responsibilities include leading the Board effectively, overseeing the Company's corporate governance model, and ensuring that information flows freely between Executives and Non-Executives in a timely manner.

It is the Board's job to ensure that Symphony is managed for the long-term benefit of all shareholders, with effective and efficient decision-making, enabling the Group to serve its purpose to make plastic products smarter, safer and more sustainable. Corporate governance is an important part of that role, reducing risk and adding value to our business. Our role as a Board is to create the conditions in which a resilient and successful business can continue to grow. Annually we review and determine our strategy and business model and then continuously monitor how management is implementing those plans. We review performance to ensure those plans remain on track or else are modified to take account of unforeseen circumstances.

The Directors of Symphony recognise the value of good corporate governance in every part of its business. As Symphony is an AIM quoted company, it is required to have adopted a recognised corporate governance code and disclose how it complies with that code and, to the extent Symphony departs from the corporate governance provisions outlined by that code, it must explain its reasons for doing so. The Directors continue to adopt the Quoted Companies Alliance Corporate Governance Code (the "QCA Code"), which we believe is the most appropriate for a company of the size and stage of development of Symphony. The Board considers that compliance with the QCA Code enables us to serve the interests of all our key stakeholders, including our shareholders, and will promote the maintenance and creation of long-term value in the Company.

This report describes our approach to governance, including information on relevant policies, practices and the operation of the Board and its Committees. Additional detail is also provided in the corporate governance statement on our website. There were no significant changes affecting governance during the year.

The Board has evolved its governance arrangements and practices in response to the growth in the company; developments in regulatory requirements/standards; shareholder expectations and updates to best practice guidance.

The Board considers that Symphony complies with the QCA Code so far as is practicable, having regard to the Group's current stage of evolution. A statement detailing both how the Company complies with the QCA Code, and areas of non-compliance, is outlined below.

QCA Principles:

1. Establish a purpose, strategy and business model which promotes long-term value for shareholders

Details of our purpose, strategy and business model are set out in the Strategic Report above on page 11.

The principal activity of the Group which enables it to deliver on its purpose is the development and supply of environmental plastic additives and masterbatches, together with the development and supply of environmental plastic and rubber finished products to a global market. The Board has concluded that the Group's strategy of driving sales of its d2w range of products through its network of distributors will deliver the highest medium and long-term value to its shareholders. In addition, the Board is focused on increasing revenues generated by its d2p (designed to protect) range of products and technologies.

The Board intends to deliver shareholder returns through capital appreciation through proprietary IP, operational efficiency, strategic partnerships and international expansion. Challenges to delivering strategy and long-term goals are governmental policy (both preventative and adoptive), market competition, foreign exchange risks and raw material price volatility and availability, all of which are outlined in Principal Risks and Uncertainties on page 15, as well as steps the Board takes to protect the Group, mitigate these risks and secure a long-term future for the Group. The Group's strategy and principal risks have changed in light of the current geopolitical uncertainty in the Middle East.

2. Promote a corporate culture that is based on ethical values and behaviour

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Group as a whole and that this will impact performance. The Board is aware that the tone and culture set by the Board will greatly impact all aspects of the Group as a whole and the way that employees behave. The corporate governance arrangements that the Board has adopted are designed to ensure that the Group delivers long term value to its shareholders, and that shareholders have the opportunity to express their views and expectations for the Group in a manner that encourages open dialogue with the Board.

A large part of the Group's activities are centred upon an open and respectful dialogue with employees, customers and other community and environmental stakeholders. Therefore, the importance of sound ethical values and behaviour is crucial to the ability of the Group to successfully achieve its corporate objectives and successfully promote its eco-friendly products. The Board places foremost importance on this aspect of corporate life and seeks to ensure that this flows through all that the Group does. The Board considers that this ethical culture supports the Company's purpose, business model and strategy through demonstrating commitment to the Company's focus on creating positive change and operating an ethical business, creating trusted relationships with, and aligning with the values of, key stakeholders, including our team, our suppliers and our customers.

The Directors consider that at present the Group has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. The Executive Directors regularly meet managers and discuss staff well-being, development and staff feedback. Employees are encouraged to engage directly with Directors, and the Group seeks to promote Group values and behaviour through a top-down approach. Symphony also has an employee handbook.

Furthermore, Symphony has a number of policies in place aimed to protect its staff, such as Anti-corruption and Health and Safety.

The Company has adopted a Share Dealing Policy which is intended to assist the Company and its staff in complying with their obligations under the Market Abuse Regulation ("MAR") which came into effect in 2016. The Policy addresses the securities dealing restrictions set out in MAR and reflects the requirements set out in the AIM Rules.

3. Seek to understand and meet shareholder needs and expectations

Symphony places a great deal of importance on communication with its stakeholders and is committed to establishing constructive relationships with investors and potential investors in order to assist it in developing an understanding of the views of its shareholders. Beyond the Annual General Meeting, the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and, where appropriate, other members of the senior management team meet regularly with investors and analysts to provide them with updates on the Group's business and to obtain feedback regarding the market's expectations of the Group.

The Group's investor relations activities encompass dialogue with both institutional and private investors. In addition, the Company communicates with its shareholders through its website, RNS and RNS Reach announcements, investor relations web interviews, investor shows, and the Company's Annual Report and Accounts. Shareholders are also encouraged to email the Company directly to which the Board will always respond.

The Annual General Meeting of the Company, normally attended by all the Directors, provides the Directors the opportunity to report to shareholders on current and proposed operations, and enables the shareholders to express their views of the Group's business activities. Shareholders are invited to ask questions during the meeting and to meet with Directors after the formal proceedings have ended. The CEO is considered the key contact for shareholder liaison.

Key topics discussed with shareholders in the year were in the main performance related. No actions were required as a result of those discussions as information is strictly kept to what is in the public domain.

Please refer to our SECR report (page 27) and section 172 report (pages 13 to 14) for further details on our environmental and social responsibility credentials and activities.

Information on the Corporate Information section of the Group's Information on the website, www.symphonyenvironmental.com/corporate-information, is kept updated and contains details of relevant financial reports, presentations and other key information.

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4. Take into account wider stakeholder and social interests, including social and environmental responsibilities and their implications for long-term success

The problems of plastic are current and well known but plastic remains the only viable solution to many packaging and other protective requirements. The Company's purpose and strategy offer cost effective solutions thus minimising environmental and social issues surrounding the use of plastics.

Setting out relevant associated KPIs in what is a very large and diverse market is not considered practical. The concerns surrounding plastics are mainly subjected to regulatory actions and these are difficult to quantise or predict.

Symphony recognises that the Group's long-term future depends on environmental and social performance. Excellence in operational performance generates financial returns, however, enduring sustainable growth depends on being a responsible global citizen and earning the continued support of our customers, shareholders, communities and staff. Details of how we interact with our key stakeholders are set out in our Section 172 Report on pages 13 to 14.

All of Symphony's stakeholders are encouraged to provide feedback to the Company by emailing info@d2w.net. The Company is open to receiving feedback from key stakeholders and will take action where appropriate.

The Board recognises its responsibility to manage a business whilst acknowledging the Group's responsibility for the environment and helping its customers make the most environmentally-beneficial purchasing decisions. As the whole concept of Symphony is built around sustainability and commitment to the environment, we are constantly searching for ways to continue to protect the natural and human world. The Group's strategy is focused on providing environmentally-friendly plastic solutions, as well as plastic solutions which augment healthcare, food preservation and other human protection requirements, demonstrating the Group's commitment to Corporate Social Responsibility. Furthermore, Symphony Environmental Limited (the Company's trading subsidiary) is BSI certified to ISO 9001 and 14001. The Group also has an Environmental Policy in place.

All employees within the Group are valued members of the team, and the Board seeks to implement provisions to retain and incentivise its employees. The Group offers equal opportunities regardless of race, gender, gender identity or reassignment, age, disability, religion or sexual orientation. The Company's Executive Directors regularly meet managers to discuss staff comments, progress and well-being, and employees are also encouraged to engage directly with Directors. This allows the Board to obtain feedback from employees. Symphony has Anti-Corruption and Health and Safety policies in place.

The Company is a holder of the LSE Green Economy Mark.

Further information in relation to the Company's corporate social responsibility and copies of the above-stated policies can be found on the Company's website www.symphonyenvironmental.com/corporate-information.

5. Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The Company is prepared to accept some risk in product development and selling costs to access higher growth prospects, key markets and new product development, but has low tolerance in other areas e.g. health and safety, quality assurance and regulatory compliance.

The Board recognises the need for an effective and well-defined risk management process, and it oversees and regularly reviews the current risk management and internal control mechanisms. The Company's key risks can be found in Principal Risks and Uncertainties on page 15.

The Board has overall responsibility for identifying, monitoring and reviewing the Company's risks, and assessing the systems of external control for effectiveness. They are also responsible for reviewing the Company's risk register, which is updated and maintained by management, who evaluates the impact of identified risks, as well as their mitigations. The Executive Directors report any new or changed risks, and any changes in risk management/control to the Board. The Board discusses all business matters having regard to the risk for the Group and to the extent that risks inherent in a particular activity are considered significant, appropriate action is taken and steps taken to mitigate the issue. The Company seeks external assurance in relation to cyber security, insurance reviews and health and safety.

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The Board is satisfied that the procedures in place meet the particular needs of the Group in managing the risks to which it is exposed.

The Board is satisfied with the effectiveness of the system of internal financial controls, but by their very nature, these procedures can provide reasonable, not absolute, assurance against material misstatement or loss. The Board has delegated responsibility to the Audit Committee for ensuring that the Company's management has designed and implemented an effective system of internal financial controls and for reviewing, monitoring and reporting on the integrity of the consolidated financial statements of the Company and related financial information. The Audit Committee will maintain effective working relationships with the Board of Directors, executive management, and the external auditors and will monitor the independence and effectiveness of the auditors and the audit.

The Audit Committee has monitored and formally considered audit independence during the corporate reporting cycle – see the Audit Committee report on pages 31 to 32.

The Board has reviewed the need for an internal audit function and has decided that, given the nature of the Group's business and assets and the overall size of the Group, the systems and procedures currently employed provide sufficient assurance that a sound system of internal controls are in place, which safeguards the shareholders' investment and the Group's assets. An internal audit function is therefore considered unnecessary. However, the Board will continue to monitor the need for this function.

6. Establish and maintain the Board as a well-functioning, balanced team led by the Chair

The Board comprises three Executive Directors, Michael Laurier, Ian Bristow and Michael Stephen and two Non-Executive Directors, Nicolas Clavel and Michael Kayser. The Company does not therefore comply with the QCA Code recommendation for at least half the Board to be independent non-executive directors. Nicolas Clavel is the Company's Chairman. Nicolas Clavel has been a director for 18 years and as such is not considered independent. The Board notes that Mr Clavel's service on the Audit and Remuneration Committees means that those committees are not comprised of a majority of independent non-executive directors in line with the QCA Code recommendations. Michael Kayser is regarded as an independent director by the Board notwithstanding he holds options over Ordinary Shares as the value of the options is immaterial in the context of Michael Kayser's overall financial position. However, the Board considers that both Nicolas Clavel and Michael Kayser have demonstrated the utmost regard for independence, appropriately challenging the Board and maintaining high standards of corporate governance on the Board. Neither Nicolas Clavel nor Michael Kayser represents any shareholder on the Board, and both have a background in finance within regulated industries. Accordingly, the Board believes that both Nicolas Clavel and Michael Kayser exercise good judgement in all matters relating to the Group and Mr Clavel's role on the Committees is both effective and appropriate. At this stage, the Board does not consider it appropriate or necessary to add additional cost to the Board structure through the appointment of further independent non-executive directors but will keep this under review.

The board contains the necessary mix of experience, skills and capabilities to adequately inform and oversee the execution of the Company's strategy for the benefit of shareholders over the medium to long term.

The Board recognises the value of diversity. The Board will seek to take into account any Board imbalances for future nominations. The Company is committed to a culture of equal opportunities. The Board aims to be diverse in terms of its range of culture, nationality and international experience. All five Board members are currently male but at such time as further board appointments are made, it will ensure due consideration is given to this matter and in particular to female representation on the Board.

Board meetings are open and constructive, with every Director participating fully. Senior management are also invited to meetings when required, providing the Board with a thorough overview of the Group. The Board aims to meet at least four times in the year and, together with the Audit and Remuneration Committees, deals with all important aspects of the Group's affairs. The Committees have the necessary skills and knowledge to discharge their duties effectively. The Group considers that, at this stage of its development and given the current size of its Board, it is not necessary to establish a formal Nomination Committee. Instead, appointments to the Board are made by the Board as a whole. This position, however, is reviewed on a regular basis by the Board.

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Attendance at Board and Committee Meetings for directors who served and attended in 2025 is shown below.

Director	Position	Board meetings	Audit Committee meetings	Remuneration Committee meetings
Michael Laurier	Chief Executive Officer	9/9		
Ian Bristow	Chief Financial Officer	9/9		
Michael Stephen	Commercial Director & Deputy Chairman	9/9		
Nicolas Clavel	Non-Executive Director & Chairman	9/9	2/2	1/1
Michael Kayser	Non-Executive Director	9/9	2/2	1/1

In order to be efficient, the Directors meet formally and informally both in person or where this is not possible, by internet conference, and by telephone. The Board receives timely information in a form and of a quality appropriate to enable it to discharge its duties. Board papers are circulated by email with sufficient time before meetings, allowing time for full consideration and necessary clarifications before the meetings. Board papers are compiled into a board pack for the meetings themselves.

All Directors of the Board have sufficient time, availability, skills and expertise to perform their roles and this is regularly reviewed by the Board. The Board has considered other roles that each Non-Executive Director has outside of the Company and consider that they are able to devote such time as is necessary for the proper performance of their duties and attend all Board meetings, unless prior good reason is provided in advance. There are no specific time commitments for the Board's non-executive but the executive team find the non-executives always on hand when required and available for all meetings as disclosed above.

The Company has two Committees, an Audit Committee and a Remuneration Committee. The Committees have the necessary skills and knowledge to discharge their duties effectively. As with Board papers, Committee papers are drafted and circulated to members of the Committee with sufficient time before the meeting.

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

The Company does not intend to follow the recommendation of the QCA Code that all directors be subject to annual re-election at the current time. The Board will keep this under review.

The Non-Executive Directors do not have any performance-related remuneration.

7. Maintain appropriate governance structures and ensure that individually and collectively the Directors have the necessary up-to-date experience, skills and capabilities

The Board is committed to, and ultimately responsible for, high standards of corporate governance, and has chosen to adopt the QCA Code. The Board reviews its corporate governance arrangements regularly and expects them to evolve these, over time, in line with the growth of the Group. The Board delegates responsibilities to certain Committees and individuals as it sees fit.

The Chairman's principal responsibilities are to ensure that the Company and its Board are acting in the best interests of shareholders, and leadership of the Board is undertaken in a manner which ensures that the Board retains its integrity and effectiveness, with the right Board dynamic and ensuring that all important matters, in particular strategic decisions, receive adequate time and attention at Board meetings.

The CEO has, through powers delegated by the Board, the responsibility for leadership of the management team in the execution of the Group's corporate strategies and for the day-to-day management of the business. The CEO can be assisted in his duties by the other Executive Directors. The CEO for Symphony is also the principal contact for liaison with shareholders and, together with the CFO, all other stakeholders.

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The Non-Executives Directors are tasked with constructively challenging the decisions of executive management and satisfying themselves that the systems of business risk management and internal financial controls are robust. The Executive Directors seek regular counsel from the Non-Executive Directors outside of Board meetings.

Whilst the Board has not formally adopted appropriate delegations of authority setting out matters reserved to the Board, there is effectively no decision of any consequence made other than by the Directors. All Directors participate in the key areas of decision-making, including the following matters:

- oversee the Group's strategic objectives and policies;
- review of performance and controls;
- oversee all aspects of the Company's finances;
- decide on key business transactions;
- manage risk; and
- manage the interests of all stakeholder groups.

The Board delegates authority to two Committees to assist in meeting its business objectives whilst ensuring a sound system of internal control and risk management. The Committees meet independently of Board meetings. The committees are currently being reviewed in relation to the number of independent members.

The Chair and the Board continue to monitor and evolve the Company's corporate governance structures and processes, and maintain that these will evolve over time, in line with the Company's growth and development.

The Company believes that the current balance of skills in the Board as a whole reflects a very broad range of personal, commercial and professional skills. The Directors' varied backgrounds and experience give Symphony a good mix of the knowledge and expertise necessary to manage the business effectively (see biographies on page 16).

Audit Committee

The Audit Committee Report is on pages 31 to 32 which details work undertaken during the year.

Committee members and attendance

The Audit Committee currently comprises Michael Kayser (Chair) and Nicolas Clavel. Michael Kayser has extensive accounting and committee experience.

The Board considers that Michael Kayser has sufficient relevant financial experience to chair the Audit Committee given that he has over 40 years' experience as chief accountant and non-executive director in many listed and non-listed entities.

The Committee is required by its terms of reference to meet at least twice a year. The Committee Chairman may invite other Directors or executives of the Company and any external advisors to attend all or part of any meetings as and when deemed appropriate.

Objectives and responsibilities

The Committee is responsible for monitoring the integrity of the Group's financial statements, including its Annual and Interim Reports, preliminary results announcements and any other formal announcements relating to its financial performance prior to release.

The Committee's main responsibilities can be summarised as follows:

- to review the Group's internal financial controls and risk management systems;
- to monitor the integrity of the financial statements and any formal announcements relating to the Group's financial performance, reviewing significant judgements contained in them;
- to make recommendations to the Board in relation to the appointment of the external auditors and to recommend to the Board the approval of the remuneration and terms of engagement of the external auditors;
- to review and monitor the external auditors' independence and objectivity, taking into consideration relevant UK professional and regulatory requirements;

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- to develop and implement policy on the engagement of the external auditors to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external auditors; and
- to report to the Board, identifying any matters in respect of which it considers that action or improvement is needed, and to make recommendations as to steps to be taken.

Remuneration Committee

The Remuneration Committee Report is on pages 33 to 34 which details work undertaken during the year.

Committee members and attendance

Symphony's Remuneration Committee currently comprises Nicolas Clavel (Chair) and Michael Kayser. The Board considers that Nicolas Clavel has sufficient relevant experience to chair the Remuneration Committee, given that he has been at Symphony for 18 years, most of which being on the remuneration committee.

The Committee is required by its terms of reference to meet at least once a year. The Committee Chairman may invite other Directors or executives of the Company and any external advisors to attend all or part of any meetings as and when deemed appropriate.

Objectives and responsibilities

The Remuneration Committee's main responsibilities can be summarised as follows:

- To determine the framework or broad policy for the remuneration of the Executive Directors, and such other senior executives as it is requested by the Board to consider. The remuneration of the Non-Executive Directors shall be a matter for the executive members of the Board. No Director shall be involved in any decisions as to their own remuneration;
- To determine such remuneration policy, taking into account all factors which it deems necessary (including relevant legal and regulatory requirements);
- To review the ongoing appropriateness and relevance of the remuneration policy, including policy comparisons with market competitors;
- To design and determine targets for any performance related pay schemes operated by the Company and approving the total annual payments made under such schemes;
- To review the design of, and any changes to, all share incentive plans;
- To advise on any major changes in employee benefits structures throughout the Company or Group; and
- To consider any matter specifically referred to the Committee by the Board.

Terms of reference for the Audit and Remuneration Committees are available at:

<https://www.symphonyenvironmental.com/corporate-information/corporate-governance>

Nomination Committee

The Group considers that, at this stage of its development and given the current size of its Board, it is not necessary to establish a formal Nomination Committee. Instead, appointments to the Board are made by the Board as a whole. This position however, is reviewed on a regular basis by the Board.

Company Secretary

Ian Bristow is Symphony's Company Secretary and is responsible for ensuring that Board procedures are followed and that the Company complies with all applicable rules, regulations and obligations governing its operation, as well as helping the Chairman maintain standards of corporate governance.

Independent Advice

There are processes in place enabling Directors to take independent advice at the Company's expense in the furtherance of their duties, and to have access to the advice and services of the Company Secretary.

External Advice

The Board did seek external legal advice during the year in respect of the equity subscription and in particular the United States nexus of the subscriber.

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The Board also sought advice in respect to regulatory affairs in a number of territories.

Continuing professional development

In order to keep Director skillsets up to date, the Board uses third parties to advise the Directors of their responsibilities as a Director of an AIM company, which includes receiving advice from the Company's nominated adviser and external lawyers. External advice is sought for material legal and regulatory matters when required.

The Board encourages Directors to receive training on relevant developments if required. The Board reviews the appropriateness and opportunity for continuing professional development in order to keep each Director's skillset up to date. The directors keep their skillset up to date with professional CPD where required, subscriptions and attending conferences.

In addition to their general Board responsibilities, Non-Executive Directors are encouraged to be involved in specific workshops or meetings, in line with their individual areas of expertise. The Board shall review annually the appropriateness and opportunity for continuing professional development, whether formal or informal.

8. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The structure of the Board is subject to continual review to ensure that it is appropriate for the Company. The Board currently runs a self-evaluation process on Board effectiveness. It is intended that the Board will create a more formal Board evaluation process in the future, which will focus more closely on defined objectives and targets for improving performance.

In Board meetings/calls, the Directors discuss areas where they feel a change would be beneficial for the Group taking appropriate advice when required.

The Company has not yet adopted a policy on succession planning, in particular with regard to the Company's Chief Executive, Michael Laurier. The Chief Executive is however required to give one month's notice under his contract of employment if he wishes to leave the Company. The Board is considering succession planning as part of its regular review of Board effectiveness and will implement a policy at the appropriate time.

The Board is committed to undertaking reviews of Board and Committee performance and of individual Board members which will be carried out regularly as part of a board performance evaluation and in particular that their contribution is relevant and effective, that they are committed, and where relevant, they have maintained their independence. There were no formal evaluations undertaken during the year.

9. Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture

The remuneration policy is detailed in the Remuneration Committee Report on pages 33 to 34.

The remuneration structure and practice support the delivery and attainment of the company's purpose, business model, strategy, and culture.

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board is committed to maintaining effective communication and having a constructive dialogue with its shareholders, other relevant stakeholders and prospective investors. The Company intends to have ongoing relationships with both its private and institutional shareholders (through meetings and presentations) as well with analysts, and for them to have the opportunity to discuss issues and provide feedback at meetings with the Directors.

There were no major challenges experienced in the year requiring any adjustments to Board processes.

The Company's annual report is a key communication channel and includes Audit and Remuneration Committee Reports in line with the recommendations of the QCA Code. All shareholders are encouraged

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to attend the Company's Annual General Meetings where the directors welcome the opportunity to speak to shareholders directly. All 2025 AGM resolutions were passed comfortably. The Board discloses the result of general meetings by way of an announcement, including the proxy voting numbers. The Company has not historically announced the detailed results of shareholder voting to the market, but it intends to do so for future General Meetings. The Board intends that, if there is a resolution passed at a General Meeting with 20% or more votes against, the Company will seek to understand the reason for the result and, where appropriate, take suitable action.

The Corporate Information section of the Group's website, www.symphonyenvironmental.com/corporate-information is kept updated and contains details of relevant financial reports, corporate videos/presentations and other key information.

N Clavel
Chairman
22 June 2026

Symphony Environmental Technologies plc

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Directors' Report

The Directors present their report and the audited annual report and accounts of the Group for the year ended 31 December 2025.

Principal activity

Symphony Environmental Technologies plc is a public limited company incorporated in England and Wales, registered number 03676824, with registered office at 6 Elstree Gate, Elstree Way, Borehamwood, Hertfordshire, WD6 1JD. The Company is quoted on the AIM market of the London Stock Exchange.

The principal activity of the Group is the development and supply of environmental plastic additives and masterbatches, together with the development and supply of environmental plastic and rubber finished products to a global market.

Review of business and future developments

The Strategic Report on page 11 provides a review of the business, the Group's trading for the year ended 31 December 2025, key performance indicators, and an indication of future prospects and developments. Page 15 presents the principal risks and uncertainties facing the business. The Directors as referred to in these annual report and accounts are the directors of Symphony Environmental Technologies plc only.

Results and dividends

The trading results for the year and the Group's financial position at the end of the year are shown in the attached annual report and accounts.

The loss for the year after taxation amounted to £2,495,000 (2024: loss £1,344,000). The Directors do not recommend the payment of a dividend (2024: £nil).

The results for the year ended 31 December 2025 are set out in the consolidated statement of comprehensive income on page 42.

Directors

The Directors who served during the year ended 31 December 2025 and up to the date of signing the financial statements were as follows:

N Clavel – Non-Executive Director & Chairman
M Laurier – Chief Executive Officer
I Bristow FCCA – Chief Financial Officer
M Stephen – Commercial Director & Deputy Chairman
M Kayser – Independent Non-Executive Director

In accordance with the Articles of Association, one third of the Directors must retire by rotation from office at each AGM.

Directors' interests

The Directors in office at the end of the year, together with their beneficial interests in the shares of the Company, were as follows:

Ordinary Shares of £0.01 each	At 31 December 2025	At 1 January 2025
M Laurier	26,424,316	26,424,316
I Bristow	1,163,731	1,163,731
M Stephen	1,352,176	1,352,176
N Clavel	600,000	600,000
M Kayser	-	-

Details of the Directors' interests in options granted under the Group's share scheme are set out in the Remuneration Committee Report on page 34.

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Financial risk management policies and objectives

The Group's financial risk management policies are detailed in note 23 to the annual report and accounts.

A summary of the Group's key operating risks is set out on page 15. The Group's risk management policies and objectives including exposure to liquidity risk, interest rate risk, currency risk, and credit risk, are contained in note 23 to the annual report and accounts.

Streamlined Energy and Carbon Reporting (SECR)

The Companies Act 2006 (Strategic Report and Directors' Report) Regulation 2018 requires disclosure of annual UK energy consumption and Greenhouse Gas (GHG) emissions from SECR regulated sources.

Reported energy and GHG emissions data is compliant with SECR requirements and has been calculated in accordance with the GHG Protocol and SECR guidelines. Energy and GHG emissions are reported from buildings and transport where operational control is held – this includes electricity and natural gas. The Group does not have any company-owned vehicles. The table below details the regulated SECR energy and GHG emission sources for the reported years.

100% UK	2025 Energy mWh	2025 Emissions tCO2e	2024 Energy mWh	2024 Emissions tCO2e
Natural gas	25.21	4.62	50.96	9.31
Electricity	66.95	11.90	118.91	24.62
Total	92.16	16.52	169.81	33.93
Intensity ratio				
£million revenue		5.73		6.59
tCO2e per £million of revenue		2.88		5.14

Metered kWh consumption is taken from supplier invoices where possible or calculated using manual meter readings. Transport emissions were significantly below 1 tonne and so have not been reported. Conversions to tCO2e were made using DEFRA's "UK Government GHG Conversion Factors for Company Reporting" Conversion Factors 2025 publication.

The Group is committed to reducing its environmental impact and contribution to climate change. The Group is certified to ISO 14001, monitors its energy impact on a regular basis and undertakes to minimise energy consumption where practicable. The reduction in occupied office space means the Group is using less gas and electricity as part of normal office function.

Share capital

Full details of changes in the Company's share capital during the year and after the year end are set out in note 18 to the annual report and accounts. Details of employee share options and warrants are also set out in note 18.

Significant shareholdings

The significant shareholders in the Company (holding shares in excess of 3%) as at 31 December 2025 were as follows:

Shareholder	% total shareholding
Somerston Environmental Technologies Limited	20.31%
SESR Investments Pte Limited	19.68%
M Laurier	11.18%
E Dangour	6.07%
Quantum Leap 111Fund	4.77%

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Political donations

During the year ended 31 December 2025 the Group made no political donations (2024: £nil).

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.

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.

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Information received by the Board

The Board receives information on a regular basis enabling it to review operational and financial performance (including sales activity and working capital management); forecasts (including comparison with market expectations); potentially significant transactions and strategy.

Website

Our corporate website at www.symphonyenvironmental.com/corporate-information/company-reports-and-general-meetings provides access to Company information, public announcements, published financial reports and contact details.

Directors' indemnification and insurance

The Company's articles of association provide for the directors and officers of the Company to be appropriately indemnified, subject to the provisions of the Companies Act 2006. The Company purchases and maintains insurance for the directors and officers of the Company in performing their duties, as permitted by section 233 of the Companies Act 2006.

Matters covered in the Strategic Report

As permitted by section 414C(11) of The Companies Act 2006, matters relating to research and development which are required to be disclosed in the Director's Report have been omitted as they are included in the Strategic Report on page 12.

Auditor

Forvis Mazars LLP has expressed its willingness to continue in office as auditor to the Company. A resolution to reappoint Forvis Mazars LLP will be proposed at the forthcoming AGM.

Provision of information to the auditors

Each of the Directors who held office at the date of approval of this Directors' Report confirms that:

- so far as he is aware, there is no relevant audit information of which the Company's and Group's auditor is unaware; and
- he has taken all the steps he ought to have taken as a Director in order to make himself aware of any information needed by the Company and the Group's auditors in connection with their report and to establish that the auditors are aware of that information.

AGM

The 2026 AGM date is still to be set. The notice of AGM and the ordinary and special resolutions to be put to the meeting will be notified to shareholders separately from these accounts.

Approval

The Directors' report was approved on behalf of the Board on 22 June 2026.

M Laurier
Chief Executive
22 June 2026

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Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the Group and Company financial statements in accordance with applicable UK law and UK-adopted international accounting regulations.

Under Company law the Directors must not approve the Group and Company financial statements unless they are satisfied that they present fairly the financial position, financial performance, and cash flows of the Group and Company for that period.

In preparing the parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 Reduced Disclosure Framework has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

In preparing the group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
 - present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
 - provide additional disclosures when compliance with the specific requirements in the UK-Adopted International Accounting Standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006 and Article 4 of the IAS regulation. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the UK may differ from legislation in other jurisdictions.

Each of the active Directors, whose names are listed in the Directors' Report above, confirms that, to the best of his knowledge:

- The Group financial statements which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group.
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Group and the Company, together with a description of the principal risks and uncertainties that it faces.
- The Directors consider that the Annual Report and Accounts, taken as a whole is fair, balanced and understandable.

This responsibility statement was approved by the Board on 22 June 2026.

N Clavel
Chairman
22 June 2026

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Audit Committee Report

Dear Shareholder

As the Chairman of Symphony's Audit Committee, I present my Audit Committee Report for the year ended 31 December 2025, which has been prepared by the Committee and approved by the Board. The Audit Committee comprises myself and Nicolas Clavel. Please refer to our biographies on page 16.

The Committee is responsible for reviewing and reporting to the Board on financial reporting, internal control and risk management, and for reviewing the performance, independence and effectiveness of the external auditors in carrying out the statutory audit. The Committee advises the Board on the statement by the Directors that the Annual Report and Accounts when read as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

During the year, the Committee's primary activity involved meeting with the external auditors, considering material issues and areas of judgement, reviewing the effectiveness of the audit and audit relationship, and reviewing and approving the interim and year end results and accounts. Following its review, the Committee recommended to the Board that Forvis Mazars LLP be re-appointed for the next financial year.

The Committee met formally twice in the year and all members were present.

During 2025, the Committee:

- reviewed the risks associated with the Group – see page 15 for the principal risks;
- met with the external auditors to review and approve the annual audit plan and receive their findings, report on the annual audit review effectiveness and consider auditors continuing appointment;
- considered significant issues and areas of judgement with the potential to have a material impact on the financial statements, further details of which are set out below;
- considered the integrity of the published financial information and whether the Annual Report and Accounts taken as a whole are fair, balanced and understandable and provide the information necessary to assess the Group's position and performance, business model and strategy; and
- reviewed and approved the interim and year end results.

In addition to the Committee's ongoing duties, the Committee has and will continue to:

- consider significant issues and areas of judgement with the potential to have a material impact on the financial statements; and
- keep the need for an internal audit function under review, having regard to the Company's strategy and resources.

External audit

The effectiveness of the external audit process was assessed and the approach taken to the appointment/reappointment of the auditor at the time of audit committee meeting held before sign off of the 2025 financial statements. This was based on reports given by the auditor, Q&A at the audit committee meeting and discussions with the CFO.

The objectivity and independence were safeguarded during the year as the external auditor did not provide non-audit services.

The Group has used Forvis Mazars for over 8 years and is not considering rotation. Forvis Mazars rotate partners and managers on a regular basis.

There are no contractual restrictions on auditor choice.

Internal controls

The committee regularly discusses the effectiveness of internal controls with the CFO, usually as part of the Q&A on review of information received which is on a regular basis.

Significant issues considered for the year ended 31 December 2025

The Committee considered:

- Revenue recognition and in particular the revenue cut-off over the year-end and was satisfied that IFRS 15 "Revenues from Contracts with Customers" was correctly applied.

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- Impairment review of capitalised development costs.
- Review of the valuation of its investment in Eranova.
- Review of expected credit losses.
- Possible impact of the geopolitical situation in the Middle East.
- The repayment and/or conversion of the convertible loan on 30 June 2026.

Audit Committee effectiveness

The Committee reviews its effectiveness on an ongoing basis.

M Kayser
Chairman of the Audit Committee
22 June 2026

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Remuneration Committee Report

Dear Shareholder

As the Chairman of Symphony's Remuneration Committee, I present my Remuneration Committee Report for the year ended 31 December 2025, which has been prepared by the Committee and approved by the Board.

The Committee is responsible for determining the remuneration policy for the Executive Directors, and for overseeing the Company's long-term incentive plans. The Board as a whole is responsible for determining Non-Executive Directors' remuneration.

As an AIM company, the Directors' Remuneration Report Regulations do not apply to Symphony and so this report is disclosed voluntarily and has not been subject to audit.

Remuneration policy for 2025 and future years

The Remuneration Committee determines the Company's policy on the structure of Executive Directors' and if required, senior management's remuneration. The objectives of this policy are to:

- Reward Executive Directors and senior management in a manner that ensures that they are properly incentivised and motivated to perform in the best interests of shareholders.
- Provide a level of remuneration required to attract and motivate high-calibre Executive Directors and senior management of appropriate calibre.
- Encourage value creation through consistent and transparent alignment of incentive arrangements with the agreed company strategy over the long term.
- Ensure the total remuneration packages awarded to Executive Directors, comprising both performance-related and non-performance-related remuneration, are designed to motivate the individual, align interests with shareholders, and comply with corporate governance best practice.

The Committee will continue to monitor market trends and developments in order to assess those relevant for the Group's future remuneration policy.

There were no changes to remuneration policy during the year.

The committee does intend to put this report to the vote at the 2026 Annual General Meeting.

Remuneration Policy for Non-Executive Directors

N Clavel, and M Kayser each receive a fee for their services as a Director, which is approved by the Board, mindful of the time commitment and responsibilities of their roles and of current market rates for comparable organisations and appointments.

Remuneration decisions for 2025

No annual bonuses are payable for the year ended 31 December 2025 (2024: £nil).

Payments for loss of office

There were no payments for loss of office in the reporting period.

Remuneration Committee effectiveness

The Committee reviews its effectiveness on an ongoing basis.

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Directors' emoluments

The table below sets out the total emoluments received by each Director who served during the year ended 31 December 2025.

	Basic salary £'000	Benefits £'000	2025 Total Emoluments £'000	2024 Total Emoluments £'000
M Laurier	243	2	245	260
I Bristow	157	1	158	166
M Stephen	165	-	165	165
N Clavel	16	-	16	16
M Kayser	16	-	16	16
	602	3	605	623

There were no directors pension contributions made during the year (2024: £nil).

Share options

The Directors have share options and warrants, or interests in share options as follows:

	Number of share options or warrants	Exercise price (pence per share)	Exercisable from	Exercisable to See below
M Laurier	1,851,500	4.500	26 November 2008	31 December 2026
M Laurier	350,000	12.500	31 March 2010	31 December 2026
I Bristow	3,000,000	4.500	26 November 2008	31 December 2026
I Bristow	280,000	12.500	31 March 2010	31 December 2026
M Stephen	2,000,000	4.500	26 November 2008	31 December 2026
M Stephen	210,000	12.500	31 March 2010	31 December 2026
N Clavel	500,000	4.500	16 October 2009	31 December 2026
N Clavel	250,000	12.500	18 December 2010	31 December 2026
M Kayser	150,000	4.500	2 July 2024	2 January 2027
M Kayser	250,000	10.000	23 December 2024	31 December 2029

The above share options and warrants are HM Revenue and Customs unapproved.

All the above options have vested. No options were exercised during the year.

Statement of directors shares and share interests

A statement of directors' shareholdings is set out in the Directors' Report on page 26.

N Clavel
Chairman of the Remuneration Committee
22 June 2026

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Independent Auditor's Report to the members of Symphony Environmental Technologies plc

Opinion

We have audited the financial statements of Symphony Environmental Technologies plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2025 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow statement, the Company Statement of Financial Position, the Company Statement of Changes in Equity, and notes to the financial statements, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and, as regards the parent company financial statements, FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice) as applied in accordance with the provisions of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2025 and of the group's loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards and, as regards the parent company financial statements, FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice) as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

In addition to those matters set out in the "Key audit matters" section below, we identified going concern of the group and of the parent company as a key audit matter. This was due to trading performance in the period, including a reduction in revenue and the group's continued loss-making position, which increases the reliance on available financing facilities to support operations. In particular, the group has continued to utilise its overdraft facility to meet working capital requirements and has a convertible loan facility due to expire on 31 January 2027. These conditions require management to exercise judgement in assessing the group's and the parent company's ability to continue as a going concern. Further details are provided in note 2 to the financial statements and the Directors' Report on page 28.

Our audit procedures to evaluate the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- Assessing throughout the audit, including at the planning stage, whether events or conditions exist that may cast significant doubt on the group's and the parent company's ability to continue as a going concern;
- Obtaining an understanding of the relevant controls over, and evaluating the directors' methodology for, the going concern assessment;
- Evaluating the group's performance during the year, including corroboration to third-party sources and consideration of post year-end trading and other information available up to the date of approval of the financial statements;
- Critically assessing the impact of relevant macroeconomic and geopolitical factors on the group's current and future performance, with particular focus on the ongoing conflict in the Middle East, including supply chain considerations;

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- Obtaining management’s supporting commentary for the forecasts and interrogating the key assumptions used;
- Challenging the cash flow forecasts prepared by management;
- Evaluating the reasonableness of key assumptions and judgements applied by the directors, including consideration of appropriate sensitivities;
- Inspecting the terms of existing financing facilities, including covenant requirements and assessing the completeness of funding in place;
- Evaluating the terms and impact of specific financing arrangements, including the overdraft facility;
- Obtaining an understanding of management’s position as disclosed in the Director’s report on page 28 with regards to the convertible loan note expiry within the going concern period;
- Evaluating whether the directors’ going concern assessment remains appropriate up to the date of approval of the financial statements; and
- Assessing the appropriateness and adequacy of the directors’ going concern disclosures in the financial statements in light of the final assessment.

Based on the work we have performed, including consideration of the matters set out in management’s going concern assessment (as described in the Directors’ Report and note 2, we have not identified any events or conditions that, individually or collectively, may cast significant doubt on the Group’s and the parent company’s ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In forming this conclusion, we have specifically considered the Group’s recent trading performance, including reduced revenues in 2025, the improvement in gross margins, and management’s forecasts for 2026 and beyond, which reflect recovery in Middle East operations, increased demand in key markets, and a reduced cost base. We have also considered the Group’s liquidity position, including net current liabilities, the availability and terms of convertible loan funding, existing financing facilities, and the results of sensitised cash flow projections prepared by management, including the £1.8 million unsecured convertible loan and accrued interest repayable or convertible on or before 31 January 2027.

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

Key audit matters

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

The matters set out below are in addition to going concern which, as set out in the “Conclusions relating to going concern” section above, was also identified as a key audit matter.

Key Audit Matter	How our scope addressed this matter
<p>Revenue recognition policy – Group (Note 2, 4)</p> <p>The group’s accounting policy in respect of revenue recognition is set out in the accounting policies in note 2 of the financial statements. For Symphony Environmental Technologies plc, we identify the risk around revenue recognition as being principally in relation to cut off, due to the potential to inappropriately shift the timing and basis of revenue recognition. Due to revenue being a key benchmark in a user’s assessment of the performance of the group, we consider revenue recognition to be a key audit matter.</p>	<p>Our audit procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Assessing the design and implementation of relevant controls; • Obtaining and critically assessing the revenue recognition policy to assess compliance with IFRS 15 requirements; and • On a substantive sample basis from revenue reported one month pre-year-end, and revenue credit notes one month post year-end, we assessed the right to and timing of revenue by reference to shipment or delivery documentation depending on the specific contractual terms.

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	<p>Our observations Based on the results of our procedures performed above, we consider revenue recognition is appropriate, and in line with the accounting policy described on page 47.</p>
<p>Intercompany debtors and Investments - Parent only (Note 2, 26, 27)</p> <p>The group's accounting policy in respect of financial assets is set out in the accounting policies on page 79 of the financial statements. For Symphony Environmental Technologies plc, we identify the risk around recovery of intercompany balances held with Symphony Environmental Limited (SEL) of £2,984,000 (2024: £6,070,000), as per note 27, and the investment value of £1,412,000 (2024: £1,412,000), as per note 26, held due to the trading results of the group which is still loss making.</p>	<p>Our audit procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Assessing the design and implementation of relevant controls; • Obtaining and reviewing management's impairment assessment; • Obtaining and critically assessing the information included in the forecast prepared for SEL including the underlying assumptions used and performing a stand back review to look for disconfirming evidence in post year-end data and market information; • Assessing the historic levels of managements forecasting accuracy; • Reperforming management's forecast calculation to confirm its accuracy; • Engaging our internal valuation experts to challenge the reasonableness of discount rates used to calculate discounted cashflow forecasts; • Performing sensitivity analysis on key assumptions and expected cash flows in the model to further assess the potential for impairment; • Engaging our internal impairment team to review the audit procedures; • Ensuring consistency between value in use calculations used for impairment assessment and forecasts used for assessment of going concern; and • Reviewing the reasonableness of the disclosures made in the financial statements in relation to the carrying value of investments and intercompany debtors. <p>Our observations Based on the results of our procedures performed above, we consider the intercompany debtors and investments to be materially correct, and in line with the accounting policy described on page 79.</p>

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

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Group materiality

Overall materiality	£113,000 (2024: £130,400)
How we determined it	Group materiality has been calculated by reference to total revenue, of which it represents 2% (2024: 2% of total revenue).
Rationale for benchmark applied	Revenue has been identified as the principal benchmark within the group financial statements as it is considered to be the focus of shareholders at this time due to the group being historically loss making.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at £85,000, which represents 75% of overall materiality. Performance is set based on risk assessment and our past experience on the audit in relation to factors such as the size, number and nature of transactions and adjustments identified.
Reporting threshold	We agreed with the directors that we would report to them misstatements identified during our audit above £3,400 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Parent company materiality

Overall materiality	£57,000 (2024: £65,600)
How we determined it	Materiality for the parent company has been calculated with reference to net assets, of which it represents 5% (capped to the above balance due to group audit limits) (2024: 5% of net assets).
Rationale for benchmark applied	Net assets has been identified as the principal benchmark within the parent company financial statements as it is considered to be the focus of shareholders due to being a holding company with no trade.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at £42,000, which represents 75% of overall materiality. Performance is set based on risk assessment and our past experience on the audit in relation to factors such as the size, number and nature of transactions and adjustments identified.
Reporting threshold	We agreed with the directors that we would report to them misstatements identified during our audit above £1,700 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements, such as assumptions on significant accounting estimates.

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

Our group audit scope included an audit of the group and the parent company financial statements. Based on our risk assessment of the group, Symphony Environmental Limited and the parent company Symphony Environmental Technologies plc, were subject to full scope audit performed by the group audit

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team. Symphony Plastics Trading LLC, a newly incorporated Subsidiary had not yet begun to trade, with no Statement of Financial Position balances including no bank account at year end and therefore did not contribute to the results of the group during 2025, as such was not subject to audit procedures.

At the parent company level, the group audit team also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

Other information

The other information comprises the information included in the Annual Report and Accounts 2025 other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 30, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate,

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they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: Anti-Bribery, Market Abuse Regulation (MAR), National Living Wage legislation, Health and safety regulation, Anti-money laundering regulation, Data Protection and GDPR, and Environmental Regulations.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as UK tax legislation, AIM listing rules, QCA Corporate Governance Code compliance and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and revenue recognition (which we pinpointed to the cut off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

The risks of material misstatement that had the greatest effect on our audit are discussed in the "Key audit matters" section of this report.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Use of the audit report

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

Robyn Kennedy (Senior Statutory Auditor) for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
Milton Keynes office
Correspondence address
30 Old Bailey
London
EC4M 7AU
Date:

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**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.

The accompanying notes form an integral part of these annual report and accounts.

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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

These annual report and accounts were approved by the Board of Directors on 22 June 2026 and authorised for issue on 22 June 2026. They were signed on its behalf by:

I Bristow FCCA
Chief Financial Officer

The accompanying notes form an integral part of these annual report and accounts.

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**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)

The accompanying notes form an integral part of these annual report and accounts.

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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)

The accompanying notes form an integral part of these annual report and accounts.

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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

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.

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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.

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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.

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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.

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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

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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

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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.

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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

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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

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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).

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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.

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

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

7 Finance costs

	2025	2024
	£'000	£'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	2024
	£'000	£'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	2024
	£'000	£'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%.

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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.

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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

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11 Right-of-use assets

Year ended 31 December 2025	Land & buildings	Plant & Machinery	Fixtures & fittings	Office Equipment	Total
	£'000	£'000	£'000	£'000	£'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	Plant & Machinery	Office Equipment	Total
	£'000	£'000	£'000	£'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

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12 Intangible assets

Year ended 31 December 2025	Development costs	Trademarks	Total
	£'000	£'000	£'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.

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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.

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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

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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.

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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 therefore 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.

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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.

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Directors

Directors' interests in shares and share incentives are contained in the Remuneration Committee Report on page 34.

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.

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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.

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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).

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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	2024
	£'000	£'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 profitability. 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.

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The maturity of financial liabilities as at 31 December 2025 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	1,384	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)

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

	Fixed £'000	Variable £'000	Zero £'000	Total £'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

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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 £'000	2024 £'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.

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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.

The following pages contain the financial statements for the parent company, prepared in accordance with the Financial Reporting Standard 101, 'Reduced Disclosure Framework' ('FRS 101')

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Company statement of financial position
at 31 December 2025

Company number 03676824

	Note	2025 £'000	2024 £'000
Fixed assets			
Investments	26	1,412	1,412
		1,412	1,412
Current assets			
Trade and other receivables	27	2,997	6,082
Cash and cash equivalents		680	287
		3,677	6,369
Trade and other payables: amounts falling due within one year	28	1,970	1,804
Net current assets		1,707	4,565
Net assets		3,119	5,977
Equity			
Share capital	30	2,364	2,251
Share premium account		7,741	5,767
Retained earnings		(6,986)	(2,041)
		3,119	5,977

The Company has applied the exemption under section 408 of the Companies Act 2006 not to present a statement of comprehensive income for the year ended 31 December 2025.

The loss after tax for the financial year 2025 within the annual report and accounts of the Company was £4,945,000 (2024: loss £391,000).

These annual report and accounts were approved by the Directors on 22 June 2026 and are signed on their behalf by:

I Bristow FCCA
Chief Financial Officer

The accompanying notes form an integral part of these annual report and accounts.

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**Company 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	(2,041)	5,977
Issue of share capital	113	1,974	-	2,087
Transactions with owners	113	1,974	-	2,087
Total comprehensive income for the year	-	-	(4,945)	(4,945)
Balance at 31 December 2025	2,364	7,741	(6,986)	3,119
For the year to 31 December 2024				
Balance at 1 January 2024	1,848	4,854	(1,680)	5,022
Share based payments	-	-	30	30
Issue of share capital	403	913	-	1,316
Transactions with owners	403	913	30	1,346
Total comprehensive income for the year	-	-	(391)	(391)
Balance at 31 December 2024	2,251	5,767	(2,041)	5,977

The accompanying notes form an integral part of these annual report and accounts.

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Notes to the Company statement of financial position

25 Basis of preparation and significant accounting policies

Basis of preparation

Symphony Environmental Technologies plc ("The Company"), is a public limited 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.

The principal activity of the Company is to hold investments in subsidiaries which develop and supply environmental plastic additives and products.

The individual annual report and accounts have been prepared in accordance with United Kingdom accounting standards, including Financial Reporting Standard 101 – 'Reduced Disclosure Framework: Disclosure exemptions from international accounting standards in conformity with the requirements of the Companies Act 2006 for qualifying entities' ('FRS 101'), and with the Companies Act 2006. This separate annual report and accounts have been prepared on a going concern basis, under the historical cost basis, as modified by the recognition of certain financial assets and liabilities measured at fair value.

Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IAS 7 Statement of Cash Flows
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

The Company has taken advantage of section 408 of the Companies Act 2006 and has not included its own statement of comprehensive income in these annual report and accounts.

The annual report and accounts are presented in Sterling, the functional and presentational currency of the Company and are expressed in round thousands unless otherwise stated (£'000s).

New standards and interpretations have been issued but are not expected to have a material impact on the Company's annual report and accounts.

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 Company are assessed for recognition as deferred tax assets, insofar as the Company is entitled to UK tax credits on qualifying research and development expenditure, such amounts are presented in the income tax line within 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

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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 profit.

Investments - Company

Investments in subsidiaries are accounted for at cost less impairment in the individual annual report and accounts.

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is charged immediately to statement of comprehensive income.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in statement of comprehensive income.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of the financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classified as financial liabilities. Financial liabilities are presented as such in the statement of financial position. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classified as an equity instrument. Dividends and distributions relating to equity instruments are debited direct 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” 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.

Equity-settled share-based payments

Options granted to employees which relate to salary sacrifices of employees employed by this company are attributed a fair value by reference to the services provided. This fair value is charged to statement of comprehensive income over the vesting period when the service is provided with a corresponding credit taken to shareholders’ funds.

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Significant judgements and estimates

Preparation of the annual report and accounts requires management to make significant judgements and estimates. The items in the parent company annual report and accounts where these estimates have been made include:

Estimates - impairment of investments

An impairment loss is recognised for the amount by which the assets or cash generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors. No impairment has been recognised during the period. See note 26 for the carrying value.

The Group has conducted a range of sensitivity scenarios of the key assumptions used to determine the recoverable amount of the amounts due from group undertakings. As part of the review, management conducted different sensitivity analysis to stress test the impairment review. The assumed sensitivities included a reduction in revenue of 10% from the base case and an increase in cost of sales and overheads of 10% from the base case. The Directors applied a probability approach of the sensitivity analysis performed, enabling the recoverable amount to be estimated, and the impairment charge calculated.

Estimates – expected credit losses in amounts due from group undertakings

Amounts due from undertakings are subject to impairment under the expected credit loss (ECL) model in accordance with IFRS 9. These balances are typically long-term and may not have contractual repayment dates and therefore require significant judgement in assessing recoverability.

The ECL provision is determined based on:

- the financial position and performance of the counterparty undertaking;
- expectations regarding the future profitability and cash generation of the undertaking;
- the ability and intention of the undertaking to settle the balance; and
- forward-looking information, including market conditions and economic outlook.

Given the nature of intercompany balances, management considers whether there has been a significant increase in credit risk since initial recognition and, where appropriate, measures the loss allowance on a lifetime ECL basis.

Estimation uncertainty - The assessment of expected credit losses on amounts due from undertakings involves significant estimation uncertainty due to:

- reliance on future forecasts of the counterparty's performance;
- limited history of external repayment behaviour, particularly where balances are not actively settled;
- judgement applied in assessing group support and funding intentions; and
- sensitivity of outcomes to changes in key macroeconomic assumptions or underlying business performance.

Actual outcomes may differ from these estimates.

Key assumptions - The key assumptions applied in the ECL assessment include:

- projected cash flows and profitability of the undertaking;
- expected timing of repayment or settlement;
- probability of default, based on internal and external indicators; and
- loss given default, taking into account expected recoveries or group support.

A default has been deemed to occur as the group undertaking has been consistently making a loss and has not repaid any amounts owed.

An impairment of £5,891,000 has been recognised during the period. See note 27 for the carrying value.

There are no items in the parent company annual report and accounts where judgements have been made.

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26 Investments

	Shares in Group Undertaking	Total
	£'000	£'000
Cost		
At 1 January 2025	2,412	2,412
At 31 December 2025	2,412	2,412
Impairment		
At 1 January 2025	1,000	1,000
At 31 December 2025	1,000	1,000
Net book value		
At 31 December 2025	1,412	1,412
At 31 December 2024	1,412	1,412

Group undertakings are detailed in note 13.

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27 Trade and other receivables

	2025	2024
	£'000	£'000
Amounts owed by Group undertakings	2,984	6,070
VAT	11	8
Prepayments	2	4
	2,997	6,082

The Directors consider that the carrying value of amounts owed by Group undertakings approximate to their fair values. Included in the amounts owed by Group undertakings is an adjustment for expected credit losses of £16,415,000 (2024: £10,524,000). The Company applies the general impairment model where the Company measures the loss allowance at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition or based on a 12 -month ECL if there is no significant increase. Further details are provided in note 25. The amounts owed by group undertakings incur interest at equivalent bank rates and are repayable on demand. The ECL balance has been determined based on historical data available to management in addition to forward looking information utilising management knowledge. The ECL balance is reconciled as follows:

	2025	2024
	£'000	£'000
Brought forward	10,524	9,255
Increase in ECL	5,891	1,269
Carried forward	16,415	10,524

28 Trade and other payables

	2025	2024
	£'000	£'000
Trade payables	114	60
Accruals	83	76
Convertible loans	1,773	1,668
	1,970	1,804

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 as a minimum of £80,000 before 31 January 2027 and the balance 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.

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29 Contingent liabilities

The Company has guaranteed all monies due to its bankers by Symphony Environmental Limited. At 31 December 2025 the net indebtedness of this company amounted to £1,205,000 (2024: £1,311,000). The Company has guaranteed the lease rental payable by Symphony Environmental Limited in respect to the Group's head office in Borehamwood amounting to £322,000 as at 31 December 2025 (2024: £nil).

30 Share capital

The Company's share capital is detailed in note 18 of the Group consolidated accounts.

31 Directors and employees

All employees of Symphony Environmental Technologies plc are Directors. See note 6 of the Group consolidated accounts. The average number of staff employed by the Company during the financial year amounted to:

	2025 No.	2024 No.
Management	2	2
The aggregate payroll costs of the above were:	2025 £'000	2024 £'000
Wages and salaries	32	32
Social security costs	3	2
	35	34

The company has taken advantage of the FRS 101 exemption that allows intra-Group transactions with a 100% subsidiary to not be disclosed. There were no other related party transactions throughout the period.

32 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 28.

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.