LPA

Annual Report and Accounts

2025

LPA Group Plc

Engineering the future

LPA GROUP

Is an innovation-led engineering specialist, manufacturing electronic and electro-mechanical systems and solutions

Employs approximately 160 people at four locations in the UK and Germany

Is focused on rail, aviation, aerospace and defence, infrastructure and industrial markets

Has established a successful export capability and global footprint with a distribution network, with almost half of turnover exported to over 50 countries

Is known for innovating cost-effective engineering solutions for mission and safety critical applications, with agility to improve product reliability, reduce maintenance and life cycle costs

Supplies to a wide range of leading organisations including Airbus, Alstom, BAE Systems, Boeing Distribution, CompinFainsa, Downer EDI, Grammer, Heathrow Airport, Hitachi, Hubbell, ITW GSE, Kinki Sharyo, Knorr Bremse, Leonardo, Siemens, SNCF, Stadler, Spirit Aerospace, Taiwan Rolling Stock Company, Transport for London, Vertical and Zeroavia

Financial & Operational Highlights

Financial Highlights (year ended 30 September 2025)

	2025 £000	2024 £000
Order Entry	28,770	17,259
Order Book	32,498	25,274
Revenue	21,546	23,546
Adjusted EBITDA*	(50)	840
Loss before Tax	(602)	(593)
Basic Loss Per Share	(2.64)p	(2.46)p
Net Assets per share	118.3p	120.1p
Gearing**	21.5%	13.1%

* Adjusted EBITDA is Operating Loss before Share Based Payments, Negative Goodwill, Non-recurring items, Depreciation and Amortisation

** Net Debt as a % of Total Equity

Operating Highlights

New Chief Executive Officer: Philo Daniel-Tran joined the Group on 2 January 2025.

Acquisition: Successful acquisition of Eaton's Powertron business in March 2025, followed by the integration of the business into the Group.

Market diversification: Increased revenue from Aviation, Aerospace and Defence to 28% (previously 25% in 2024 and 20% in 2023).

'One LPA': Since January 2025, the Group has focused on streamlining and consolidating functions across all sites to be a more operationally effective business. Through the reorganisation, LPA Group has eliminated the divisional structure and created a unified company under the "One-LPA" vision, leveraging capabilities groupwide and creating a solid foundation to accelerate growth.

Rebrand and new Executive team: The Group has also energised its executive team with new appointments, and together with our rebrand, it resets our strategic focus on innovation, quality and delivery of cost-effective engineering solutions globally.

Delivering profitability: The reorganisation and harmonisation into a unified multisite group is already yielding impressive results. For the first time in over four fiscal years the business has been profitable for the first quarter. This progress gives us confidence that we will align with expectations for this fiscal year.

Contents

FINANCIAL & OPERATIONAL HIGHLIGHTS 1

STRATEGIC REPORT 5

Chairman's Statement 5

Chief Executive Officer's Review 9

Business Model and Strategy 12

Environmental, Social and Governance 14

Financial Review 16

Principal Risks and Uncertainties 20

Key Performance Indicators 22

BOARD REPORTS 23

Audit Committee Report 24

Remuneration Report 25

Corporate Governance Report 28

Directors' Report 35

COMPANY INFORMATION 39

GROUP FINANCIAL STATEMENTS 41

Independent Auditor's Report to the Members of LPA Group plc 42

Consolidated Income Statement 50

Consolidated Statement of Comprehensive Income 51

Consolidated Balance Sheet 52

Consolidated Statement of Changes in Equity 53

Consolidated Cash Flow Statement 54

Notes to the Financial Statements 56

COMPANY FINANCIAL STATEMENTS 91

Company Balance Sheet 92

Company Statement of Changes in Equity 93

Company Notes to the Financial Statements 94

OTHER INFORMATION 103

Alternative Performance Measures Glossary 105

Five Year Summary 106

NOTICE OF MEETING 108

LPA GROUP PLC – FORM OF PROXY 115

Chairman's Statement

Introduction

The year ending September 2025 marked a significant paradigm shift with the transformation of LPA into a single business entity. It was never going to be an easy task and I am pleased to report the work is almost complete. Our recently appointed CEO, Philo Daniel-Tran, took on the challenge with energy and her passion and commitment to delivering the business plan was soon apparent. Recovering from the shortfall in sales before coming into post was always going to be a big ask but the progress in the second half has been rapid and the start of this new financial year is encouragingly on track and demonstrating good profitability.

Reducing and redistributing the managerial overhead focusing on our sales and customers has delivered £28.8m of orders in 2025, a great deal of which is being delivered in the coming financial year. We are achieving this through our new organisational structure as our two principal manufacturing facilities are now controlled by a Group Operations Director working closely with the Group Technical Director. Sales and Marketing is no longer siloed and is working comprehensively across all the product lines with a clear path for group wide customer relationship management. The investment in our new ERP systems is driving new benefits into our operational planning, stock control and delivery especially as with the growth in Aerospace and Defence we will be manufacturing more product lines in the future through our existing factories. Our goal in 2026 will be to turn the Saffron Walden factory into a centre of excellence.

We negotiated the transfer of the Eaton Electrical Products power supply business "Martek" in January 2025. Their power supply products are complementary to our own and will assist us in developing new products. Most applications in our marketplace require some form of controlled power supply and already our technical teams are combining their expertise to solve LPA existing customer needs.

The business plan has always been about less dependency on rail and on major projects within rail. We need to keep the manufacturing facilities busy with creating off the shelf product for daily demand and paying the fixed overhead costs. We do value projects and we will work with our customers to deliver new projects. A good example is the new rolling stock for the TFL Deep Tube Upgrade project, which is now well

into production, and we are working with our customer to meet their revised delivery schedules. This work was won in 2022. We are now also beginning discussion about the follow-on project for the next underground train line rolling stock. These long-term projects will create the order volumes we need to enhance our earnings and enable us to plan and scale up as required.

Aerospace and Defence is a growing market for LPA and we have a number of significant opportunities that will balance our historical reliance on the Rail market. We have seen significant demand for our Aviation products following a proactive nurturing of our customer base, leading to customer focused product development plans for the global market. This means our inventory has increased to cover our expanded product lines.

We have worked hard to run the business within our existing facilities but the pace of our growth has caused strain on our liquidity after previous year's losses. Our preference, and that of our advisors was to solve our growth plan with new Equity (and perhaps increase liquidity though institutional investment). However we could not find an acceptable solution with our largest shareholder; so we have refinanced the business with debt. This refinance was completed in January 2026 through a 3 year revolving credit facility secured over property and receivables with Arbuthnot Latham. This facility will create circa £2m of headroom of banking facilities for us to expand more quickly and to manage growth while we generate cash profits in the future to repay the debt.

Shareholders and Investors

We have started an active campaign to reach out and communicate our long-term plans to more of our shareholders; inviting many to visit our facilities and understand our products. For those that cannot take up this offer I would like to highlight the investor presentations made by our Executive Directors that are regularly posted on our website. They focus on who we are, our technology, our strong order book, global reach and passionate staff. We will deliver shareholder value in line with our vision and mission and our continuing commitment to our reputation. We are planning to restore our dividend in the near future.

Pension Fund

The government are recognising that some schemes have overfunded their pension liabilities and there are surpluses which could be more usefully used in the business to support growth and opportunity. We have such a fund and as soon as the pathway is clear we shall recoup some of our surplus funding to reduce our borrowings.

Board and Management, Employees

We are a small business and striving to get the balance right by basing our reward mechanisms on more moderate salaries and increasing the performance related elements in our remuneration packages. We have held back salary increases for our managers and senior staff over the last 2 to 3 years. We need to encourage, promote and train our staff to be better managers and we have a programme of recruitment focused on apprentices and young engineers which we need to expand and develop. The substantial impact of inflation over the last 18 months is evident and the Remuneration Committee have instigated a more reward-based mechanism based on performance and results. This will be reflected in 2026.

I express my thanks to all our employees, past and present, for their hard work and diligence during 2025 and for their commitment to our future.

LPA Group Board

Board

Board members' biographies and relevant experience are set out within Company Information on Page 36 of the Annual Report and are published on the Group's website www.lpa-group.com.

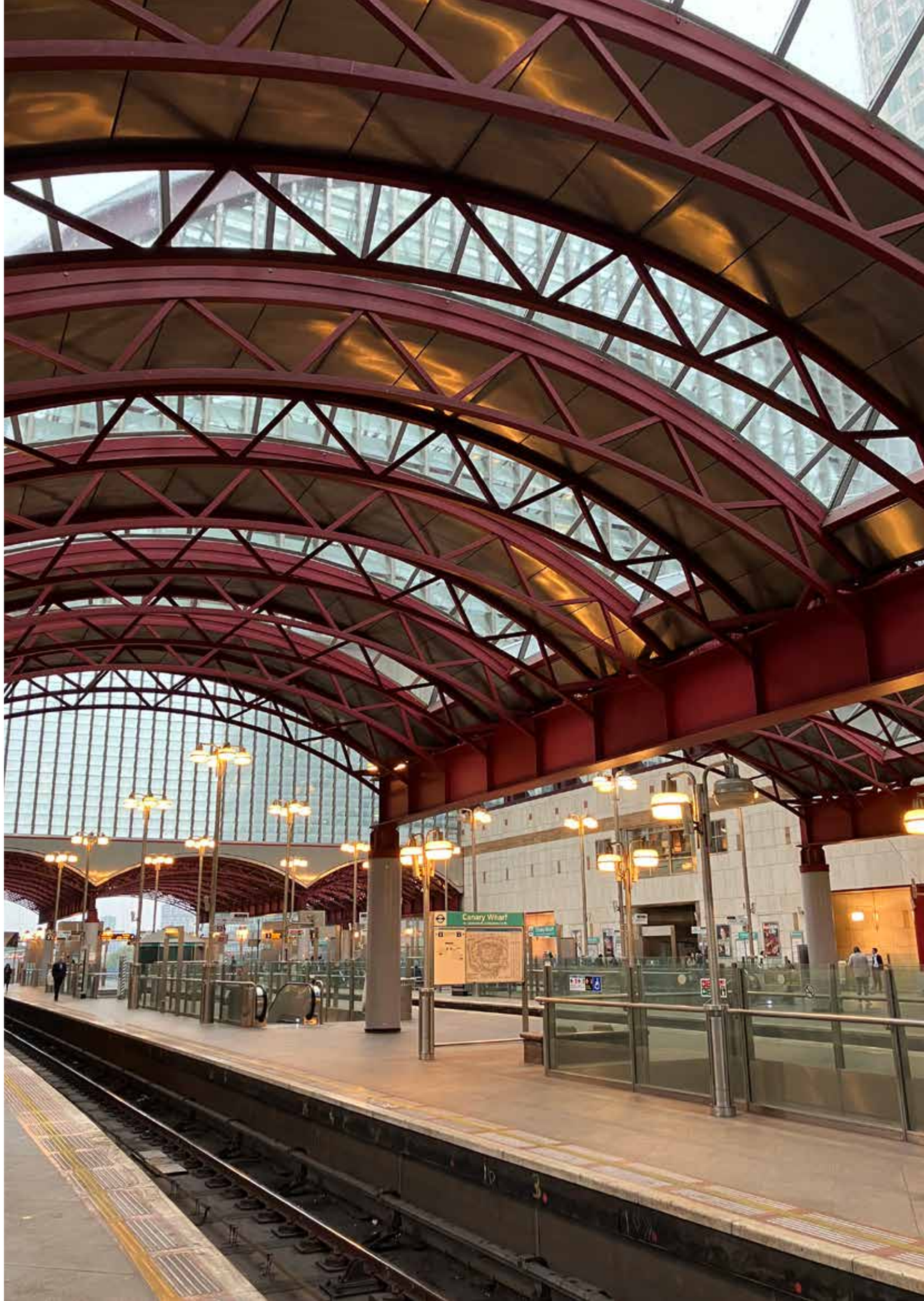
Philo Daniel-Tran (CEO) heads up the Executive Team and together with the Group CFO Stuart Stanyard are part of the Group Board Executive Directors. Andrew Jenner, as Senior Independent Director, and Chair of the Audit Committee has been in post throughout the year under review as has Gordon Wakeford who is Chairman of our Remuneration Committee.

Outlook

We still have major projects to bid for particularly in the rail industry and specifically for the roll out of new underground train sets; but these will always be dictated by our customer's scheduling needs. Our belief is that these project wins should be on top of creating sustainable products that can be sold month in month out. The aftercare market in rail is an important one to us and the bedrock of the current business product lines.

The great work done in 2025 to build up our order book has created a platform for us to be confident that our sales targets for 2026 are realistic and we have started the new year well on budget and for the first time in 4 years the first quarter has shown good profitability. We will continue to drive our order books, create opportunities with new products and work hard to keep our factories efficient.

Robert B Horvath
Chairman
29 January 2026



Chief Executive Officer's Review

Introduction

It has been a privilege to take on the role of CEO at LPA Group plc in Q2 of FY25, continuing our 160-year legacy. In FY25, LPA Group focused on reshaping the business for efficiency and growth through a group-wide reorganisation under the "One-LPA" vision. This transition eliminated the divisional structure and established a unified company led by a new executive team overseeing functional departments.

The "One-LPA" vision merges the existing divisions - LPA Connection Systems, LPA Lighting Systems, and LPA Channel Electric, along with the Martek Power acquisition, creating a cohesive identity that showcases the Group's expertise.

Throughout 2025, LPA Group strategically repositioned itself to emphasise the importance of Aviation, Aerospace, and Defence, which now comprise 28% of the business alongside the Rail market.

Our improved performance and delivery in the second half of FY25 highlights the resilience of our multisite operations and the trust we've built with our customers. Our team's passion and dedication will continue to drive growth and deliver value in FY26.

LPA has a strong heritage defined by agility and innovation over the decades. Our focus for the second to fourth quarter of FY25 has been to return the business to that core ethos and innovative spirit, which forms the foundation of the strategy and vision I have shared with my executive team. Our diversification strategy, focusing on market adjacencies and innovation, will allow us to confidently navigate market dynamics, even in the face of the uncertain global political landscape.

We have concentrated on continuous improvement, technical and engineering rigour, and utilising our ERP (Enterprise Resource Planning) system's capabilities to enhance supply chain integrity, product quality, and reliability throughout FY25.

FY25 strategic priorities also included improved intergroup and customer communication, harmonisation of our IT infrastructure and systems, and a rebrand to align with our revised vision, mission and values.

Our target for profitable growth has started to deliver favourable results from the fourth quarter of FY25 into the first quarter of FY26. Ongoing product rationalisation of acquired and existing products, together with innovation for product enhancement, is opening doors to new opportunities across all our market sectors with new and existing customers.

Markets

Aerospace and Defence was below our expectation in FY25, with main manufacturers' building rates such as Spirit paused because of the Boeing/Airbus takeover of the Belfast based business. With the Airbus takeover of the Spirit A220 wings programme that relates to LPA now finalised we expect a ramp up of builds in 2026, from 118 aircraft per year to 140 aircraft per year.

LPA is working closely with the emerging eVTOL (electric vertical takeoff and landing) and new airline manufacturers, and we are supporting the delivery of new engineered solutions, focusing on driving down weight as well as increasing power delivery from source to propulsion. Supporting and being 'designed in' to these prototypes will support growth for LPA products in the coming years as they get formally certified and go into production.

FY25 has been a successful year for Defence land vehicle solutioning, and we see significant opportunities in both new and refurbishment projects in this sub-sector.

Aviation products include the Plane Power connector range for Ground Support Units, the cable carrier systems (crocodiles) and the Red Box power supply range. In 2025 we aimed to improve our supplier quality for the aviation Plane Power connectors, which has now been restored to the superior world-class product that it is with OTD (on time delivery), and we will benefit further in 2026. The Red Box acquisition has enabled us to open new market channels and have ongoing conversations with our distributors and customers. We are systematically enhancing the Red Box product range based on customer demand and releasing a newly enhanced range to the market. Building on this success, our engineering team will continue the development of the aviation range with new product features to be released in 2026.

Rail aftercare projects in the UK have slowed as we await new funding decisions and subsequent investment, especially with uncertainty around GBR (Great British Railways) and the renationalisation of the railways in the UK. It is pleasing, however, to see some of the existing project wins finally moving into production and output into 2026 and beyond. Delivery to Siemens for the Deep Tube Upgrade programme (DTUP) for the Piccadilly Line is now reliably ramping up. DTUP is an important infrastructure programme for London that should extend into new fleets for the Bakerloo and Central lines over the next few years. Rail exports represent 50% of the Group's rail revenue, and we continue to secure opportunities across international market.

Our business development presence in the DACH region has successfully driven growth and captured opportunities across German-speaking and Eastern European markets, working directly with customers like Stadler and Newag with support from our regional distributors. We will further enhance our business development capabilities in global growth markets in 2026.

Our LED lighting and electronics business, together with our newly acquired power converter business, are developing new electronics and software technology products for customers for train doors, sleeping cabins and seat manufacturers.

Industrial and Infrastructure market progression was mostly achieved through our niche range of specialist electrical 'Niphan' connectors, which continues to broaden its applicability to new engineering projects and has gained approvals in infrastructure that over the coming years are expected to lead to modest increases in volume. This is coupled with costing in engineering work in supply chain to support margins & capacity as volumes increase.

Strategic Innovation Outlook

We continue to make significant progress as we invest in long-term success. Increasing investments in core technologies of connectivity, digital and power electronics (via our acquisition of Martek Power converter solutions from Eaton) to support customer requirements for reliability, longevity and economic value. Our commitment to supporting customers goes beyond the initial sale with lifetime service options via refurbishment contracts and new enhancements via innovative solutions such as digital.

By leveraging these core technologies, we're helping our customers navigate the evolving landscape with solutions that together with industry and academic partnerships, can deliver flexibility and improve efficiency and productivity. Our diversified portfolio of increasingly solution focused products helps customers achieve their requirements for increasing availability and reliability objectives.

We have commenced enhancing our software engineering capabilities to establish and execute our digital product strategy, especially in equipment management and control applications. In FY26 we continue to cultivate a digital ecosystem together with industry and academic partnerships. Our focus will be to provide connectivity to assets to help customers improve uptime and seamlessly manage our products and solutions.

Our robust, strong balance sheet will allow us to execute the strategy for the Group over the FY26-FY28 strategic period.

Our Global Partnerships

In FY25, we reengaged our distribution network to identify longer-term strategic partners and opportunities to expand our global sales operation . We continue to offer our network of partners and suppliers support in their marketing plans for our products and solutions so that they can scale up their activity and align their performance with market demands.

Partnership is also the backbone of our Supply Chain Transformation Plan, launched during FY25 with further savings expected in FY26. We are leveraging that plan to support and advise our suppliers so that they can meet our increasingly stringent requirements. We are also focusing on supply chain resilience, supplier quality, groupwide harmonisation of suppliers, and harnessing greater buying power.

Developing our People

Supporting the career development of all team members has been a top priority for me to underpin our teams' commitment, dedication and passion for learning and innovating. Together with my leadership team, we drilled down into the existing capabilities across all functions, developing a plan to strengthen them, to ensure clear career progression and pathways, and to build an effective succession planning. This initiative began in FY25 and will continue in FY26, with ongoing efforts to create individual training plans that promote personal growth and development within LPA and the industry.

LPA have been committed to a manufacturing apprenticeship programme over the past few years, with several apprentices completing and starting the programme in FY25. We are excited to launch the LPA STEM (Science, Technology, Engineering and Maths) Ambassadors Outreach Programme in January 2026, which together with strategic partnerships with local secondary schools, will attract and retain the next generation of talent in STEM fields.

Committed to our Communities

In FY25, we continued to have a positive impact on our communities beyond our product and solution offerings. The legacy of the LPA charity golf day was well attended, raising funds for our charities, St Clare Hospice and Dig It (Saffron Walden). This annual event is an opportunity for the LPA team to host our customers and partners across all our sectors to raise awareness and funds for these charities. In the fourth quarter of FY25 we identified additional charities aligned with each of our sites, with the Group now supporting a total of 5 local UK charities. The 3 new charities are Lifecraft (Cambridge), Newbury Cancer Care and Prince of Wales Hospice (Normanton). The LPA Charity Committee are focused on raising funds and awareness via various initiatives to support the causes the LPA community are most affected by and feel passionate about.

Our Vision for the Future

Our mission is to collaborate to help solve our customers and partners' challenges with pride and passion for our future. I am honoured and energised to lead our talented team as we build upon that tradition, to achieve our Vision to become a Global leader in the design and manufacturing of engineered solutions in our chosen market sectors.

With rising global demand for Aviation, Aerospace and Defence technologies alongside expanded opportunities to meet the world's rail new build market needs, we are well-positioned and ready to unlock opportunities in 2026 and the years ahead.

Thank you for your trust and partnership as I shape the new LPA Group. We are committed to innovating with purpose and shaping solutions that drive customer success and create lasting value for our customers and shareholders.

Philo Daniel-Tran
Chief Executive Officer
29 January 2026

Business Model and Strategy

The LPA Group plc is a quoted Small and Medium-sized Enterprise (SME), admitted to trading on the AIM Market of the London Stock Exchange, and industry classified in the Electronic and Electrical Equipment FTSE sector.

The Group is an innovation-led engineering and manufacturing specialist in electronic and electro-mechanical systems and solutions, operating within mission and safety critical environments in rail, aviation, aerospace and defence, infrastructure and industrial markets. Significant growth markets are seen primarily in aviation, aerospace and defence, with rail providing nominal growth and baseline stability in the UK and globally. Since the reorganisation there is an increase in resources working across sites and encouraged insourcing of manufacturing for projects.

The Group has built a strong reputation for its innovation, offering cost effective solutions to customers' challenges. The group prides itself on being a global leader in specific markets with its products and solutions, which are known for their reliability and reducing maintenance and life cycle costs, with aspirations of being the technology partner for the digital transformation of our customers. Four distinct sites are operated across the UK, namely:

LPA operations	Market segment	Products, solutions and technologies
Light & Power House Shire Hill Saffron Walden CB11 3AQ, UK Tel: +44 (0)1799 512800 connectionsystems@lpa-group.com redbox@lpa-group.com	**Electro-mechanical systems** A designer and manufacturer of electro-mechanical systems and solutions to the rail, aviation, infrastructure and industrial markets. Bespoke agile manufacturing facility with high investment in machining, welding & fabrication.	Rail rolling stock and infrastructure • Inter-car jumpers & connection boxes • Metal plugs, sockets & harnesses • Auxiliary power systems Industrial applications • Metal plugs & sockets (Niphan range) • Fire-resistant connection boxes Aircraft support • Ground power plugs & harnesses (Plane Power) • Cable carrying systems (Crocodiles) Ground Power Units (Red Box)
Unit 22 Kingfisher Court Newbury Berkshire RG14 3SJ, UK Tel: +44 (0)1635 864886 distribution@lpa-group.com	**Value Add Distribution** Specialist value-add distributor of high-performance electro-mechanical products for harsh environment applications. Serving aerospace, defence and rail markets. Delivering seamless integration of distribution and engineering, design partner to our customers, from prototype to production.	Rail Depots and Rolling stock • Circuit breakers • Connectors • Fans & motors • Relays & contactors • Switches • USB charging units Aerospace and Defence • Connectors • Backshells • Cable accessories • Relays • Circuit breakers • Fans
LPA House Ripley Drive Normanton West Yorkshire WF6 1QT, UK Tel: +44 (0)1924 224100 lighting@lpa-group.com	**Lighting and electronic systems** High performance on-board electronics solutions for railway rolling stock and hazardous environment. End to end solutions from concept design through to manufacture in LPA's purpose-built facility.	Rail rolling stock • End to end rolling stock interior lighting • Electronic control systems • Electronic monitoring systems • Light Control Unit (LCU) – dimming, ambient light control, remote condition monitoring • Seat control electronics solutions • Driver cabin audible system • Door locking systems Hazardous environment (i.e. oil & gas) • LED light engine • Power supply integrated into explosion proof enclosures
Glebe Farm Campus Knapwell Cambridge CB23 4GG, UK Tel: +44 (0)1954 267726 powersystems@lpa-group.com	**Power Converters** Design, manufacture & support of high performance, high reliability power supplies, DC/DC converters designed for rail applications. Supplier to all major European train builders & their tier 1 OEMs.	Power Converters • Power range 10W – 500W • Applications for any electronic equipment on rail vehicles including passenger information displays, Wi-Fi, USB charging, train management system, CBTC

Group revenues are derived from both large value medium to long term projects and smaller value shorter timescale recurring product sales, with the route to market a combination of direct and indirect. The Group partners with distributors particularly in overseas markets, although larger projects continue to require direct contact.

A wide range of leading organisations form our customer base, including Airbus, Alstom, Avanti, BAA, BAE Systems, Boeing Distribution, CompinFainsa, Downer EDI, Grammer, Heathrow Airport, Hitachi, Hubbell, ITW GSE, Kinki Sharyo, Knorr Bremse, Leonardo, , Siemens, SNCF, Stadler, Spirit Aerospace, Taiwan Rolling Stock Company, Transport for London, Vertical and Zeroavia.

We aim to strengthen the Group's position globally by expanding our customer base, introducing new products and pursuing strategic acquisitions. This strategy is underpinned by our Vision, Mission, Purpose and Values as detailed below along with the strategic business planning and objectives that we set out each year.

Vision, Mission & Objectives

Vision

To be a global leader in design and manufacturing of engineered solutions.

Mission

Collaborating to help solve your challenges with pride and passion for our future.

Purpose

LPA has been innovating with agility for more than 160 years. This ability to reinvent and innovate continues to drive us today, underpinned by our steadfast values and culture.

Values and Culture

Investment in our people is paramount to our success and we have created clear communication and development strategies to enhance skills and ensure that we all understand and align to Group values, culture and best practice. This is supported by the Board and Executive teams and demonstrated by their visibility and accessibility across the Group.

Our core values are promoted throughout the Group. These are set out below and published on our website www.lpa-group.com.

LPA Core Values

Accountability – whatever you do, own it and do it well.

Integrity – honesty and respect are key to who we are.

Teamwork – work with your colleagues not against them.

Courage – believe in your ability and back yourself.

Respect – treat colleagues as you would be expected to be treated yourself.

Environmental, Social and Governance

Environment. The board is committed to minimising its impact on the environment and ensuring that each of our sites provide a positive impact on their local environment. The product ranges of the Group have long been focused on long life reliability, which reduce waste and recycling for our customers. Our manufacturing sites are modern with efficient heating and ventilation systems installed that assist to minimise the carbon footprint, whilst our machinery and processes do not require overly high energy inputs, thus our CO outputs are minimised. Our manufacturing sites are certified under ISO 14001 and are carbon neutral.

Social activities and engagement with community is encouraged throughout the Group. Our annual charity golf day is a key event within the calendar and one much appreciated by attendees. Donations received are matched by the Group and used in the support of several charities. We continue to review our marketing activities to combine, where practical, business promotion with support for our local communities. In the fourth quarter of FY25 we set out to work with additional local charities chosen by the teams at each of our 4 sites, and LPA Group plc now support 5 local charities across the UK and raise funds via various initiatives to support the causes the LPA community are most affected by and feel passionate about.

Governance is outlined across our Annual Report and remains a core value of the Group, both as an AIM listed entity, but as part of the DNA of our activities. These areas have long been core to the Company. Additional areas of focus in recent years have included risks posed through digital and cyber channels. The Group maintains Cyber best practice and contracts external IT support to ensure current and constant IT support, with monitoring and prevention paramount to the continuance of our business and safeguarding of our data, assets and those of our customers and employees.

Our Corporate and Social Responsibility (CSR) policy sets out the basis on which the Group seeks to be a responsible business that meets the highest standards of ethics and professionalism. Our Group's social responsibility falls under two categories: compliance and proactiveness. Compliance refers to our Group's commitment to legality and willingness to observe community values. Proactiveness is every initiative to promote human rights, help communities, protect our natural environment and resources.

The full CSR policy is set out on the Group's website – www.lpa-group.com/investor-information/company-information/ with other key governance policies including the Group's approach to ethical trading, code of conduct, Criminal Finances Act 2017 and Whistle Blowing.

Health, Safety & Wellbeing

It is Group policy to provide and maintain healthy and safe working conditions and to consider its employees wellbeing, whilst operating in a responsible manner to the environment. The Group operates Health & Safety Committees to encourage and facilitate participation by all its employees in improvement, awareness and development of a safe working environment. Reporting of opportunities for improvement and near misses, including suggestions, observations, concerns, or potential improvements are encouraged and requested from all staff and visitors to our sites. Monthly reporting outlining all accidents or matters reported are KPIs, published through use of health & safety notice boards,

together with site committee meeting activities. Each site has volunteer fire marshals and first aiders who are provided with the requisite training and a qualified health and safety representative, supported by external expertise.

The wellbeing of our staff is paramount to the Group. Provisions are in place that provide all employees and their families direct access to wellbeing, medical and advisory services, linked to our Group Life Assurance provisions.

The Group encourages employees to plan for their future and provides a defined contribution pension provision which meets or exceeds the UK's Auto Enrolment requirements. The Group also funds advisory sessions, arranges onsite access to its advisors, and facilitates induction sessions for all employees so they can discuss their retirement provisions and fully understand the benefits and options available to them within the Group's pension scheme.

Employment Policies

The importance of promoting and maintaining good communications with the Group's employees is recognised and its policy is to keep employees regularly informed on matters relating to their employment through circulars and team briefings.

Applications for employment from all, regardless of disability, ethnicity, gender or beliefs are considered without prejudice. In the event of members of staff becoming disabled or where individuals require reasonable adjustment, every effort is made to ensure that their employment with the Group continues, and that appropriate adaptation and training is provided. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Financial Review

2025 Summary

- **Order entry** led sales at £28.8m (2024: £17.3m) resulting in the order book increasing to £32.5m (2024: £25.3m), an increase of 28.4%;
- **Revenue** of £21.5m down 8.5% (2024: £23.5m) with electro-mechanical revenues down £0.5m, value add distribution revenues down £0.5m, lighting and electronics revenues down £1.0m
- **Added Value** reduced by 0.8% at 48.7% (2024: 49.5%) as a result of product mix
- **Gross margins** 22.1% (2024: 23.3%), was slightly down due to increased labour costs
- **Adjusted EBITDA** loss of (£0.1m) (2024: profit £0.8m)
- **Loss before tax** at £0.6m (2024: £0.6m)
- **Net cash outflow from operating activities** £0.7m (2024: inflow £1.3m).

Red Box product range, therefore missing the year-end target considerably.

Trading Results

The second half of the year showed significant improvement, providing strong momentum in both our value-add distribution and our electro-mechanical businesses. This turnaround enabled us to curb the losses experienced in the first half. However, our lighting and electronics business continues to face challenges due to delays, from both refurbishment and new build projects in the UK and internationally (i.e. Central line for London Underground, and TGV contracts via Grammer).

Order entry improved significantly in the period to £28.8m (2024: £17.3m) with strong contributions from rail projects across both our lighting and electronics and our electro-mechanical businesses, offsetting a lower intake from our value-add distribution business which was primarily caused by the delay in contracts from Spirit with their change of ownership to Airbus. It is envisaged that these will materialise during the coming 2 years and we remain well placed to deliver on these.

Revenues reduced to £21.5m (2024: £23.5m) with the rail inter - car jumper business along with the lighting and electronics business for new rail builds and refurbishment both picking up in the second half of the year but overall slightly underperforming and not achieving target. Lower aviation product sales were due to supplier quality issues and slower integration of the Red Box product range, therefore missing the year-end target considerably.

By comparison to 2024, H1 2025 revenues reduced by 18.1% to £9.5m (2024: £11.6m), as predicted due to new project delays, delivering an underlying operating loss of £1.1m (2024: loss of £0.3m). H2 revenues were less impacted by project delays and delivered revenues of £12.0m (2024: £11.9m), representing a increase of 0.3% of against H2 2024 sales. This resulted in an H2 underlying loss of £0.1m (2024: profit of £0.1m).

Stronger trading in the second half of the year resulted in a small operating loss of £0.1m and delivered a full year operating loss of £0.6m (2024: loss £0.6m). At an adjusted EBITDA level there was a full year loss of £0.1m (2024: £0.8m profit), with the main differences being the negative goodwill and the profit on sale of the Thatcham property in the current year, with a small reduction in similar non-recurring expenses being offset by an increase in depreciation and amortisation in the current year. Within the period, we successfully integrated the acquisition of Eaton's Powertron business, leading to negative goodwill of £0.6m, resulting in a final loss before tax for the year of £0.6m (2024: £0.6m).

Excluding non-recurring costs, distribution costs and administrative expenses increased by 5.6% to £6.1m (2024: £5.7m). The main contributors to this were economic cost pressures seen across the industry. Group employment costs remained stable at £7.3m (2024: £7.3m), with increasing national insurance contributions partly offset by reduced headcount.

The key drivers related to the business performance in the year and position at 30 September 2025, together with the explanation of the financial Key Performance Indicators as summarised on page 22.

During the year, 197,500 share options at an exercise price of 50p subject to three increasingly targeted performance hurdles which are related to earnings per share and market capitalisation were awarded to a Director. In addition, the performance hurdles in relation to 125,000 share options issued in 2023 were adjusted for them to remain attractive. No cost was allocated to these awards based on the latest forward projections. (2024: no awards).

Macro-economic factors

During 2025, whilst the overall economy remained tight post the Autumn Budget tax rises, we saw a significant increase in activity in rail, our main market and evidenced by an increase in our order intake of 28.4%. Despite this three major rail projects across our two main businesses moved to the right, which resulted in two trading updates during the year, with H1 significantly affected as previously advised and H2 less so. We continue to seek to optimise our Red Box acquisition and in March completed the acquisition of the trading assets for Martek Power.

Inflation continues to become less of an issue and efforts to mitigate any increases have been ongoing and where possible fed through to the market. Our value add business reduced slightly during the year and is broadly expected to remain at this level as we move forward.

Overall both the supply chain and employment markets remains tight.

Non-recurring Items

Non-recurring items in the year totalled a profit of £0.1m (2024: loss of £0.4m). Key items comprised:

i. Profit on the sale of a property £0.3m (2024: £Nil)

ii. Non-recurring costs relating to acquisitions of £0.1m (2024: £0.2m)

iii. Reorganisation costs / staff changes of £0.1m (2024: £0.2m)

Negative Goodwill

Negative goodwill of £0.6m (2024: £Nil) arose following a fair value adjustment on acquisition of the UK power supply business from Eaton Electrical Products Ltd in March 2025 (see note 24).

Finance Costs

Within finance costs, the interest on borrowings increased to £0.24m (2024: £0.16m). The weighted average interest rate increased by 0.2% from 7.3% to 7.5%. The Group's overdraft facility was utilised throughout the year with an average balance of £600k. The UK base rate eased during the year, reducing on four occasions from 5.0% to 4.0%.

Profit Before Tax, Taxation and Earnings Per Share

After net finance costs of £0.01m (2024: net income £0.03m) a loss before tax of £0.6m was recorded (2024: £0.6m). A tax credit of £0.3m (2024: £0.3m) is recognised, reporting a loss after tax of £0.3m (2024: loss after tax £0.3m). This resulted in a basic loss per share of 2.64p (2024: loss per share 2.46p).

The average UK corporation tax rate for the year was 25% (2024: 25%). The main difference to the standard rate of corporation tax is due to losses.

Treasury

The Group's treasury policy remained unchanged in the year. Further details on the Group's borrowings, financial instruments, and its approach to financial risk management are given in notes 15 and 17 to the Annual Report.

Balance Sheet

- Gearing (net debt as a % of total equity) increased to 21.5% (2024: 13.1%) due to the recent acquisition and trading losses;
- Net debt increased by £1.3m to £3.4m (2024: £2.1m) due to trading losses and an increase in trade receivables;
- Working capital, as defined as inventory, trade & other receivables less trade & other payables, increased 21% to £6.4m (2024: £5.3m) due to the timing of sales and receipts; and
- Pension asset surplus recognised increased by 7% to £4.1m (2024: £3.8m).

Shareholders' funds include Investment in Own Shares (Treasury Shares), unchanged at £0.32m, representing ordinary shares held in the Company by the LPA Group Plc Employee Benefit Trust ("EBT").

Intangible assets, which comprise goodwill related to the Group's investment in Excil Electronics Ltd, the fair value of the intellectual property, capitalised development costs and software purchases were £4.0m (2024: £4.3m). Additions in the year decreased to £0.1m (2024: £0.7m), being the residual investment in the ERP systems across the two sites. After

assessment for impairment the goodwill on the Group's investment in Excil Electronics remains unchanged at £1.1m. Development costs capitalised in the year, representing the continued development of the Group's technologies and new product development ("NPD"), were £Nil (2024: £0.1m).

The net book value of property, plant and equipment as at 30 September 2025, including right of use assets, totalled £5.2m (2024: £5.5m), of which property represented £3.8m (2024: £3.7m), plant, equipment and motor vehicles £1.4m (2024: £1.8m). Additions in the year were slightly up at £0.5m – including the £0.4m on acquisition of the trading assets of Martek (2024: £0.4m). Disposals in the year totalled £0.4m with a net book value of £0.1m including right of use lease terminations (2024: £0.2m with a net book value of £0.1m including right of use lease terminations). The depreciation charge was slightly higher at £0.8m (2024: £0.7m).

Net Debt and Financing

The Group's main bank finance is a bank loan drawn down in 2025 at £2.5m and repayable over 5 years. Repayments are quarterly over the term with a bullet repayment in March 2029 of £2.0m (quarterly repayments calculated at draw down on a 15-year repayment term). As at 30 September 2025 the amount outstanding was £2.4m (2024: £2.5m). Interest is payable at base rate plus 2.25%.

We refinanced the company's debt facilities in January 2026. This was through a 3 year revolving credit facility secured over property and receivables with Arbuthnot Latham. This facility will create circa £2m of headroom for us to expand more quickly and to manage growth while we generate cash profits in the future to repay the debt.

Cash Flow

Net cash outflow from operating activities was £(0.7)m (2024: cash inflow of £1.3m) made up of a trading cash outflow of £(0.2)m (2024: £0.5m) and an increase in working capital of £(0.5)m (2024: decrease of £0.7m). Overall, there was a net reduction in the Group's cash position of £1.5m (2024: £0.5m).

During the year £0.1m (2024: £nil) was spent on the acquisition of the UK trade and assets of a power supply provider, £0.28m (2024: £0.55m) was spent on the acquisition of Red Box International with £0.27m deferred consideration payable next year. There was a decrease in capital expenditure outflows on property, plant and equipment £0.1m (2024: £0.2m), excluding the ERP system and assets financed through lease arrangements. Capitalised development expenditure amounted to £Nil (2024: £0.1m), we are aiming to increase this in the next financial year.

In the year new leasing arrangements led to right of use additions of £0.1m (2024: £0.2m). Interest at 5.2% was charged on fixed rate borrowings (2024: 5.3%). Interest on the Group's overdraft facility is payable at base rate plus 2.0%. The facility was utilised £0.8m as at 30 September 2025 (unutilised at 30 September 2024). The composite interest rate across both borrowings and lease liabilities was 5.9% (2024: 6.4%).

Capital loan repayments of £0.1m were made in the year (2024: £0.2m). Outflows repaying the principal elements of lease liabilities were £0.3m (2024: £0.2m). Interest payments on borrowings amounted to £0.3m (2024: £0.2m).

Defined Benefit Pension Asset

The LPA Industries Limited Defined Benefit Scheme was part of the ISIO (previously Deloitte) Pensions Master Plan throughout the entire year under review. The costs of running the scheme have been shared between the Company and the scheme. Costs borne by the Group this year amounted to £0.1m (2024: £0.1m).

A full Actuarial valuation of the Scheme was carried out in March 2024 which indicated the Scheme was at a healthy 133% funding level. The benefit of the change in investment strategy in January 2022, when the Trustees having undertaken a review in 2021 agreed to lock in the gains and de risk the scheme, has been beneficial. The key driver for the then improved funding position has been the higher than assumed returns on the Scheme's assets and the changes in financial conditions which have reduced the liabilities. It is natural for the Scheme's funding level to fluctuate over time reflecting changes in the financial markets.

The Trustees, under advice, did not seek any voluntary employer contributions during the year from the Group (2024: £Nil). The IAS 19 position shown in the note 21 to these accounts reflects the impact of rising interest rates on the present value of the liability to pay pensions in the future.

Going Concern

In assessing going concern, the main considerations have been trading, significant project delays and to a lesser extent inflationary pressures. The Group continues to witness some price pressures from commodities, utilities and wage inflation. These all pose risks to UK manufacturing businesses.

In assessing the Group's going concern the directors also note that (i) despite reporting a small adjusted EBITDA loss in the current year, the Group is expected to return to profitability in 2026; (ii) has in place adequate working capital facilities for its forecast needs with its recent refinancing and strong cash management; (iii) has a strong order book with significant further opportunities in its market place; and (iv) has proven adaptable in past periods of adversity, as again proven through the 2025 challenges. Therefore, the directors believe that it is well placed to manage its business risks successfully.

The directors believe the recent £8.75m refinancing completed on 16 January will create circa £2m of headroom of facilities for the Group to expand more quickly and to manage growth whilst also mitigating any additional project delays, while we generate cash profits in the future to repay the debt. The new facilities comprise of a revolving credit facility secured over property and receivables.

After making enquiries including but not limited to compiling updated forecasts; sensitivities; and expectations, reviewing liabilities and risks and following confirmation of ongoing support from the Group's bank, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Stuart Stanyard
Chief Financial Officer
29 January 2026

Principal Risks and Uncertainties

The Group's approach to risk management is detailed within the Corporate Governance Report. The principal risks confronting the Group, where adverse changes could impact results, are summarised below:

Principal Risk or Uncertainty	Mitigation
Rail market dependency including both the UK rail market and worldwide rail projects.	• The Group maintains close working dialogue with its customers, suppliers and government agencies. • Growth outside our traditional markets remains a key focus. However, rail will continue to feature as a core market and remains an attractive sector for the Group. • The Group continues to focus on non-project work to alleviate the effects of project delays and underpin routine workflows.
Inflationary pressures.	• Sales prices of products are frequently reviewed against cost pressures and market dynamics to ensure appropriate levels of return are achieved. • Management of our supply chain relationships is a key activity. • Automation is used where possible. • Process reviews to improve efficiency are an ongoing activity.
Certain activities benefit from long standing commercial relationships with key customers and suppliers.	• The Group devotes resource to ensure that good customer relationships are maintained while continuing to build relationships with new customers across different business sectors and geographies. • Senior level relationships are encouraged with suppliers and customers throughout the Group.
The Group activities operate in competitive markets which are subject to product innovation, technical advances and intensive price competition.	• The Group invests in research and development to establish new technologies and products to sustain its competitive position. • Continuous efforts for cost down and efficiencies. • Good relationships with customers are forged to ensure accurate market intelligence is gleaned to help shape policy and practice. • New Group ERP system to ensure consistency of approach and drive efficiencies.
The Group is exposed to several financial market risks including liquidity and credit risk, and through movements in foreign exchange and interest rates.	• Forex exposure, predominantly Euros, is mitigated where possible through natural hedging across the Group. • Excess forward predicted currency inflows are covered, where appropriate, by fixed exchange contracts. • The recent refinancing has improved the Group's liquidity. • Further detail as to the Group's approach to managing this risk is described in note 17 to the financial statements.
Poor investment returns and longer life expectancy may result in an increased cost of funding the Group's defined benefit pension arrangement.	• The Group and the trustee of the scheme review these risks with actuarial and investment advice as appropriate and take action to mitigate the risks where possible.
The Group is exposed to supply chains across the globe which can cause delays to product supply and inflationary pressures.	• The Group maintains a portfolio of suppliers and continues to work closely with all, to ensure continuance of supplies. • Products, particularly electronic systems, are subject to redesign to ensure compatibility with suitable alterative components is achieved.
The ability to attract and retain skills and staff.	• The Group monitors staff movements closely whilst seeking to upskill roles to automate areas where the labour pool is challenged. • Personal development is encouraged. The Group supports continuous training and development of its staff. • Communication is done at individual and Group level, incorporating, appraisals, announcements and Group wide newsletters.

Key Performance Indicators

The Group uses the following key performance indicators to assess the progression in its business: factors affecting them are discussed in the Chairman's Statement, the Chief Executive Officer's Review and the Financial Review on pages 5 to 19 with an Alternative Performance Measures glossary on page 105.

KPI	Basis of measurement	2025	2024
Health & Safety			
Riddors	• reportable incidents of disease or danger occurrences	None	None
Accidents	• events that cause impact, damage or injury involving a person or infrastructure, which are not a Riddor	6	10
Near misses	• events that occurred which have not caused an Accident[1]	31	156
Financial			
Orders to revenue	• orders for the year expressed as a multiple of revenue as a measure of prospective growth	1.31	0.73
Order entry	• order intake confirmed	£28.3m	£17.3m
Order book	• the measure of opening order book, plus order entry, less revenue	£32.0m	£25.3m
Revenue growth	• increase year-on-year as a percentage of prior year	(8.5%)	8.4%
Added value	• the margin generated on revenue after deduction of material costs but before other costs of sale and conversion	48.7%	49.5%
Gross margin	• as a percentage of revenue	22.1%	23.3%
Profitability	• underlying operating (loss) as a return on trading activities to revenue	(6.0%)	(1.0%)
Cash generation	• net decrease in cash and cash equivalents before financing activities	(£0.2m)	(£0.4m)
Gearing	• the measure of net debt being borrowings and lease liabilities less cash balances, to net assets	21.5%	13.1%

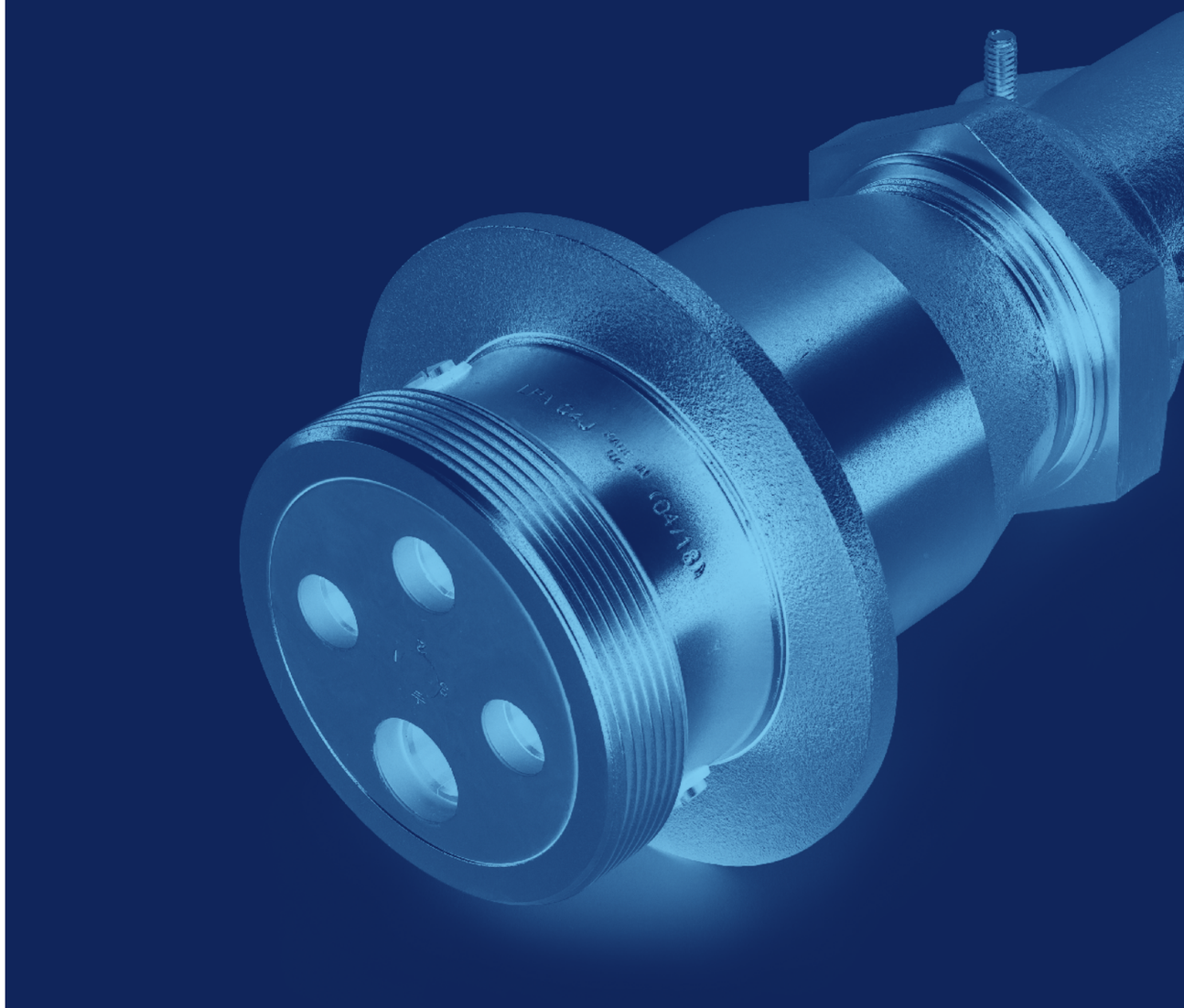
[1] Following team structural changes, HSE data capture and reporting processes were strengthened, with increased focus on data quality and employee engagement which is expected to improve visibility in HSE trends.

The Strategic Report on pages 5 to 22 was approved by the Board on 29 January 2026.

Robert B Horvath
Chairman
29 January 2026

BOARD REPORTS

Audit Committee Report	24
Remuneration Report	25
Corporate Governance Report	28
Directors' Report	35



Audit Committee Report

The Audit Committee monitors the integrity of financial statements, oversees risk management and control, monitors the effectiveness of internal controls and reviews external auditor independence.

Andrew Jenner is Chairman of the Audit Committee, which normally meets three times a year. The Committee exists to scrutinise and clarify any qualifications, recommendations and observations within the audited accounts and report of the Company's auditor. When satisfied, the Committee presents the audited accounts and report to the Company's Board and reviews the effectiveness of resultant corrective and preventative measures.

In performing this function, the key duties of the Committee are to:

- Monitor the integrity of the financial statements of the Group and any formal announcement relating to its financial performance;
- With regards to financial reporting, review and challenge the consistency of accounting policies, the use of accounting methods over alternatives, whether the Group has followed appropriate accounting standards, the clarity of disclosure, and all material information relating to the audit and risk management;
- Monitor the adequacy and effectiveness of the Group's internal financial controls, including the internal control and risk management systems. The Group's key risks are reviewed at each meeting of the Board. All governance issues or unexpected outcomes are brought to the attention of the Board;
- Ensure that the Group's arrangements for its employees and contractors to confidentially raise concerns about possible wrongdoing allow proportionate and independent investigation and appropriate follow up action;
- Consider the need to implement an internal audit function;
- Make recommendations to the Board and the Company's shareholders regarding the appointment, re-appointment, and removal of the Company's external auditor. It ensures that at least once every ten years the audit services contract is put out to tender to enable the Committee to compare the quality and effectiveness of the services provided by the incumbent auditor;
- Oversee the Company's relationship with the external auditor.
- Monitor external auditor independence by reference to quality, objectivity and integrity.

Andrew Jenner
Chairman of the Audit Committee
29 January 2026

Remuneration Report

This report has not been prepared in accordance with Schedule 8 to SI 2008/410 of the Companies Act 2006 because as an AIM listed company LPA Group plc does not fall within the scope of the Regulations.

Unaudited Information

Remuneration Policy

The Company's policy is to design executive remuneration packages to attract, motivate and retain high calibre directors and to reward them for enhancing value to shareholders. The performance measurement of the executive directors and the determination of their annual remuneration package are undertaken by the Remuneration Committee.

There are four main elements of the remuneration packages of the executive directors: basic annual salary and benefits; annual bonus payments; share option incentives; and pension arrangements.

The Company's policy is that a proportion of the remuneration of the executive directors should be performance related. Executive directors may earn annual incentive payments, based on achievement of projections for the financial year, together with the benefits of participation in share option schemes. The Company does not operate any long-term incentive schemes other than the share option schemes noted.

Executive directors are entitled to accept appointments outside the Company, providing that the Chairman's permission is granted.

Executive Directors' Remuneration and Terms of Appointment

Executive directors' basic salaries are reviewed by the Remuneration Committee annually, usually in December for implementation in January, and are set to reflect the directors' responsibilities, experience and marketability. Regard is also given to the level of rewards made in the year to staff. The objectives that must be met for the financial year if a bonus is to be paid are confirmed at the same time.

Philo Daniel-Tran, was appointed as CEO on 2 January 2025 with a notice period of six months. As at 1 January 2026 her annual salary was £180,000 (January 2025: £Nil), she receives 10% employer pension contributions to the Group's defined contribution scheme enhanced by NI savings, private health insurance, an accommodation allowance, and is entitled to the provision of a car, or car allowance with insurance and break down cover. In addition, she is eligible for options under the Company's share schemes and, subject to the achievement of the Group's objectives, is entitled to payments under the Company's discretionary bonus schemes.

Stuart Stanyard was appointed CFO and Company Secretary on the 1 March 2023 with a notice period 6 months. As at 1 January 2026 his annual salary was £139,050 (January 2025: £135,000), he receives 10% employer pension contributions to the Group's defined contribution scheme enhanced by NI savings, private health insurance, an accommodation allowance and he is entitled to the provision of a car, or car allowance with insurance and break down cover. Included within his salary he receives a fee of £5,000 per annum as Director of LPA Industries Pension Trustees Limited. In addition, he is eligible for options under the Company's share schemes and, subject to the achievement of the Group's objectives, is entitled to payments under the Company's discretionary bonus schemes.

Non-Executive Directors' Remuneration and Terms of Appointment

The remuneration of the Non-Executive directors is determined by the Board as a whole and the policy is to pay an appropriate level of remuneration for their work on the Board and its committees. Non-Executive directors are normally appointed for an initial period of three years. Appointments are made under a letter of appointment subject to retirement by rotation or removal under the Company's articles of association. Non-Executive directors do not participate in the Group's bonus schemes.

Robert B Horvath, Non-Executive Chairman from 9 August 2021, was appointed on 1 February 2021 as a Non-Executive Director and Chair elect. His contract was renewed at the Company's AGM held on 27 March 2024 and expires on 31 January 2027, with one further triennial extension. As at 1 January 2026 he receives a fee of £60,000 per annum (January 2025: £60,000).

Andrew Jenner was appointed on 1 September 2021 as Senior Non-Executive Director and Chair of the Audit Committee. His contract was renewed at the Company's

AGM held on 19 March 2025 and expires on 31 August 2027 with one further triennial extension. As at 1 January 2026 he receives a fee of £37,000 per annum (January 2025: £37,000).

Gordon Wakeford has a term of office, as set out in his letter of appointment dated 3 February 2020, which was renewed at the Company's AGM held on 23 March 2023 and expires on 1 April 2026 with one further triennial extension. As at 1 January 2026 he receives a fee of £35,000 per annum (January 2025: £35,000). He also holds the position of Chair of the Remuneration Committee. He also received £12,000 for assisting in operational managerial oversight and control of the Group in light of the CEO's resignation.

Information Subject to Audit

Directors' Remuneration

Directors' remuneration for the year was as follows:

	Salaries and Fees £000	Bonus £000	Benefits £000	Pension £000	Total 2025 £000	Total 2024 £000
Philo Daniel-Tran (from 02/01/25)	135	20	14	16	185	-
Paul Curtis (to 31/05/24)	-	-	-	-	-	294
Stuart Stanyard	135	12	25	17	189	183
Executive Directors	**270**	**32**	**39**	**33**	**374**	**477**
Robert B Horvath	60	-	-	-	60	60
Andrew Jenner	37	-	-	-	37	37
Gordon Wakeford	47	-	-	-	47	47
Non-Executive Directors	**144**	**-**	**-**	**-**	**144**	**144**
Total	**414**	**32**	**39**	**33**	**518**	**621**

There was no exercise of share options in the year (2024: one exercise of 30,000 share options during the year, gain of £3,800 in relation to Paul Curtis a previous Director).

Directors' Pension Arrangements

During the year ending 30 September 2025, Philo Daniel-Tran and Stuart Stanyard received employer contributions to the Group's defined contribution scheme under a salary sacrifice arrangement.

Directors' Shareholdings

Shareholdings of those serving at 30 September 2025:

	Number of Ordinary Shares	
	30 September 2025	30 September 2024
Philo Daniel-Tran	41,000	-
Stuart Stanyard	40,000	20,000
Robert B Horvath	100,000	100,000
Gordon Wakeford	36,500	28,000
Andrew Jenner	20,000	20,000
	237,500	**168,000**

Directors' Interests in Share Options

The Company operates two share option schemes, the Performance Share Plan 2018 (PSP 2018) which was established during 2018 and the Performance Share Plan 2023 which was established during 2023. An Employee Benefit Trust (EBT) was established in 2018 and is operated through a third-party trustee. The objective of the EBT is to benefit the Group's employees and in particular to provide a mechanism to satisfy share option exercises and reduce dilution for shareholders. Requests made to the EBT trustee are approved by the Remuneration Committee. Details of the share option schemes in operation during the year are given in note 20.

	Date of Grant	Option Price (p)	Earliest Exercise Date	Latest Exercise Date	At 30 September 2025	At 30 September 2024
Philo Daniel-Tran						
PSP 2023	March 25	50.00	06/03/28	06/03/35	197,500	-
					197,500	**-**
Stuart Stanyard						
PSP 2023	July 23	50.00	25/07/27	25/07/33	125,000	125,000
					125,000	**125,000**
					322,500	**125,000**

During the year 197,500 share options were awarded to Directors as one award at an exercise price of 50p subject to three increasingly targeted performance hurdles which are related to earnings per share and market capitalisation) The performance hurdles in relation to 125,000 share options issued in 2023 were adjusted for them to remain a long-term incentive. (2024: No share options awarded to Directors).

Gordon Wakeford
Chair of Remuneration Committee
29 January 2026

Corporate Governance Report

Section 172 Compliance

The board of Directors confirm that during the year under review, it has acted to promote the long-term success of the Company for the benefit of the shareholders, while having due regard for the matters set out in section 172(1)(a) to (f) of the Companies Act 2006, these being:

	Matter	Detail	Referenced on Page(s)
a.	The likely consequences of any decision in the long term	• Company purpose • Business model and strategy • Longer term viability • Dividend policy • Risk appetite and risk management • Pension obligations	• 12, 13 • 12, 13, 29 • 6, 11, 19 • 6 • 20, 31 • 6, 19
b.	The interests of the company's employees	• Health, wellbeing and safety of our people • Engaging our people • Developing our people • Board employee engagement • Diversity and inclusion	• 6, 11, 14 • 6, 11, 14 • 6, 11, 33 • 6 • 15
c.	The need to foster the company's business relationships with suppliers, customers and others	• Business ethics & code of conduct • Corporate culture and ethical values	• 13, 29 • 6, 14, 29
d.	The impact of the company's operations on the community and the environment	• Environmental responsibility • Emission and energy management • Supporting our communities	• 14, 30 • 14 • 14, 30
e.	The desirability of the company maintaining a reputation for high standards of business conduct	• Stakeholder propositions • Sustainability of our business model • Values statements and our culture • Our approach to a sustainable business • Internal controls	• 30 • 29 • 13 • 14 • 31
f.	The need to act fairly between members of the company	• Investor engagement • Annual General Meeting	• 6, 29, 30, 34 • 37

The Chairman is responsible for oversight, adoption, and communication of the Group's Corporate Governance Model. Compliance is reviewed every year and updated as necessary and appears on pages 29 to 34 of this report and on the website www.lpa-group.com.

Despite being a micro-cap company the Group has consistently, for a number of years, applied high standards of Corporate Governance. In complying with Article 26 of the London Stock Exchange rules applicable to AIM listed entities, which requires AIM listed companies to apply a recognised Corporate Governance Code, the Group complies as far as is practicable with the Quoted Company Alliance's Corporate Governance 2023 Code (the Code) and where we fall short of full compliance, explain what is required to achieve full compliance. No shortfalls have been identified. This document is an integral part of the Group's Annual Report, which the Board considers to be a 'Document of Record' subject to annual reviews, which will be recorded on the Group's website, www.lpa-group.com.

The QCA Code

The Code comprises ten principles, which are listed below, together with a statement of the Group's current position and, where this deviates from the code, an element of a Road Map to full compliance.

Principle 1

Establish a purpose, strategy and business model which promote long-term value for shareholders

Our Purpose – LPA has been innovating with agility for more than 160 years. This ability to reinvent and innovate continues to drive us today, underpinned by our steadfast values and culture

Our Mission – Collaborating to help solve your challenges with pride and passion for our future

Our Vision – Global leader in design and manufacturing of engineered solutions

The code requires a disclosure of the Group's business model and strategy, including key challenges in their execution in the Annual Report, which is included in Strategic Report on pages 5 to 22.

The Group operates in markets dominated by large multinational corporates, with a wide supplier base populated by small and medium sized enterprises, both privately owned and quoted. The Group has grown organically and by acquisition and has always recognised that it will either be a consolidator of similar SMEs by acquisition or consolidated by a larger multinational enterprise through being acquired. The Group has relooked at its strategy and has a plan to grow the business recognising the difficult trading conditions brought on by the effects of the pandemic and supply chain crisis. The Board itself has been rejuvenated to support the business and the management team to deliver the strategy and be responsive to constantly changing market conditions.

The Executive Directors are responsible for the leadership and day-to-day management of the Group. This includes formulating and recommending the Group's strategy for Board approval once approved, executing the strategy.

Principle 2

Promote a corporate culture that is based on ethical values and behaviours

LPA Group Values

LPA core values are promoted across the Group which include Accountability, Teamwork, Respect, Integrity, Courage

The Board, led by the Chair, promotes a sound ethical culture through its own behaviour and this is visible through the actions of the Non- Executive and Executive Director teams.

Corporate values guide the objectives and strategy of the business and the conduct of all aspects of business, including disclosures in this Annual Report.

The Chair's Corporate Governance statement in the Annual Reports comments upon how the culture is consistent with the Group's objectives, strategy and business model contained in the strategic report, the principal risks and uncertainties, how these are monitored and how a healthy corporate culture is promoted and assessed.

The Group has a Code of Ethics, and a Code of Conduct, which Directors and other officers of the Group are expected to comply with and to record such instances as required, as part of the Group's anti-bribery procedures. These are published on the website.

Principle 3

Seek to understand and meet shareholder needs and expectations

The Group's shareholder base has been dominated by founding family shareholders in the past. This is changing but it still has only limited numbers of Institutions. Whilst 47% of our shares are owned by 4 holders there is still a significant shareholder base of private or relatively small holdings. The market in the shares is relatively illiquid and there can be a widespread between the bid

and offer price, making dealing in the shares challenging. Having rejuvenated the Board, the Group is committed to improving liquidity and the nature of the shareholder base to better equip the business with sources of equity funding and supporting its growth plans. In recent years the Group has relied upon debt funding to support its capital investments into capacity and capabilities and fund working capital requirements.

Investor liaison is the responsibility of the Chief Executive Officer and where necessary the Non-Executive Chairman, supported by the Group's Executive team.

The Group gives regular updates on progress through the year and publishes significant events via the Regulated News Service of the Stock Exchange. The Preliminary Announcement is made in late January, and the Annual Report is published shortly thereafter. The Chairman normally gives an update at the Annual General Meeting in March. The Interim Announcement for the first half to 31 March is made, and the Interim Report published, in late June. It has become recent practice to give an update on trading early in the first quarter, following the close of the financial year on 30 September. Copies of all announcements are published on the website, www.lpa-group.com.

The Group's Brokers prepare analyses of the Group's performance and make these available to their clients, normally together with their trading expectations.

The Group aims to meet Shareholders, prospective shareholders and other interested parties, immediately after the Interim and Final Announcements as recommended and organised by its Nominated Broker. The Chairman is available to shareholders throughout the year and, subject to any rules regarding confidential information, can discuss the strategic direction of the Group.

The Board is acutely aware of its responsibility to ensure that there is no false market in the Group's shares and to ensure the market is properly informed of changes in expectations and significant events in a timely way. The last few years have witnessed severe challenges for most businesses and especially in the sectors the Group operates in. These significant challenges are manifested in the ability to forecast and manage expectations in the short term as our customers struggle to keep their projects on track and their commitments and orders to us to the agreed upon schedules. Some of these unforeseeable activities remain beyond the control of the Group.

Principle 4

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

The Board recognises that our people are our most valuable asset. Staff surveys at each of the Group's Sites are undertaken periodically to monitor and engage with our staff and ensure their needs are being met. Apprenticeships, degree and other courses, support, training, and personal development are offered to staff as part of a long-term plan for success, notwithstanding the ongoing challenges that the current macro-economic climate presents.

The Group's customer base is mainly comprised of large multinationals who demand quality, reliability, value for money and on-time delivery. We endeavour to engage with our customers on many levels to ensure that we understand what is expected of us. We seek customer feedback, and we use metrics to monitor our own performance.

We have developed our supplier base over many years. Close relationships are maintained as these essential to maintain timely, cost effective and quality supplies.

We rely on partners in our export markets to represent us between our own visits to customers. Many of these partnerships are long term and our export success reflects our collective response to changing local market conditions.

We are responsive to our local communities, engaging with schools (see STEM work on page 11) and universities and supporting charitable organisations.

Group wide introduction of 'we want to hear from you' to enable employees to raise issues ideas and share concerns anonymously or not with the senior leadership has commenced since 2025. Matters are captured and dealt with by the LPA Exec team and the wider leadership team.

The Board is committed to minimising its impact on the environment and ensuring that each of our sites provide a positive impact on their local environment. The product ranges of the Group have long been focused on long life reliability, which reduce waste and recycling for our customers. Our manufacturing sites are modern with efficient heating and ventilation systems installed that assist to minimise the carbon footprint, whilst our machinery and processes do not require overly high energy inputs, thus our CO outputs are minimised. Our manufacturing sites are certified under ISO 14001 and are carbon neutral.

Principle 5

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

The Principal Risks and Uncertainties are identified in the Strategic Report, which is included on page 20. Each trading entities monthly report outlines significant opportunities and threats to its business. Risk registers for entities identify key risks. Risk is considered periodically at Executive meetings comprising of the CEO and first reporting line of executives including the CFO with an overall view of having a balanced approach to risk. The CEO and the CFO include commentary on identified changes in risk in their reports to the Board and are further discussed at Board Meetings. Internal Controls are detailed below.

Internal Control

The Board has overall responsibility for the Group's system of internal control, which is designed to provide reasonable but not absolute assurance against material misstatement or loss.

The Board has assigned day-to-day responsibility for the continuous review of risk management to the Executive Directors. The Board receives regular updates on risk issues and reviews the effectiveness of the Group's systems of internal controls in relation to financial, operational and compliance controls and risk management. Risk management is discussed formally at each Board meeting.

In addition, the Board reviewed the requirement for an internal audit function and having regard to the size of the Group, the costs of such a function versus the likely benefit, sufficient assurance as to the functioning of the system of internal control, and that the circumstances confronting the Group remain unchanged, considered there was no such requirement at this time.

In relation to business risk a continuous process of risk assessment and reporting has been adopted. Executive Directors report regularly to the Board on major business risks faced by individual operating units and by the Group and how it is proposed that those risks be managed. Through this, business risks are assessed according to their nature and urgency and the Board considers what would be an appropriate response.

The Board has defined a formal schedule of matters specifically reserved for decision by it and the delegated authorities of its committees and the Executive Directors.

The Group has a clear organisation structure and reporting framework. Whilst the management of operating units exercise autonomy in the day-to-day running of their activities, given the size of the Group, the Executive Directors remain close to the decisions made at each operating unit.

The Group has a system of budgeting, forecasting and reporting which enables the Board to set objectives and monitor performance. A budget is prepared annually, which includes detailed projections for the next two years, for review by the Board. Forecasts are reviewed and re-forecast at least twice annually. The Group's performance against budget and forecast is continuously monitored by the Executive Directors, and by the Board at least quarterly. The Group operates an investment approval process. Board approval is required for all acquisitions and divestments.

Principle 6

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

A biography of each of the Directors which identifies whether they are executive or non-executive, together with a directors' responsibilities statement is included on the Group's website and within the Annual Report, which also describes the board composition, responsibility, independence and the number of Board Meetings during the year, the nature and composition of the two board committees and details the time commitment and attendance record of directors at board and committee meetings.

The Non-Executive Directors all served throughout the year.

Philo Daniel-Tran as Executive Director, served from 2 January 2025. Stuart Stanyard served throughout the year.

Board Composition and Responsibility

As of 1 January 2026, the Board comprises three Non-Executive Directors and two Executive Directors. There is a clear division of responsibility between the Non-Executive Directors, including the Chairman and the Executive Directors.

Robert B Horvath, Andrew Jenner and Gordon Wakeford are Non-Executive directors and form the majority of the Board. They are from varied backgrounds and bring with them a range of skills and experience in commerce and industry. The Non-Executive Directors are judged to have made the necessary time commitment to fulfil their roles which is evaluated through achievement of deadlines, commitments, availability, and attendance

at meetings. The Group has also judged them to be independent taking into account shareholdings, related party transaction and length of service.

The Board meets at least six times during the year, with additional meetings being convened as necessary. The Board has two standing committees, the Audit Committee and the Remuneration Committee, both having written terms of reference which are published on the Group's website. These comprise the Board's Non-Executive directors who served through the year. Andrew Jenner served as Chair of the Audit Committee and Senior Non-Executive Director; Gordon Wakeford served as Chair of the Remuneration Committee.

The Audit Committee meets at least twice a year. It is responsible for reviewing a range of financial matters including the interim and final accounts, monitoring the controls which ensure the integrity of the financial information reported to the shareholders, making recommendations to the Board in relation to the appointment of the external auditor, and approving the remuneration and terms of reference for the external auditor. It also meets with the external auditor who attends its meetings when required.

The Remuneration Committee meets at least twice a year and its principal function is to determine executive remuneration policy and that of the non-executive Chairman on behalf of the Board. In addition, the committee is responsible for supervising the various share option schemes and for the granting of options under them. Having liaised with key shareholders the committee has started to rebase the reward mechanisms to retain more moderate salaries and to increase the performance related element of our remuneration packages.

A schedule of the Board meetings, its committees and the Director attendance compared to the meetings held is set out below:

Year ending 30 September 2025	Board meetings	Audit committee	Remuneration committee	AGM 2025
No of meetings	**10**	**3**	**2**	**1**
Executive Directors				
P Daniel-Tran (from 02/01/25)	8/8	n/a	n/a	1/1
S R Stanyard	9/10	n/a	n/a	1/1
Non-Executive Directors				
R B Horvath	10/10	3/3	2/2	1/1
A Jenner	10/10	3/3	2/2	1/1
G Wakeford	10/10	3/3	2/2	1/1

Attendance at meetings by invitation is not shown, however numerous key employees present at various Board meetings throughout the year.

The principal responsibilities of the Board are to agree overall strategy and investment policy, to approve the annual budget, to monitor the performance of the senior management, and to ensure that there are proper internal financial controls in place. There is a formal schedule of matters reserved for Board approval. The nature and size of the Group ensures that the Board considers all major decisions.

Directors are subject to election by shareholders at the first opportunity after their appointment, and to re-election thereafter at intervals of no more than three years.

All Directors have access to the advice and services of the Group CEO/CFO. The CFO performs the role of the Company Secretary and is also responsible for ensuring that Board procedures are followed. There is also a procedure in place for any Director to take independent professional advice, if necessary, at the Company's expense.

Principle 7

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

The Board has a broad balance of skills and experience as well as personal qualities. Recent Board appointments have reinforced this balance.

The Board recognises that its small size limits the opportunity for gender balance and diversity, however, ensures that its recruitment processes are fair, and all candidates are considered and treated equally. The Board is not dominated by any one person or group of people with recent Board changes re-enforcing independence.

The Chair will continue to evaluate the strengths and weaknesses of the Board and seek to address these together with other needs as the Group evolves in any future appointments and in succession planning.

This Annual Report identifies each Director with their biography, which outline the relevant skills, qualifications and previous roles that each have held. This demonstrates the adequacy of the Board and identifies any additional experience, skills, personal qualities, gender balance and capabilities necessary to deliver the strategy for the benefit of shareholders and shows how directors are maintaining their skill sets.

The Directors achieve these requirements through participation and reporting on activities outside of the Group to develop and maintain their skills. Participation in Continuing Professional Development courses to maintain professional qualifications and development of knowledge; industry and market forums; holding additional independent appointments to broaden knowledge, and engagement with bodies including the QCA and The Deloitte Academy are both monitored and actively encouraged. The Group considers this approach compliant in this area to the Code.

Annual Reports will also detail significant matters requiring external advice and describe any significant advice provided internally to the Board by the Company Secretary or Senior Non-Executive Director. No such advice was provided in 2025 financial year.

Board members attend various industry and QCA courses and events through the year to ensure they are staying current on-Board skills. Each Board member is committed to ensuring they carry out continuous professional development against their core experience to ensure they continue to offer the most current knowledge to LPA.

Board Member	Role	NED/Executive	Experience
Robert Horvath	Chairman	NED	Turn around Business Governance, Financial, International
Andrew Jenner	Senior NED	NED	Finance and governance, International, Private equity
Gordon Wakeford		NED	Engineering Manufacturing and Rail International
Philo Daniel-Tran	CEO	Executive	Engineering PhD, and Masters in PM Engineering, R&D, Innovation, Digital, Marketing, Business Development, Rail, Aerospace & Defence and Aviation International
Stuart Stanyard	CFO	Executive	Finance and governance, Industrial, Aerospace, International, Private equity

Principle 8

Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The objective has been to create a board with the necessary skills and experience to deliver the Group's strategy over the medium term, following a period of relative board stagnation. The maintenance and development of the board skills matrix assists the Chairman in his discussions with the Senior Non-Executive Director ("SNED") to ensure the skills available within the Board remain appropriate. This process was reviewed at the Board meeting on 24 September 2025 and deemed appropriate. The Group considers this approach compliant to the Code, and the Chairman will continue to develop this area as part of the Road Map.

An independent External Board Effectiveness Review was carried out in November 2025 and improvement opportunities and observations have been shared with the Board to ensure performance is optimal and relevant for LPA's Strategy execution to achieve its Vision.

Succession planning is carried out on as and when Directors terms of office are close to ending.

Principle 9

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

The Group maintains a remuneration policy which is led by the Remuneration committee and is chaired by the non-executive Director. Further detail is included in the Remuneration Report Page 25.

REMCOM chair leads the annual salary benchmarking, recommending long term incentive plans, Bonus structure and pay review with the Board.

Principle 10

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

The Board believes that a healthy dialogue does exist between the Group and its stakeholders and shareholders, which should allow interested parties to come to informed decisions about the Group.

The Board believes that through appropriate use of the Stock Exchange Regulated News Service ("RNS") for announcements and the timely posting of all such announcements on the Group website appropriate communication and reporting structures exist between the Group and all constituent parts of the shareholder base.

The Preliminary Announcement, the Annual Report, the Chairman's remarks at the Annual General Meeting, the Interim Announcement, the Interim Statement, any Closing Update in October after the financial year end, together with announcements of any significant events, are all timely published via the RNS and posted on the website and routinely inform all shareholders of the Group's progress.

All shareholders are invited to the Annual General Meeting where there is both a formal and informal opportunity to ask questions either on the business of the meeting or specific matters of interest.

This Annual Report, which is posted on the website, describes the work of the Board committees undertaken during the year. It includes a remuneration report.

Should the Group be unable to comply with any disclosure requirements of Principles 1-9 and omit them from the Annual Report or the website, they will be disclosed, and their omission explained.

All votes at the Group's General Meetings are announced on the RNS immediately after the close of the meeting and posted on the website.

Should there be a significant proportion of votes cast against a resolution at a General Meeting the Group would announce in a timely way by way of the RNS and on the website, the result. What action it intends to take to understand the reasons for the negative vote and what action, if any, it intends to take in the light of that vote are always discussed with its Nominated Advisor and advice taken and followed.

Annual Reports, including the Notice of any General Meetings published during the last five years are included on the website: www.lpa-group.com.

Robert B Horvath
Chairman
29 January 2026

Directors' Report

The directors present their annual report together with the audited financial statements for the year ended 30 September 2025.

Results and Dividends

The loss for the year amounted to £0.3m (2024: £0.3m). The directors do not recommend the payment of a dividend for 2025 (2024: Nil), with Nil (2024: Nil) interim dividend paid.

The factors which have affected the Group's business activities in the current year, and which are likely to affect its future performance are detailed in the Chairman's Statement, Chief Executive Officers' Review and the Financial Review.

The principal risks and uncertainties confronting the Group are set out on page 20 and the key performance indicators used in assessing the progression of the business are set out on page 22.

Principal Activities

The principal activity of the Group continues to be innovation-led engineering specialist in electronic and electro-mechanical components and systems. Descriptions of the Group's development and performance during the year, position at the year end and likely future prospects are reviewed in the Strategic Report on pages 5 to 22.

Substantial Shareholdings

As far as the directors are aware the only shareholders with a beneficial interest as at 5 January 2026 representing three per cent or more of the issued share capital were:

	No of Shares	Percentage
Peter Gyllenhammar AB	4,020,000	29.75%
Peter Pollock	1,000,000	7.40%
Michael Rusch	960,022	7.10%
Marilyn Porter	524,153	3.88%

Research and Development

The Group is committed to research and development activities to ensure its position as a market leader in the manufacture of electronic and electrical components, and systems in its market sectors. The costs incurred in 2025 totalled £Nil (2024: £0.1m) and were capitalised as development costs. Research and development costs expensed during the year were £Nil (2024: £Nil).

Directors and their Interests

The current directors of the Company and brief biographical details are given on pages 36 to 37. Since the last annual report there have been no changes in Director (2024: one appointment and one resignation). A statement of their remuneration and interests in the ordinary shares of the Company and share options are set out in the Remuneration Report. The Company has made qualifying third-party indemnity provisions for the benefit of its directors. The Group maintained insurance cover during the year for its Directors and Officers and those of subsidiary companies under a Directors and Officers liability insurance policy against liabilities which may be incurred by them while carrying out their duties. No director had any material interest in any contract with the Group.

Directors' Responsibilities Statement

The directors are responsible for preparing the Strategic Report, the Directors' Report, the separate Corporate Governance Statement, and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group and company financial statements for each financial year. The directors have elected under company law and are required by the AIM Rules of the London Stock Exchange to prepare the Group's financial statements in accordance with UK-adopted International Accounting Standards and have elected under company law to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The Group financial statements are required by law and UK-adopted International Accounting Standards to present fairly the financial position and performance of the Group. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing these 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;
- for the Group financial statements, state whether they have been prepared in accordance with the UK-adopted International Accounting Standards;
- for the Company financial statements state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Company financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

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

The directors confirm that:

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors Biographies

Robert B Horvath – Non-Executive Chairman, born 1956, has a BSc degree in Economics from the University of Wales and is a Fellow of the Institute of Chartered Accountants in England and Wales, and a Fellow of Gray's Inn. He served Articles with Price Waterhouse and spent twelve years with the firm including two years in the US. He has over thirty years' experience in senior financial and general management posts in Manufacturing Industry. He joined LPA Group on 1 February 2021 as Chair elect and was appointed Chairman on 9 August 2021. Previous appointments include Chairman of Sigmat Group, Chief Executive of Tenfore Holdings, Group Managing Director of Interior Services Group Plc and Group Financial Director of Higgins Group Plc and A&P Appledore Ship Builders Ltd. Other public appointments included Advisor to and Chairman of Worth Abbey, NED at Defence Infrastructure Organisation and advisor to HM Treasury on PFI contracts.

Philo Daniel-Tran – Chief Executive Officer (CEO), born 1974, holds a PhD in Electrical and Electronics Engineering from Western Sydney University, and a Masters in Programme Management from the University of Adelaide, Australia. She was appointed CEO of LPA Group plc on 02 January 2025. She is an experienced professional having held senior roles in top tier publicly listed technology companies, spanning roles in Divisional leadership, Strategy, Marketing, Business Development and Engineering across Defence, Aerospace, Security, and the Transport Sectors. Prior to joining LPA, she was the Global Aviation and Urban Security Director for Smiths Group plc's Smiths Detection Division delivering unprecedented growth attributed to new product and solution introduction to market. In her preceding 16 years with Thales, she held regional leadership roles based in Sydney, London, and Singapore. She was advisor to the UK Government on Transport Security via the Joint Security and Resilience Centre and a member of the Security Sector Council for ADS Group Ltd from 07 December 2021 to 31 December 2024.

Stuart Stanyard – Chief Financial Officer (CFO) and Company Secretary, born 1967, holds a BSc in Accounting and Economics from Lancaster University and is a Fellow of the Institute of Chartered Accountants in England and Wales having qualified with Price Waterhouse. Stuart is an experienced Chief Financial Officer having held several senior finance leadership positions in Rolls-Royce Civil Aerospace, both within the UK and Hong Kong. More recently Stuart has worked for a PE backed business, Eley Group, where he concluded the successful sale of the business to an overseas buyer. Stuart was appointed Chief Financial Officer and Company Secretary on 1 March 2023.

Andrew Jenner – Senior Non-Executive Director (SID), born 1969, holds a BSc in Accounting with First Class Honours from the University of Hull and is a Member of the Institute of Chartered Accountants in England and Wales. Andrew is an experienced Chief Financial Officer and an Non- Executive Director having held senior positions in a number of FTSE100, 250 and privately held companies and has worked in different sectors including manufacturing, services, engineering, rail and construction. Since February 2018 he has been CFO of Petainer, a manufacturer of sustainable plastic packaging for the drinks industry worldwide. Petainer is owned by Ara Partners, a private equity firm specialising in industrial decarbonization investments. Previous appointments include NED and Audit Committee Chair of Galliford Try Plc, NED at E.W. Beard, CFO at Serco Group Plc and CFO at Global Office Group. Andrew was appointed to LPA Group on 1 September 2021, is the Audit Committee Chair and a member of the Remuneration Committee.

Gordon Wakeford – Non-Executive Director born 1962, formerly Chief Executive Officer of Siemens Mobility Limited UK, joined the board as an Non- Executive Director with effect from 1 April 2020. He holds a First Class Honours Degree in Mechanical Engineering, is a Chartered Engineer and Fellow of the Chartered Institute of Highways and Transportation. He is highly experienced, having worked at very senior levels within industry and with Government. He is a former Chairman of the Railway Industry Association and Chair of the Rail Supply Group. He was a member of the National College for High Speed Rail Industrial Advisory Board and the CBI Manufacturing Council. He is a member of the Board's Audit and Remuneration Committees, was Chair of the Audit Committee from 1 April 2021 to 31 August 2021 and was appointed Chair of the Remuneration Committee from 1 September 2021.

Annual General Meeting

The Annual General Meeting is to be held at 12:00 noon on Thursday 26 March 2026 at the offices of LPA Group PLC, Light & Power House, Shire Hill, Saffron Walden, CB11 3AQ. The Notice of Meeting is set out on pages 108 to 109.

Information in other reports

The Company has chosen, in accordance with the Companies Act 2006 s414C(11), to set out in the Chairman's Statement, Financial Review, Strategic Report and Corporate Governance Statement, certain information required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 Sch. 7 to be contained in the Directors' Report.

Financial risk management disclosures are detailed in note 17.

Post Balance Sheet Events

The company's debt facilities were refinanced in January 2026. This was through a 3 year revolving credit and a CID (customer invoice discounting) facility with Arbuthnot. This facility will create circa £2m of headroom of facilities for us to expand more quickly and to manage growth while we generate cash profits in the future to repay the debt.

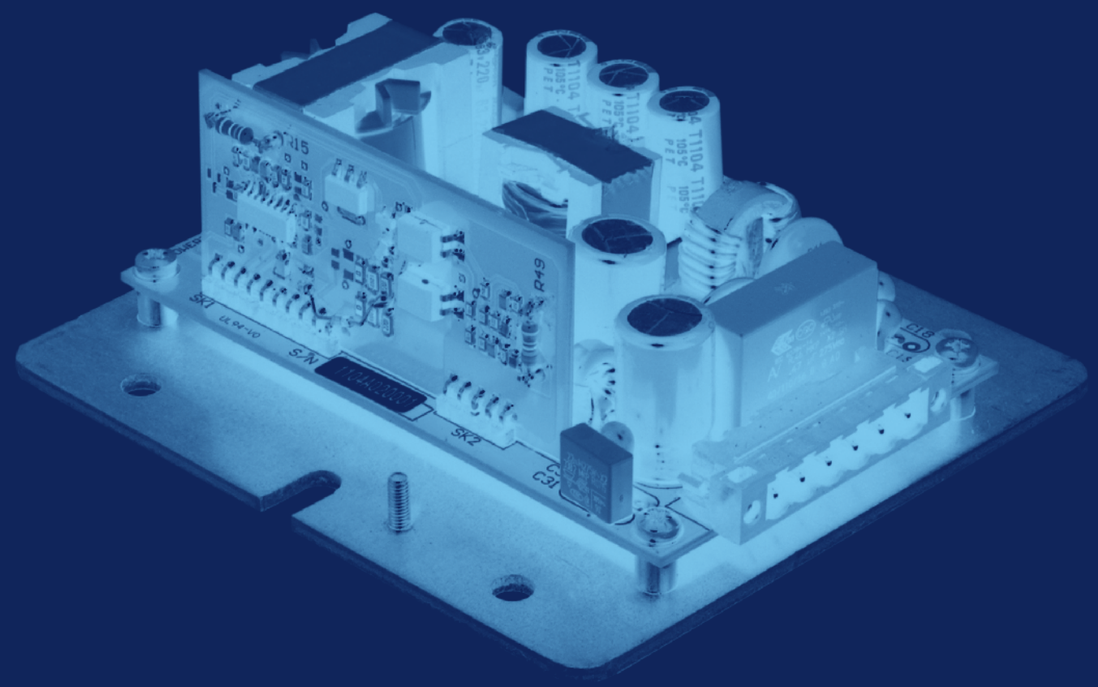
Auditors

RSM UK Audit LLP are willing to continue in office. In accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

By order of the Board

Stuart Stanyard
Company Secretary
29 January 2026

COMPANY INFORMATION



Company Information

Company contacts

Directors	Robert B Horvath	Non-Executive Chairman
	Philo Daniel-Tran	Chief Executive Officer
	Stuart Stanyard	Chief Finance Officer and Company Secretary
	Andrew Jenner	Senior Non-Executive Director
	Gordon Wakeford	Non-Executive Director
Registered Office	Light & Power House, Shire Hill, Saffron Walden, CB11 3AQ, UK	
Registered Number	00686429	
Website	www.lpa-group.com	

Nominated Adviser & Broker	Cavendish 1 Bartholomew Close London EC1A 7BL	**Bankers**	Barclays Bank Plc Abacus House Castle Park, Castle Hill Cambridge CB3 0AN
Auditors	RSM UK Audit LLP 1st Floor, Platinum Building St John's Innovation Park Cowley Road Cambridge CB4 0DS	**Bankers**	Arbuthnot Commercial Asset Based Lending Ltd The Beehive City Place Gatwick RJ16 0PA
Registrars	MUFG Corporate Markets 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL	**Solicitors**	Eversheds Sutherland (International) LLP 115 Colmore Row Birmingham B3 3AL

Trading subsidiaries

LPA Group Plc headquarters is situated at, and all LPA Group entities have their registered address at: Light & Power House, Shire Hill, Saffron Walden, CB11 3AQ, UK.

Trading addresses:
LPA Group entities operate as distinct businesses through appointed Executive Teams.

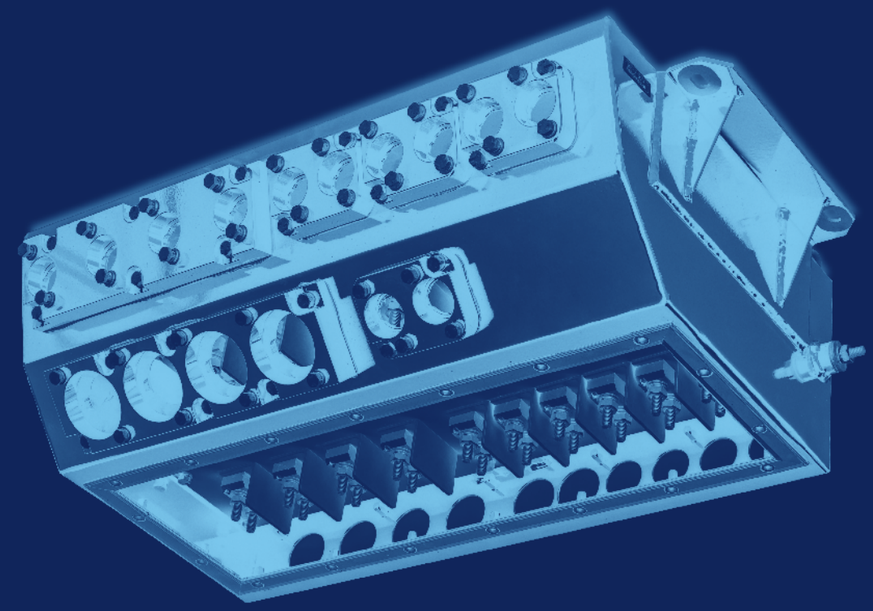
Light & Power House, Shire Hill, Saffron Walden, CB11 3AQ, UK
LPA Industries Ltd – trading as LPA Connection Systems

LPA House, Ripley Drive, Normanton, West Yorkshire, WF6 1QT, UK
Excil Electronics Ltd – trading as LPA Lighting Systems

Unit 22 Kingfisher Court, Newbury, Berkshire, RG14 5SJ, UK and Glebe Farm Campus, Knapwell, Cambridge, CB23 4GG, UK
Channel Electric Equipment Ltd – trading as LPA Channel Electric

GROUP FINANCIAL STATEMENTS

Independent Auditor's Report	42
Consolidated Income Statement	50
Consolidated Statement of Comprehensive Income	51
Consolidated Balance Sheet	52
Consolidated Statement of Changes in Equity	53
Consolidated Cash Flow Statement	54
Notes to the Financial Statements	56



Independent Auditor's Report to the Members of LPA Group plc

Opinion

We have audited the financial statements of LPA Group plc (the 'parent company') and its subsidiaries (the 'Group') for the year ended 30 September 2025 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated and Company Balance Sheets, Consolidated and Company Statements of Changes in Equity, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2025 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and 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 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.

Summary of our audit approach

Key audit matters	**Group** • Revenue recognition: cut-off and valuation • Inventory: valuation **Parent Company** • No key audit matters were identified
Materiality	**Group** • Overall materiality: £322,000 (2024: £357,000) • Performance materiality: £225,000 (2024: £267,000) **Parent Company** • Overall materiality: £147,000 (2024: £169,000) • Performance materiality: £102,000 (2024: £127,000)
Scope	Our audit procedures covered 97% of revenue, 100% of total assets and 91% of loss before tax.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the group 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 group financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition: cut off and valuation

Key audit matter description	The Group's revenue contracts involve the design, manufacture and supply of various products. Management judgement is required in order to determine the performance obligations in the contracts, the allocation of revenue to each of these obligations and ensuring that income is appropriately recognised in line with the requirements of IFRS 15 *Revenue from contracts with customers*. As a result of this judgement our work was focused on the valuation and cut-off assertions. The main judgement was whether the design/engineering stage of contracts should be a separate performance obligation or whether there is only one performance obligation for a contract in relation to the supply of products.
How the matter was addressed in the audit	We reviewed and challenged management's assessment of performance obligations identified and considered whether revenue was appropriately allocated to each of the performance obligations. We undertook cut-off testing and other substantive testing procedures to consider whether the revenue recognised in the year was in line with the contractual terms and the requirements of IFRS 15. We also considered the adequacy of the Group's revenue recognition accounting policy as disclosed in note 1M to the financial statements and the key judgement disclosure in relation to revenue recognition in note 1R.

Valuation of inventory

Key audit matter description	Inventory is recognised in the balance sheet at the lower of (i) the cost of bringing it to its present location and condition; and (ii) net realisable value. The cost of inventory includes direct materials, direct labour and a proportion of production overheads based on normal levels of activity. There is management judgement involved in the calculation of overhead rates to be absorbed and the determination of an appropriate methodology in respect of provisioning against slow moving or obsolete inventory.
How the matter was addressed in the audit	We performed substantive testing over a sample of inventory items, verifying costs to supporting documentation and considering whether a suitable allocation of labour and overheads has been made. We reviewed and tested year-end inventory provisioning calculations prepared by management, including their arithmetic integrity. We have challenged management in respect of the assumptions adopted within provisioning calculations. We undertook testing to consider whether the valuation of inventory is stated at the lower of cost and net realisable value by comparing the sales value of products to their actual cost. We also considered the adequacy of the Group's inventory accounting policy as disclosed in note 1J to the financial statements and the disclosures in relation to inventory provisions in note 1R and note 12.

Our application of materiality

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group	Parent company
Overall materiality	£322,000 (2024: £357,000)	£147,000 (2024: £169,000)
Basis for determining overall materiality	1.5% of revenue	1.5% of total assets
Rationale for benchmark applied	Revenue was chosen as the Group monitors revenue-based metrics in its key performance indicators.	Total assets was chosen as the entity is a non-trading holding company.
Performance materiality	£225,000 (2024: £267,000)	£102,000 (2024: £127,000)
Basis for determining performance materiality	70% of overall materiality	70% of overall materiality
Reporting of misstatements to the Audit Committee	Misstatements in excess of £16,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.	Misstatements in excess of £7,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

The group consists of 5 components, all of which are based in the UK. The coverage achieved by our audit procedures was:

	Number of components	Revenue	Total assets	Loss before tax
Full scope audit	3	76%	87%	89%
Specific audit procedures	2	21%	13%	2%
Total	**5**	**97%**	**100%**	**91%**

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- understanding how the cashflow forecasts for the going concern period have been prepared;
- testing of the integrity of the forecast model to ensure it was operating as expected;
- challenging the key assumptions within the forecasts with agreement to supporting data where possible;
- reviewing correspondence from the group's lender in removing the covenant test at the year end;
- reviewing the agreements for the revolving credit facility and customer invoice discounting facility entered into on 16 January 2026;
- reviewing and considering the appropriateness of sensitivity analyses performed by management;
- considering the appropriateness of the financial statement disclosures in relation to going concern.

Forecasts adopted by the directors, together with reasonable sensitivities, demonstrate an ability to operate within the new increased facilities.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters 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 pages 35 to 36, 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, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

The most significant laws and regulations were determined as follows:

Legislation / Regulation	Additional audit procedures performed by the Group audit engagement team included:
UK-adopted IAS, FRS 102 and the Companies Act 2006	Review of the financial statement disclosures and testing to supporting documentation; Completion of disclosure checklists to identify areas of non-compliance.
Tax compliance regulations	Inspection of advice received from external tax advisers.
Health and safety	ISAs limit the required audit procedures to identify non-compliance with these laws and regulations to inquiry of management and where appropriate, those charged with governance (as noted above) and inspection of legal and regulatory correspondence, if any.

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the audit engagement team:
Revenue recognition	See key audit matter above.
Management override of controls	Testing the appropriateness of journal entries and other adjustments; Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Use of our report

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

William Farren FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
1st Floor, Platinum Building
St John's Innovation Park
Cowley Road
Cambridge
CB4 0DS

29 January 2026

Consolidated Income Statement

For the year ended 30 September 2025

	Note	2025 £000	2024 £000
Revenue – Continuing operations	2	21,546	23,546
Cost of Sales	6	(16,788)	(18,068)
Gross Profit		4,758	5,478
Distribution Costs		(2,104)	(2,424)
Administrative Expenses		(3,948)	(3,304)
Administrative Expenses-Exceptional Items	6	62	(376)
Negative Goodwill	24	640	-
Operating Loss	6	(592)	(626)
Share Based Payments	20	-	4
Negative Goodwill	24	(640)	-
Non-recurring Items	6	(62)	376
Depreciation and Amortisation		1,244	1,086
Adjusted EBITDA		(50)	840
Finance Income	4	248	225
Finance Costs	5	(258)	(192)
Loss Before Tax		(602)	(593)
Taxation	7	253	268
Loss for the Year		(349)	(325)
Attributable to:			
- Equity Holders of the Parent		(349)	(325)
Loss per Share	8		
Basic		(2.64)p	(2.46)p
Diluted		(2.64)p	(2.46)p

The notes on pages 56 to 90 form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 30 September 2025

	Note	2025 £000	2024 £000
Loss for the Year		(349)	(325)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
Actuarial Gain on Pension Scheme	21	200	767
(Increase)/Decrease of Restriction of Pension Assets	21	(93)	183
Other Comprehensive Income		107	950
Total Comprehensive (Expense) / Income for the Year		(242)	625
Attributable to:			
- Equity Holders of the Parent		(242)	625

The notes on pages 56 to 90 form an integral part of these financial statements.

Consolidated Balance Sheet

At 30 September 2025

Company Registered Number: 00686429	Note	2025 £000	2024 £000
Non-Current Assets			
Intangible Assets	9	3,989	4,317
Plant, property and equipment	10	4,597	5,018
Right of Use Assets	11	573	518
Retirement Benefits	21	4,061	3,782
Deferred Tax Asset	18	109	-
		13,329	13,635
Current Assets			
Inventories	12	6,362	5,749
Trade and Other Receivables	13	6,474	5,389
Current Tax Receivable		23	34
Derivative Asset		-	80
Cash and Cash Equivalents		-	715
		12,859	11,967
Total Assets		26,188	25,602
Current Liabilities			
Bank Loan	15	(109)	(96)
Bank Overdraft		(806)	-
Lease Liabilities	16	(222)	(203)
Derivative Liability	17c	(70)	-
Trade and Other Payables	14	(6,696)	(6,110)
		(7,903)	(6,409)
Non-Current Liabilities			
Bank Loan	15	(2,243)	(2,359)
Trade and Other Payables	14	-	(275)
Deferred Tax Liabilities	18	-	(155)
Lease Liabilities	16	(55)	(175)
		(2,298)	(2,964)
Total Liabilities		(10,201)	(9,373)
Net Assets		15,987	16,229
Equity			
Share Capital	19	1,351	1,351
Investment in Own Shares	19	(324)	(324)
Share Premium Account	19	959	959
Share Based Payment Reserve	19	62	62
Merger Reserve	19	230	230
Retained Earnings	19	13,709	13,951
Equity Attributable to Shareholders of The Parent		15,987	16,229

The notes on pages 56 to 90 form an integral part of these financial statements.
The financial statements were approved and authorised for issue by the Board on 29 January 2026 and signed on its behalf by: **Stuart Stanyard** Director

Consolidated Statement of Changes in Equity

For the year ended 30 September 2025

2025	Share Capital £000	Investment in Own Shares £000	Share Premium Account £000	Share Based Payment Reserve £000	Merger Reserve £000	Retained Earnings £000	Total £000
At 1 October 2024	1,351	(324)	959	62	230	13,951	16,229
Loss for the Year	-	-	-	-	-	(349)	(349)
Other Comprehensive Income	-	-	-	-	-	107	107
Total Comprehensive Income	-	-	-	-	-	(242)	(242)
At 30 September 2025	1,351	(324)	959	62	230	13,709	15,987

2024	Share Capital £000	Investment in Own Shares £000	Share Premium Account £000	Share Based Payment Reserve £000	Merger Reserve £000	Retained Earnings £000	Total £000
At 1 October 2023	1,348	(324)	943	62	230	13,454	15,713
Loss for the Year	-	-	-	-	-	(325)	(325)
Other Comprehensive Income	-	-	-	-	-	950	950
Total Comprehensive Income	-	-	-	-	-	625	625
Share based payments	-	-	-	4	-	-	4
Dividends (Note 19)		-	-	-	-	(132)	(132)
Transfer on Exercise of Share Options		-	-	(4)	-	4	-
Proceeds from Issue of Shares	3	-	16	-	-	-	19
Transactions with Owners	3	-	16	-	-	(128)	(109)
At 30 September 2024	1,351	(324)	959	62	230	13,951	16,229

The notes on pages 56 to 90 form an integral part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 30 September 2025

	2025 £000	2024 £000
Loss Before Tax	(602)	(593)
Finance Costs	258	192
Finance Income	(248)	(225)
Operating Loss	(592)	(626)
Adjustments for:		
Amortisation of Intangible Assets	450	346
Depreciation of Plant, property and equipment	447	547
Depreciation of Right of Use Assets	347	193
Profit on Sale of Property	(262)	-
Loss on Sale of Plant and Equipment	25	80
Negative Goodwill	(640)	-
Equity Settled Share Based Payments	-	4
Operating cash (outflow) /inflow before movements in working capital	(225)	544
Movements in Working Capital:		
(Increase) in Inventories	(181)	(986)
(Increase)/Decrease in Trade and Other Receivables	(746)	511
Increase in Trade and Other Payables	424	1,138
Cash (loss)/generated from operations	(728)	1,207
Income Taxes Received	-	47
Net cash (outflow)/inflow from operating activities	(728)	1,254
Investing activities		
Purchase of Product Line	-	(250)
Purchase of Business Net of Cash Acquired (Note 24)	(351)	(503)
Purchase of Property, Plant & Equipment	(74)	(218)
Sale Proceeds from Sale of Assets	375	-
Expenditure on Intangible Assets	(122)	(615)
Expenditure on Capitalised Development Costs	-	(63)
Net cash outflow from investing activities	(172)	(1,649)
Financing activities		
Repayment of Bank Loan	(103)	(2,046)
New Bank Loan	-	2,500
Principal elements of Lease Liabilities	(260)	(241)
Interest Paid	(258)	(192)
Dividend Paid	-	(132)
Proceeds from Issue of Share Capital	-	19
Net cash outflow from financing activities	(621)	(92)

	2025 £000	2024 £000
Net Decrease in Cash and Cash Equivalents	(1,521)	(487)
Cash and Cash Equivalents at start of the year	715	1,202
Cash and Cash Equivalents at end of the year	(806)	715

Net Debt

An analysis of the change in net debt is shown below:

	Bank Loan £000	Lease Liabilities £000	Cash and Cash Equivalents £000	Net Debt £000
At 1 October 2024	2,455	378	(715)	2,118
New Bank Loan / Lease Obligations	-	55	-	55
Acquired leases	-	104	-	104
Interest Costs	241	17	-	258
Repayment of Borrowings / Lease Liabilities	(344)	(277)	621	-
Other Cash Used	-	-	900	900
At 30 September 2025	2,352	277	806	3,435

	Bank Loan £000	Lease Liabilities £000	Cash and Cash Equivalents £000	Net Debt £000
At 1 October 2023	1,949	457	(1,202)	1,204
New Bank loan / Lease Obligations	2,500	162	-	2,662
Acquired borrowings / (cash)	52	-	(47)	5
Interest Costs	162	30	-	192
Repayment of Borrowings / Lease Liabilities	(2,208)	(271)	2,479	-
Other Cash Generated	-	-	(1,945)	(1,945)
At 30 September 2024	2,455	378	(715)	2,118

The notes on pages 56 to 90 form an integral part of these financial statements

Notes to the Financial Statements

For the Year ended 30 September 2025

1. Accounting Policies

A. General Information

LPA Group Plc (the "Company") is a public company incorporated, domiciled and registered in England and Wales. The Company's registered number is 00686429 and its registered office address is Light & Power House, Shire Hill, Saffron Walden, CB11 3AQ, UK. The principal activity of the group is detailed on pages 9 to 10.

B. Basis of Preparation

The consolidated financial statements have been prepared in accordance with UK – adopted International Accounting Standards (IFRS) and applicable Company Law. The financial statements have been prepared under the historical cost convention with the exception of certain items which are measured at fair value, as disclosed in the accounting policies below. The measurement bases and principal accounting policies of the Group are set out below.

The financial statements are presented in pounds sterling (the Company's functional and presentational currency), rounded to the nearest thousand (£000).

C. Going Concern

The Group's business activities and the factors likely to affect its future performance are set out in the Strategic Report (which comprises information about LPA's Business model and strategy, the Chairman's Statement, the Chief Executive Officer's Review, the Financial Review, Key Performance Indicators and Principal Risks and Uncertainties) on pages 5 to 22. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are included in the Financial Review. In addition, the Group's treasury policy, its approach to the management of financial risk, and its exposure to liquidity and credit risks are outlined in note 17.

In assessing going concern, the main considerations have been trading, significant project delays and to a lesser extent inflationary pressures. The Group continues to witness some price pressures from commodities, utilities and wage inflation. These all pose risks to UK manufacturing businesses.

In assessing the Group's going concern the directors also note that (i) despite reporting a small adjusted EBITDA loss in the current year, the Group is expected to return to profitability in 2026;

(ii) has in place adequate working capital facilities for its forecast needs with its recent refinancing and strong cash management; (iii) has a strong order book with significant further opportunities in its market place; and (iv) has proven adaptable in past periods of adversity, as again proven through the 2025 challenges. Therefore, the directors believe that it is well placed to manage its business risks successfully

The directors believe the recent £8.75m refinancing completed on 16th January will create circa £2m of headroom of facilities for the group to expand more quickly and to manage growth whilst also mitigating any additional project delays, while we generate cash profits in the future to repay the debt.

After making enquiries including but not limited to compiling updated forecasts; sensitivities; and expectations, reviewing liabilities and risks and following confirmation of ongoing support from the Group's bank, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

D. Changes in Accounting Standards

For the purpose of the preparation of these consolidated financial statements, the Group has applied all standards and interpretations that are effective for accounting periods beginning on or after 1 October 2024 with no material impact. No new standards are applicable.

New Accounting Standards and Interpretations Not Yet Adopted

No new standards, amendments or interpretations to existing standards that have been published and that are mandatory for the Group's accounting periods beginning on or after 1 October 2025, or later periods, have been adopted early.

The new standards and interpretations are not expected to have any significant impact on the financial statements when applied.

E. Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and both its subsidiaries and the Employee Benefit Trust ("EBT"), (together the "Group"). Subsidiaries are those entities over which the Company has the power to control the financial and operating policies so as to obtain benefits from its activities. The Company obtains and exercises control through voting rights. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences to the date that control ceases.

The EBT is established through a third-party Trustee and is not controlled by the Group. However, the Trust's objective is to benefit the Group's employees, activities including acquiring shares in the Company to satisfy the exercise of share options. The Company is required to fund the activities and costs of the EBT and as such is required to consolidate the accounts of the EBT, which are prepared by the Trustee.

Intragroup balances and transactions, and any unrealised gains arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

Acquisitions of subsidiaries are dealt with by the acquisition method. The acquisition method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated balance sheet at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group accounting policies.

Goodwill is stated after separating out identifiable intangible assets. Goodwill represents the excess of the fair value of the consideration transferred over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Acquisition costs are written off as incurred.

F. Intangible Assets

Goodwill

Goodwill representing the excess of the fair value of the consideration transferred over the fair value of the Group's share of the identifiable net assets acquired is capitalised and reviewed annually for impairment. Goodwill is carried at cost less accumulated impairment losses. In the case of the fair value of assets acquired exceeding the fair value of consideration, negative goodwill arises which is recognised as a gain the Income Statement.

Research and Development

Research expenditure is expensed in the income statement as incurred.

Development expenditure on a project is written off as incurred unless it can be demonstrated that the following conditions for capitalisation, in accordance with IAS38 Intangible Assets, are met:

- the intention is to complete the development of the intangible asset and use or sell it;
- the development costs are separately identifiable and can be measured reliably;
- management are satisfied as to the ultimate technical and commercial viability of the project; so that it will be feasible to complete and be available for use or sale;
- management are satisfied with the availability of technical, financial and other resources to complete the development and use or sell the intangible asset; and
- it is probable that the asset will generate future economic benefit.

Any subsequent development costs are capitalised and are amortised, within cost of sales, from the date the product or process is available for use, on a straight-line basis over its estimated useful life. The useful life for the development costs capitalised at the current year-end is up to 3 years.

Other Intangible Assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other

legal rights; and the intangible asset is separable from the entity.

Amortisation is provided on intangible assets as to write off the cost, less estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Intellectual Property	10 – 15 years straight line
Software	3 – 5 years straight line

Amortisation has been expensed both within cost of sales and administrative expenses. Subsequent expenditure on the maintenance of computer software is expensed as incurred.

G. Impairment of Assets

Goodwill

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The recoverable amount of the cash-generating unit to which goodwill relates is tested annually for impairment or when events or changes in circumstances indicate that it might be impaired.

In an impairment test, the recoverable amount of the cash generating unit or asset is estimated to determine the extent of any impairment loss. The recoverable amount is the higher of fair value less costs to sell and the value in use to the Group. An impairment loss is recognised in the income statement to the extent that the carrying value exceeds the recoverable amount.

In determining a cash-generating unit's or asset's value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the cash-generating unit or asset that have not already been included in the estimate of future cash flows.

A previously recognised impairment loss, other than goodwill, is reversed only if there has been a change in the previous indicator used to determine the assets' recoverable amount since the last impairment loss was recognised. The reinstated carrying amount cannot exceed the carrying amount that would have been determined, net of amortisation, had no impairment loss been recognised for the asset in prior years.

Other Non-Financial Assets

The Group reviews the carrying amounts of its tangible and intangible assets other than goodwill to determine if there has been a triggering event which indicates whether there is any indication that those assets have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount provided that this does not exceed the carrying 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 profit or loss.

H. Property, Plant and Equipment

Property, plant and equipment is stated at cost or deemed cost, net of depreciation and any provision for impairment. Depreciation is calculated to write down the cost or valuation, less estimated residual value, of all property, plant and equipment, other than freehold land, by equal annual instalments over their estimated useful economic lives, on a straight-line basis. The rates generally applicable are:

Freehold Buildings	2%
Plant, Machinery and Equipment	7% – 15%
Motor Vehicles	20%
Furniture, Fittings and Office Equipment	10% – 20%
Computers	20% – 33%

Residual values are reviewed annually.

A profit or loss on disposal is recognised in the consolidated income statement at the surplus or deficit of disposal proceeds over net carrying amount of the asset at the time of disposal.

I. Right of Use Assets and Lease Liabilities

Right of Use assets and their associated lease liability are recognised at the lease commencement date. The Right of Use asset is initially measured at cost, comprising the initial amount of the lease liability plus any initial direct costs incurred and any lease payments made at or before the lease commencement date, less any lease incentives received. The Right of Use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term.

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term. Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's and Company's incremental borrowing rate on commencement of the lease is used. Where a modification, including change of lease term or lease payments occurs, an adjustment to the lease liability and the right of use asset is recognised.

Where a finance lease is settled and a Right of Use asset is then acquired, a transfer to Tangible Intangible or Tangible Assets occurs, including the associated depreciation charge.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less or a value, excluding services charged, of £5,000.

J. Inventories

Inventories are stated at the lower of cost and net realisable value. The costs of ordinarily interchangeable items are based on a first-in, first-out basis. Cost includes direct materials, direct labour and an appropriate proportion of production overheads based on normal levels of activity. Net realisable value is based on estimated selling price less further costs expected to be incurred through to disposal. Provision is made for obsolete, slow-moving and defective items.

K. Financial Instruments

Classification and Measurement of Financial Assets

All financial assets are classified as either those which are measured at fair value through the Income Statement or Other Comprehensive Income, and those measured at amortised cost.

Financial assets are initially recognised at fair value. For those which are not subsequently measured at fair value through profit or loss, this includes directly attributable transaction costs. Trade and other receivables and cash and cash equivalents are subsequently measured at amortised cost.

Recognition and Derecognition of Financial Assets

Financial assets are recognised in the Group's Balance Sheet when the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Impairment of Financial Assets

For trade and other receivables, the simplified approach permitted under IFRS 9 (Financial Instruments) is applied. The simplified approach requires that at the point of initial recognition the expected credit loss across the life of the receivable must be recognised. As these balances do not contain a significant financing element, the simplified approach relating to expected lifetime losses is applicable.

Trade and Other Receivables

Trade and other receivables are initially measured at fair value and are subsequently measured and carried at amortised cost using the effective interest method, less any impairment. The carrying amount of other receivables is reduced by the impairment loss directly and a charge is recorded in the Income Statement. For trade receivables, the carrying amount is reduced by the expected lifetime losses. To measure expected credit losses, trade receivables have been grouped on shared credit risk characteristics. The historical loss rates are adjusted to reflect current and future looking information. Subsequent recoveries of amounts previously written off are credited against the allowance account and changes in the carrying amount of the allowance account are recognised in the Income Statement.

Derivatives

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in value recognised in profit or loss. The Group does not currently apply hedge accounting.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and short-term deposits that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

Equity Instruments

An equity instrument is any contract which evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument. The Group's financial liabilities comprise trade payables, borrowings, and lease liabilities.

Financial liabilities are recorded initially at fair value and subsequently at amortised cost using the effective interest method, with interest related charges recognised as an expense in finance cost within the consolidated income and expenditure statement.

A financial liability is derecognised only when the obligation is discharged, cancelled or expires.

L. Foreign Currencies

Transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Foreign currency monetary assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange gains and losses arising are credited or charged to the income statement within net operating costs in the period in which they arise.

M. Revenue

IFRS 15 (Revenue from Contracts with Customers) requires that in the normal course, revenues arise from the sale, refurbishment, repair or installation of products, excluding value added tax, trade or volume discounts, or values related to future performance obligations. Product revenues include, design and engineering, certification, testing and specific tooling related to the supply. Depending on the nature of a contract these can have one or more performance obligations which are recognised either at a point in time or over time depending on the nature of the performance obligation. On occasion, particularly in respect of complex or large contracts, design and engineering costs may be a separate performance obligation.

To determine whether to recognise revenue, the Group follows the 5-step process, recommended by the Standard:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s)

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or providing services to its customers. At the point of recognising revenue, the Group also recognises contract liabilities in respect of unsatisfied performance obligations that have been invoiced and reports these amounts as deferred income. Similarly, if the Group satisfies a performance obligation before it invoiced the customer, the Group recognises the asset within accrued income. Revenue is not recognised where recovery of the consideration is not probable or there are significant uncertainties regarding associated costs or the possible return of goods. See also note 1R.

N. Taxation

Current tax represents the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and taking into account any adjustments in respect of prior years.

Deferred tax is calculated using the balance sheet liability method on temporary differences and provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor the initial recognition of an asset or liability, unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. Deferred tax is measured at the tax rates that are expected to apply when the temporary differences reverse, based on the tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the temporary difference can be utilised or offset against deferred tax liabilities.

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

O. Employee Benefits

Equity-Settled Share-Based Payments

The cost of share-based employee compensation arrangements, whereby employees receive remuneration in the form of share options, is recognised as an employee benefit expense in the income statement, with a corresponding credit to the share-based payment reserve.

The total expense to be apportioned over the vesting period of the benefit is determined by reference to the fair value of the share options awarded (at the date of grant) and the number of options that are expected to vest. The Group has adopted the Black-Scholes model for the purposes of computing the fair value of options. At each balance sheet date, the Group revises its estimates of the number of options that are expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share based payment reserve.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and the share premium account when the options are exercised.

Short-Term Compensated Absences

A liability for short-term compensated absences, such as holiday, is recognised at the amount the Group may be required to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

Defined Contribution Pension Plans

The cost of defined contribution pension plans is charged to the income statement as they become payable.

Defined Benefit Pension Scheme

The Group's defined benefit pension scheme is closed to future accrual. The ongoing net liability or asset is calculated by estimating the amount of future benefit that employees earned in return for their service in prior periods; that benefit is discounted to determine its present value and then deducted from the fair value of plan assets. The discount rate is the yield on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations. A full actuarial valuation is carried out every three years and updated at each balance sheet date using the projected unit method.

A retirement benefit asset is only recognised to the extent that the Group can benefit from a reduction in future contributions or refunds and is shown within non-current assets.

The net interest cost or income (the difference between the interest cost resulting from the increase in the present value of the defined benefit obligation over time, and the interest income on plan assets) is recognised in finance cost or income.

Past service cost is recognised immediately to the extent that benefits have already vested or is otherwise expensed on a straight-line basis over the average period until the benefits vest.

Actuarial gains and losses arising from experience adjustments or changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

P. Exceptional Costs and Non-Underlying Items

Management use a range of measures to assess the Group's financial performance. These include statutory measures calculated in accordance with IFRS together with "underlying operating profit/(loss)" as an adjusted measure of profitability. We report this measure as we believe that it provides useful additional information about the Group's performance.

Underlying Operating Profit/(Loss) represents the equivalent IFRS measure but adjusted to exclude items that we consider would prevent comparison of the Group's performance both from one reporting period to another and with other similar businesses.

Exceptional and Non-Underlying Items are not defined under IFRS. Exceptional items are classified as those items which are separately identifiable by virtue of their size and one-off nature and therefore warrant separate presentation. Non-underlying items are other items that we consider should be presented separately to allow a better understanding of the underlying performance of the business. Presentation of these measures is not intended to be a substitute for or to promote them above statutory measures.

Non-recurring Items are detailed in note 6 to the financial statements.

Q. Dividends

Dividends are recognised as a liability and a debit to reserves when approved by shareholders and no longer at the discretion of the company.

R. Use of Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements on the application of the Group's accounting policies and make estimates about the future. Actual results may differ from these assumptions. The critical judgements made in arriving at the amounts included in the financial statements are detailed below. Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are discussed below.

Key Estimate – Impairment of Goodwill

The determination of whether goodwill has been impaired requires an estimate of the value in use of the cash-generating units to which the goodwill has been allocated. The value in use calculation requires management to make an estimate of the expected future cash flows of the cash-generating units and to choose an appropriate discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill and the key assumptions used in the value in use calculations are disclosed in note 9.

Key Judgement – Acquisition Intangibles

Management judgment is required in the identification of acquired intangible fixed assets. Where intangible fixed asset are identified in an acquisition, management judgment is required in deriving a number of assumptions which are used in assessing the fair value of each intangible fixed asset including the timing and amount of future incremental cash flows expected to be generated by the asset and in calculating an appropriate cost of capital. An impairment review is trigged on each intangible asset when performance is below initial expectations.

Key Judgement – R&D Expenditure

Management judgement is required in assessing the fair value of development costs capitalised including the future economic benefit expected to be generated by those assets and in calculating the attributable costs. Management judgement is also required in assessing the useful economic lives of these assets for the purposes of amortisation. Further information is provided in note 9.

Key Estimate – Defined Benefit Pension Scheme

The retirement benefit position shown in the balance sheet is sensitive to changes in the assumptions used in the calculation of the defined benefit obligation in particular assumptions about the discount rate, inflation, mortality and future pension increases. The carrying amount of assets and liabilities relating to the defined benefit pension plan and the key assumptions used in the calculation of the defined benefit obligation are disclosed in note 21.

Key Judgement – Recognition of Defined Benefit Pension Scheme Surplus

IFRIC 14 requires the Directors to consider whether the Group is entitled to any surplus reported within the Scheme, such that on wind up, the Group would be entitled to unconditionally receive remaining funds. In the Directors opinion, on a wind up to determine the Scheme, which the Group is unilaterally able to commence as the sponsoring employer, following full settlement of all member benefits and all scheme liabilities, including tax due on a refund of a surplus is payable to the Group and as such the surplus shown in note 21 should be disclosed on the Balance Sheet, without impairment.

Key Judgement – Timing and Recognition of Revenue and Cost Recognition

IFRS 15 (Revenue Recognition) requires the Group to identify its performance obligations, determine the transaction price and allocate this to the performance obligations and recognise revenue at the point each performance obligation is satisfied within its contracts. Judgements are involved in determining the number of performance obligations in a contract and at which point to recognise income for services provided i.e. a point in time when a milestone is achieved or as work is performed.

The main judgement is whether the design and engineering work should be a separate performance obligation to the supply of products. The design and engineering element is often a separate performance obligation on more complex and bespoke projects where the level of such work is more significant.

Where design and engineering is determined to be a separate performance obligation, there is a further judgement on the level of contractual income to allocate to this work and whether the contractual terms support the recognition of this income o ver time, as the service is performed, rather than when complete.

Key Estimate – Provisions for Slow Moving or Obsolete Inventories

Inventories are carried at the lower of cost and net realisable value (NRV), taking account of material costs and absorbed manufacturing costs which are inclusive of direct labour and a proportion of production overheads. These are based on normal levels of activity which require estimates to apply appropriate cost absorptions to achieve a manufactured cost. NRV is reviewed in detail on an ongoing basis and provision for obsolete inventory is made based on a number of factors including age of inventories, the risk of technical obsolescence and the expected future usage.

Differences between such estimates and actual market conditions may have a material impact on the amount of the carrying value of inventories and may result in adjustments to cost of sales. Note 12 details the inventory provisions and the amounts written off to consolidated income statement in the year.

2. Operating Segments

All of the Group's operations and activities are based in, and its assets located in, the United Kingdom. The CODM does not review segmental assets and liabilities by segment and therefore no reconciliations are disclosed. For management purposes the Group comprises three divisions / product groups (in accordance with IFRS 8) - Electro-mechanical, Value add distribution and Lighting & electronics, which collectively design, manufacture and market industrial electrical and electronic products. They operate across three market segments – Rail; Aerospace & Defence and Other. It is on this basis that the board of directors assess Group performance.

All revenue originates in the UK. An analysis by geographical markets and market segments is given below:

	2025 £000	2024 £000
Electro- mechanical	8,141	8,620
Value add distribution	5,293	5,800
Lighting and electronics	8,112	9,126
	21,546	23,546

	2025 £000	2024 £000
Revenue Recognised Over Time	403	86
Revenue Recognised at a Point in Time	21,143	23,460
	21,546	23,546

All revenue originates in the UK. An analysis by geographical markets and market segments is given below:

	2025	2024
Rail	66%	69%
Aviation, Aerospace and Defence	28%	25%
Other	6%	6%
	100%	100%

	2025 £000	2024 £000
United Kingdom	11,342	13,843
Rest of Europe	7,581	6,390
Rest of World	2,623	3,313
	21,546	23,546

One customer (2024: one) represented more than 10% of Group revenue, at 15% (2024: 17%) of revenue.

3. Employee Information

The average number of people employed by the Group, including Directors, during the year was:

	2025	2024
Production	97	100
Sales and Distribution	38	35
Administration	10	19
	145	154

The employee benefit expense for the year amounted to:

	2025 £000	2024 £000
Wages and Salaries	6,093	6,121
Social Security costs	719	682
Reorganisation Costs / Staff Changes (Note 6)	135	186
Pension costs – Defined Contribution Arrangements (Note 21)	335	352
Share Based Payments (Note 20)	-	4
	7,282	7,345

Detailed information concerning directors' emoluments, shareholdings and options is shown in the Remuneration Report. Employee costs included above and capitalised as intangible development cost and software additions totalled £Nil (2024: £200,000).

4. Finance Income

	2025 £000	2024 £000
Net Pension Interest Income (note 21)	248	225

5. Finance Costs

	2025 £000	2024 £000
Bank Loan and Overdraft Interest	241	162
Interest on Lease Liabilities	17	30
	258	192

6. Operating Loss

A. Component costs in arriving at Cost of Sales	2025 £000	2024 £000
Materials (to Added Value)	11,061	11,884
Production Overhead & Direct Labour	5,727	6,184
Cost of Sales	16,788	18,068

B. Expenses by nature within Underlying Operating Loss	2025 £000	2024 £000
Amortisation of Intangible Assets	450	346
Depreciation of Tangible Assets	447	547
Depreciation of Right of Use Assets	347	193
Loss on Disposal of Assets	25	80
Lease Rentals / Short Term Hire Charges – Plant, Equipment & Motor Vehicles	9	15
Fees Payable to The Company's Auditor:		
– For the Audit of The Company's Annual Accounts	69	67
– The Audit of The Company's Subsidiaries Pursuant to Legislation	135	108

C. Non-recurring Items	2025 £000	2024 £000
Profit on sale of property	262	-
Acquisition Costs	(65)	(190)
Reorganisation Costs / Staff Changes	(135)	(186)
	62	(376)

The profit on sale of property relates to the sale of the Thatcham freehold premises.

Acquisition costs of £65,000 primarily relate to the non-recuring costs of the Martek Power acquisition in March 2025 (as note 24), and cover legal, severance and move costs. In 2024, £190,000 primarily relate to the non-recurring costs of the Red Box Int Holdings Limited acquisition in January 2024.

In both years there has been reorganisation costs including severance costs relating to staff changes.

7. Taxation

A. Recognised in The Income Statement	2025 £000	2024 £000
Current Tax Expense		
UK Corporation Tax	-	(34)
Adjustment in Respect of Prior Years	11	(17)
	11	(51)
Deferred Taxation		
Origination and Reversal of Temporary Differences	(181)	(33)
Adjustment in Respect of Prior Years	(83)	(184)
	(264)	(217)
Total Corporation Tax Credit	(253)	(268)

B. Reconciliation of Effective Tax Rate	2025 £000	2024 £000
Loss Before Tax	(602)	(593)
Tax at The Average UK Corporation Tax Rate of 25% (2024: 22%)	(151)	(148)
Effects of:		
- Enhanced Deduction for Qualifying R&D Expenditure	-	(39)
- Losses Surrendered	-	85
- Prior Period Adjustments	(72)	(201)
- Non–Taxable Negative Goodwill	(160)	-
- Losses Not Recognised	160	9
- Other Differences	(30)	26
Total Income Tax Credit	(253)	(268)

C. Current and Deferred Tax Recognised Directly in Equity	2025 £000	2024 £000
Tax Charge Arising on Share Options	-	-

8. Loss Per Share

The calculation of loss per share is based upon the loss for the year of £349,000 (2024: £325,000) and the weighted average number of ordinary shares in issue during the year of 13.513m (2024: 13.503m) less investment in own shares of 0.3m (2024: 0.3m), of 13.213m (2024: 13.203m).

	2025			2024		
	Loss £000	Weighted Average No of Shares '000	Loss Per Share Pence	Loss £000	Weighted Average No of Shares '000	Loss Per Share Pence
Basic Loss Per Share	(349)	13,213	(2.64)	(325)	13,203	(2.46)
Effect of Share Options		-	-		-	-
Diluted Loss Per Share	(349)	13,213	(2.64)	(325)	13,203	(2.46)

Basic and diluted loss per share are equal for the year ended to 30 September 2025, since where a loss is incurred the effect of outstanding share options is considered anti-dilutive and is excluded for the purpose of the diluted loss per share calculation.

9. Intangible Assets

Goodwill

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating unit that is expected to benefit. The Group's goodwill solely relates to its investment in LPA Lighting Systems through the acquisition of Excil Electronics Ltd.

The recoverable amount of the cash-generating unit ("CGU") to which the goodwill relates is tested annually for impairment, or more frequently if there are indications that goodwill might be impaired. The recoverable amount of the cash-generating unit was determined from value in use calculations, and the key assumptions in these calculations were the assessment of initial cash flows, the long-term growth rate of those cash flows, and the discount rate applied.

Initial cash flows reflect the most recent plans approved by management. They are based on past experience and take into account management expectations of future developments in markets and operations. The initial cash flows covered the first three years of the projections: thereafter cash flow projections were extrapolated into perpetuity at a growth rate of 2% (2024: 2%) which is considered to be consistent with the long-term average growth rate for the businesses concerned. The discount rate applied was 12.5% (2024: 12.5%), a pre-tax rate that reflects an assessment of the time value of money and the risks specific to the cash-generating units concerned. No impairment arose in the year. Management believes that the key assumptions on which the recoverable amount is based are appropriate and that any reasonable change in these assumptions would not lead to a materially different conclusion. Key to the assessment of impairment of Goodwill are the achievement of future revenue and value add % assumptions. The growth rates assumed are between 17% and 23% for the next 3 years, with 2% growth thereafter.

Were the CGU to not achieve growth assumptions but trade at the levels reported in the 2025 year, the carrying amount would still maintain the recoverable amount of goodwill.

Movements in the Year

	Goodwill £000	Intellectual Property £000	Development Costs £000	Software £000	Total £000
Cost					
At 1 October 2023	1,234	1,754	645	575	4,208
Additions	-	-	63	615	678
Acquisition	-	829	-	-	829
At 1 October 2024	**1,234**	**2,583**	**708**	**1,190**	**5,715**
Additions	-	-	-	122	122
At 30 September 2025	**1,234**	**2,583**	**708**	**1,312**	**5,837**
Amortisation and impairment					
At 1 October 2023	85	58	337	572	1,052
Charge for the year	-	179	163	4	346
At 1 October 2024	**85**	**237**	**500**	**576**	**1,398**
Charge for the year	-	179	126	145	450
At 30 September 2025	**85**	**416**	**626**	**721**	**1,848**
Net Carrying Amount					
At 30 September 2025	**1,149**	**2,167**	**82**	**591**	**3,989**
At 30 September 2024	1,149	2,346	208	614	4,317

The amortisation charge has been recognised across cost of sales £84,000 (2024: £84,000) and administrative expenses £366,000 (2024: £262,000) within the consolidated income statement.

10. Tangible Fixed Assets

	Freehold Land and Buildings £000	Plant, Vehicles and Equipment £000	Total £000
Cost			
At 1 October 2023	4,505	6,659	11,164
Additions	-	218	218
Transferred **	-	263	263
Disposals	-	(87)	(87)
Reclassification	-	158	158
At 1 October 2024	**4,505**	**7,211**	**11,716**
Additions	-	74	74
Disposals	(150)	(143)	(293)
Acquisition	-	69	69
At 30 September 2025	**4,355**	**7,211**	**11,566**
Depreciation			
At 1 October 2023	691	5,390	6,081
Charge for the year	85	462	547
Transferred**	-	128	128
Disposals	-	(58)	(58)
At 1 October 2024	**776**	**5,922**	**6,698**
Charge for the year	83	364	447
Disposals	(78)	(98)	(176)
At 30 September 2025	**781**	**6,188**	**6,969**
Net Carrying Amount			
At 30 September 2025	**3,574**	**1,023**	**4,597**
At 30 September 2024	3,729	1,289	5,018

The depreciation charge has been recognised across cost of sales £371,000 (2024: £436,000) and administrative expenses £76,000 (2024: £111,000) within the consolidated income statement.

** Transfers relate to right of use assets which are no longer subject to lease obligations.

11. Right of Use Assets

	Leasehold Land and Buildings £000	Plant, Vehicles and Equipment £000	Total £000
Cost			
At 1 October 2023	-	1,000	1,000
Additions	-	225	225
Transferred**	-	(263)	(263)
Disposals	-	(149)	(149)
At 1 October 2024	**-**	**813**	**813**
Additions	-	56	56
Disposals	-	(116)	(116)
Acquisition	346	-	346
At 30 September 2025	**346**	**753**	**1,099**
Depreciation			
At 1 October 2023	-	328	328
Charge for the year	-	193	193
Transferred**	-	(128)	(128)
Disposals	-	(98)	(98)
At 1 October 2024	**-**	**295**	**295**
Charge for the year	115	232	347
Disposals	-	(116)	(116)
At 30 September 2025	**115**	**411**	**526**
Net Carrying Amount			
At 30 September 2025	**231**	**342**	**573**
At 30 September 2024	-	518	518

The depreciation charge has been recognised across cost of sales £172,000 (2024: £193,000) and administrative expenses £175,000 (2024: £Nil) within the consolidated income statement.

** Assets which are no longer subject to lease obligations are transferred to tangible fixed assets (note 10).

12. Inventories

	2025 £000	2024 £000
Raw Materials and Consumables	4,046	2,719
Work in Progress	696	903
Finished Goods and Goods for Resale	1,620	2,127
	6,362	5,749

Inventories are reported inclusive of the following provisions:

	2025 £000	2024 £000
Opening provisions	(1,036)	(906)
Additional provisions	(646)	(172)
Acquisitions (Note 24)	(59)	(99)
Utilised (Inventory Scrapped/Written Off)	11	61
Released (inventory utilised/sold)	74	80
Closing provisions	(1,656)	(1,036)

13. Trade and Other Receivables

	2025 £000	2024 £000
Trade Receivables	5,670	4,653
Other Receivables	243	30
Prepayments	360	678
Accrued income	201	28
	6,474	5,389
Trade Receivables are stated after credit losses provided of:	-	-

The directors estimate that the carrying value of financial assets within trade and other receivables approximate their fair value. Details of the Group's exposure to credit and market risk related to trade and other receivables together with an analysis of the movement in the expected credit loss are disclosed in note 17.

Accrued income is recognised in line with the Revenue Recognition policy, taking account of works carried out where a contractual underwriting exists such that in the event of cancellation, the Group is entitled to recover such costs as incurred to that point in time. All amounts are expected to be invoiced within 12 months.

14. Trade and Other Payables

Current	2025 £000	2024 £000
Trade Payables	4,920	4,121
Other Taxation and Social Security	415	321
Other Payables	272	47
Accruals	629	629
Deferred Income	185	717
Deferred Consideration (Note 25)	275	275
	6,696	6,110

Non-Current	2025 £000	2024 £000
Deferred Consideration (Note 25)	-	275

The directors estimate that the carrying value of trade and other payables is approximate to their fair value.

Deferred income recognised at year end was represented by 17 contracts (2024: 9), as follows:

	2025 £000	2024 £000
Deferred Income at 1 October	717	438
Invoiced during the year	206	598
Sales recognised in the year	(738)	(319)
Deferred Income at 30 September	185	717

All deferred income relates to the rail sector, with 100% expected to be recognised within one year (2024: 81%) with the remaining 0% (2024: 19%) between one and three years. The level of deferred income is due to the level of activity at the year end with some deferred income carried forward from the previous year due to a large multi-year contract.

15. Borrowings

	2025 £000	2024 £000
Current		
Bank Loan	109	96
Non-Current		
Bank Loan	2,243	2,359
	2,352	2,455

Bank Loan and Overdraft

The Group's principal banking facilities are with Barclays, comprising a bank loan and an overdraft facility.

The Group's main finance was at 30 September 2025, a bank loan drawn down in 2024 at £2.5m, repayable over 5 years. The loan has a 5-year term and bullet repayment and was drawn to refinance a previous loan with the same profile. As at 30 September 2025 the amount outstanding was £2.4m (2024: £2.5m). Interest is chargeable at base rate plus 2.25%. The loan has a loan to value and a debt service covenant, measured annually. Note the covenant test was removed for this year end.

The overdraft agreement provided for a facility limited to one-third of the value of eligible trade debtors, up to a maximum of £1.5m. During the year the facility was used throughout the year with an average balance of £600k. At the year end, it was utilised, with £0.7m of facility available (2024: £1.5m). Interest is payable at base plus 2.0%.

The following security is provided to the bank in respect of the above facilities: (i) a legal charge over the developed freehold land and buildings owned by the Group; (ii) a debenture from each Group company; and (iii) a composite guarantee by each Group company as guarantor in favour of the Bank. Note all security was released following a refinance in January 2026 – please see Note 26.

16. Lease Liabilities

Right of Use Liabilities

Right of use liabilities, as finance leases, typically have a four-to-five-year term and bear interest fixed at the time of the commitment. The Group's obligations under right of use leases are secured by the finance providers title to the asset held under lease and have an incremental borrowing rate of 5.2% (2024: 5.2%) The minimum payments under right of use obligations, fall due as follows:

	2025 £000	2024 £000
Within one year	222	203
Between one and five years	55	175
	277	378
Lease payments - cash outflow in the year	277	271

Lease expenses

Future minimum rentals payable under non-cancellable operating leases or short-term hire contracts, representing short term or minimal value Lease obligations are as follows:

	2025 £000	2024 £000
Within one year	5	6
Operating lease expenses and short-term hire costs – expensed through the Consolidated Income Statement in the year	9	15

17. Financial Instruments

A. Financial Risk Management

The Group's treasury policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its foreign currency, interest rate, liquidity and credit risks. The Group's principal financial instruments comprise bank loans and overdrafts, lease liabilities, cash and cash equivalents, together with trade and other receivables and trade and other payables that arise directly from its operations. The main risks arising from the Group's financial instruments and the approaches to them are detailed below.

B. Capital Management

The Group's policy is to minimise its cost of capital, by optimising the balance between equity and debt, whilst ensuring its ability to continue as a going concern, to provide returns to shareholders and benefits for other stakeholders. In practice decisions to fund transactions through either equity or debt are made on a case-by-case basis and are based upon circumstances at the time.

The Group's capital structure is as follows:

	2025 £000	2024 £000
Equity	15,987	16,229
Net debt – Borrowings plus Lease Liabilities less cash balances	3,435	2,118
Overall Financing	19,422	18,347
Gearing (Net Debt as a % of Total Equity)	21.5%	13.1%

Gearing, which is the principal measure used by the Group to monitor its capital structure, increased in the year, principally due to recent acquisitions and trading losses.

The Board routinely monitors other aspects of financial performance to ensure compliance with bank borrowing requirements. There were no changes in the Group's approach to capital management during the year.

C. Currency risk

Currency exposure arises on sale or purchase transactions in currencies other than sterling, the functional currency of the companies within the Group. It is the Group's policy to manage risk to exchange rate movements affecting sales and purchases by either hedging or netting currency exposures at the time of commitment, or when there is a high probability of future commitment arising, using forward exchange contracts. The Group does not trade in derivatives or make speculative hedges.

Currency Exposures

The table below shows the Group's currency exposure after taking into account the effect of any currency hedges entered into:

	2025			2024		
	Cash and Cash Equivalents	Other Net Monetary Assets and Liabilities	Total Net Monetary Assets and Liabilities	Cash and Cash Equivalents	Other Net Monetary Assets and Liabilities	Total Net Monetary Assets and Liabilities
	£000	£000	£000	£000	£000	£000
Euro	154	1,222	1,376	978	996	1,974
US Dollar	10	57	67	29	126	155
Aus Dollar	-	11	11	-	15	15
	164	1,290	1,454	1,007	1,137	2,144

Sterling: strengthened from the start to the end of the year against the Dollar by 2.3%, but weakened against the Euro by 4.2%. The Group's opening cash and cash equivalents would have decreased by £92,000 were the 2025 rates have been in place at 30 September 2024.

Forward Currency Contracts

The Group has forward foreign exchange contracts covering of €4.0 m (2024: €4.0 m) of Euro income at the year end. The contracts all expire by 30 September 2026 with an average rate of 1.1685 (2024: an average rate of 1.1717). At the year-end these have been fair valued at a loss of £70,000 and a liability has been recognised (2024: asset of £80,000).

Sensitivity

At 30 September 2025 if sterling had weakened / strengthened by 10% against the euro with all other variables held constant the effect on pre-tax profit and equity as a result of foreign exchange gains/ (losses) on translation would be:

	2025		2024	
	Effect on Profit Before Tax	Effect on Equity	Effect on Profit Before Tax	Effect on Equity
	£000	£000	£000	£000
Sterling Weakens By 10% Against the Euro	138	-	197	-
Sterling Strengthens By 10% Against the Euro	(138)	-	(197)	-

The above does not cover US Dollars and Australian Dollars where the impact is not significant.

D. Interest Rate Risk

The Group is exposed to risk from the effect of changes in floating interest rates on the level of interest it pays on its borrowings and receives on its cash deposits.

The only financial liabilities of the Group which are subject to interest charges are bank loans, overdrafts, and lease liabilities. The directors monitor the overall level of borrowings and interest costs to limit any adverse effects on financial performance of the Group.

Interest Rate Risk Profile

Interest rates are managed by using fixed and floating rate borrowings. Floating rate liabilities comprise bank loan and overdraft. During the year their weighted average interest rate was 5.9% (2024: 7.3%). Fixed rate liabilities comprise lease liabilities which bear interest at the negotiated market rate prevailing at the time the commitment is made. In the year the weighted average interest rate of the fixed rate financial liabilities, was 5.2% (2024: 5.2%). The composite interest rate across fixed and floating borrowings and liabilities was 5.9% (2024: 6.4%).

The interest rate profile of the Group's financial (assets) and liabilities at 30 September was:

	2025	2024
	£000	£000
Floating Rate		
Cash and Cash Equivalents	806	(715)
Bank Loan	2,352	2,455
	3,158	1,740
Fixed Rate		
Lease Liabilities	277	378

Sensitivity

If market interest rates on floating rate borrowings and cash deposits had been 1% (100 basis points) higher during the year to 30 September 2025, with all other variables held constant the pre-tax profit would have been lower by £33,000 (2024: £20,000).

E. Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group's approach is to ensure that, as far as possible, it will have adequate resources to meet its foreseeable financing requirements, with headroom to cope with adverse market conditions. The Group's operations are funded through a combination of retained profits, acquiring an element of its fixed assets under lease agreements, medium-term bank loans with short-term flexibility achieved through the use of overdraft facilities. The overdraft facility had £0.7m unused at the end of 2025 and is a revolving facility. The Group's loan is a secured facility. The annual covenant was waived at the year end. The valuations of the freehold security are regularly discussed with the lender and are moderately geared. The facility was renewed in January 2026. (See note 26).

Un-Drawn Committed Facilities

The Group's un-drawn committed borrowing facilities available at 30 September 2025 comprise its bank overdraft expiring in one year or less at £0.7m (2024: £1.5m). See note 15 for the terms of the facility.

Maturity Profile of the Group's Financial Liabilities

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

2025	Within 1 Year £000	Between 1 and 2 Years £000	Between 2 and 3 Years £000	Between 3 and 4 Years £000	Between 4 and 5 Years £000	Over 5 Years £000	Total £000
Borrowings - Bank Loan	262	262	262	2,054	-	-	2,840
Lease Liabilities	231	56	-	-	-	-	287
Trade and Other Payables	6,511	-	-	-	-	-	6,511
	7,004	318	262	2,054	-	-	9,638

2024	Within 1 Year £000	Between 1 and 2 Years £000	Between 2 and 3 Years £000	Between 3 and 4 Years £000	Between 4 and 5 Years £000	Over 5 Years £000	Total £000
Borrowings - Bank Loan	278	278	278	278	2,091	-	3,203
Lease Liabilities	215	144	36	-	-	-	395
Trade and Other Payables	5,072	275	-	-	-	-	5,347
	5,565	697	314	278	2,091	-	8,945

F. Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from trade receivables, but also from cash and cash equivalents, and other financial assets.

Trade Receivables and Accrued Income

The Group's exposure to credit risk is principally influenced by the individual characteristics of each customer as opposed to a more general demographic of the customer base. Credit risk is managed on an ongoing basis by monitoring the aggregate amount and duration of exposure to any one customer depending upon their credit rating. Credit risk is minimised through cash flow management and the use of proforma remittances or guarantees where appropriate.

Cash and Cash Equivalents

The Group monitors counterparties with whom it deposits cash and transacts other financial instruments so as to control exposure to any one institution. The Group have assessed Barclays Bank to provide a low risk of exposure.

Exposure to Credit Risk

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables mentioned above. At the end of 2025 these totalled £5.7m (2024: £4.7m). The Group held no collateral as security against any trade receivables.

The concentration of credit risk is sensitive to the timing of larger projects. The Group's most significant customer accounted for 33% of trade receivables at 30 September 2025 (2024: 20%).

Impairment Losses

In determining the recoverability of trade receivables, the Group considers the ageing of each debtor and any change in the circumstances of the individual customer to determine the expected credit loss. Following adoption of IFRS 9 (Financial Instruments), the expected credit loss reflects a composite judgment of the Group's loss experience and the market conditions at a point in time. The Group has managed its credit facilities and based on previous experience, a provision of £nil (2024 £nil) has been applied.

The ageing of trade receivables at the reporting date was:

	2025		2024	
	Gross £000	Expected credit loss £000	Gross £000	Expected credit loss £000
Not past due	4,325	-	3,290	-
Past due 1-30 days	1,024	-	862	-
Past due 31-90 days	239	-	167	-
Past due 91 days to less than one year	82	-	334	-
	5,670	-	4,653	-

The Group works closely with customers, which are predominantly represented by blue chip entities, to recover all trade receivables without loss. In circumstances where this cannot be achieved the Group utilises third party collection agencies and specialists to recover all such receivables. Only where there is reasonable expectation that these steps will not be successful would an impairment be written off.

The movement in the expected credit loss in respect of trade receivables during the year was:

	2025 £000	2024 £000
Balance at start of year	-	-
Released to the Income Statement	-	-
Balance at end of year	-	-

The impairment reduction of £nil (2024: £nil) relates to the Group's assessment of the risk of non-recovery from a range of customers and reference to its historical low level of bad debts.

G. Classification and Fair Values of Financial Assets and Liabilities

The table below sets out the Group's accounting classification of each class of financial asset and financial liability. The directors consider that the carrying value of financial assets and liabilities approximate their fair values.

For cash and cash equivalents and floating rate borrowings the fair values are the same as the carrying value.

2025	Amortised Cost £000	Total Carrying Value £000	Fair Value £000
Financial Assets – Loans and Receivables			
Trade and Other Receivables	6,114	6,114	6,114
	6,114	6,114	6,114
Financial Liabilities – At Amortised Cost			
Borrowings – Bank Loan	(2,352)	(2,352)	(2,352)
Cash and Cash Equivalents	(806)	(806)	(806)
Derivative Liability	-	(70)	(70)
Lease Liabilities	(277)	(277)	(277)
Trade and Other Payables	(6,511)	(6,511)	(6,511)
	(9,946)	(10,016)	(10,016)
Net Financial Liabilities	(3,832)	(3,902)	(3,902)

2024	Amortised Cost £000	Total Carrying Value £000	Fair Value £000
Financial Assets – Loans and Receivables			
Trade and Other Receivables	4,711	4,711	4,711
Derivative Asset	-	80	80
Cash and Cash Equivalents	715	715	715
	5,426	5,506	5,506
Financial Liabilities – At Amortised Cost			
Borrowings – Bank Loan	(2,455)	(2,455)	(2,455)
Lease Liabilities	(378)	(378)	(378)
Trade and Other Payables	(5,347)	(5,347)	(5,347)
	(8,180)	(8,180)	(8,180)
Net Financial Assets	(2,754)	(2,674)	(2,674)

H. Fair Value Hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The derivatives are fair valued using level 2 valuation techniques that maximise the use of observable market data and rely as little as possible on entity -specific estimated. All other financial assets and liabilities fall into level 3 valuation category.

18. Deferred Tax

The assets/(liabilities) recognised are as follows:

	Property, Plant and Equipment £000	Tax Losses £000	Acquired Intangibles £000	Other £000	Total £000
At 1 October 2023	(106)	316	(298)	(77)	(165)
Recognised in Income Statement	(217)	312	45	77	217
Acquired in Year	-	-	(207)	-	(207)
At 1 October 2024	(323)	628	(460)	-	(155)
Recognised in Income Statement	95	109	45	15	264
At 30 September 2025	(228)	737	(415)	15	109

Deferred tax has been provided at 25% at 30 September 2025 (2024: 25%).

A deferred tax asset has not been recognised on trading losses of £927,000 (2024: £630,000) due to uncertainty over their future use.

An analysis of the deferred tax balances for reporting purposes is given below:

	Property, Plant and Equipment £000	Tax Losses £000	Acquired Intangibles £000	Other £000	Total £000
Deferred Tax Assets	74	737	-	15	826
Deferred Tax Liabilities	(302)	-	(415)	-	(717)
At 30 September 2025	(228)	737	(415)	15	109
Deferred Tax Assets	81	628	-	-	709
Deferred Tax Liabilities	(404)	-	(460)	-	(864)
At 30 September 2024	(323)	628	(460)	-	(155)

19. Equity

Share Capital

Share capital is the total of the nominal value (10p) of shares issued.

	2025		2024	
Issued and Fully Paid	**Number**	**£000**	**Number**	**£000**
In Issue at the start of the year	13,513,229	1,351	13,483,229	1,348
Allotted Under Share Plans	-	-	30,000	3
In Issue at the end of the year	13,513,229	1,351	13,513,229	1,351

During the year no options were exercised (2024: 30,000 share options at an average exercise price of 63.2p no options).

The market price of the Company's shares on 30 September 2025 was 44.0p per share (2024: 59.5p) and the price range during the year was 44.0p to 59.5p per share (2024: 59.5p to 86p).

Proposed Dividends

No dividend is proposed (2024: no dividend proposed).

Investment in Own Shares

This reserve records the share capital acquired in the Company including share premium paid, by the Company as Treasury Shares or by the LPA Group Plc Employee Benefit Trust ("EBT"). Shares held at 30 September 2025 by the EBT totalled 300,000 (2024: 300,000).

Share Premium Account

This reserve records the premium for shares issued at a value that exceeds their nominal value.

Share Based Payment Reserve

This reserve represents equity-settled share-based employee remuneration for outstanding options recognised over the vesting period.

Merger Reserve

This reserve records the premium for shares issued, as part consideration on the acquisition of Haswell Engineers, at a value that exceeded their nominal value, and which qualified for merger relief.

Retained Earnings Reserve

This reserve records the retained earnings in the current and prior periods at the balance sheet date.

20. Share Based Payments

The Group operated two equity-settled share-based payment arrangements in the year and a summary of each of the schemes is given below. The schemes are open to executive directors and selected senior managers within the Group.

The Group's share-based remuneration expense recognised in the year was £Nil (2024: £4,000).

The option price for grants under the schemes is nil, or at a discretionary value as specified otherwise in the award certificate or the award agreement. Options will normally be exercisable between three and ten years following grant. Any performance criteria are at the discretion of the Remuneration Committee at each award.

Outstanding options to subscribe for ordinary shares of 10p each at 30 September 2025 are as follows:

Scheme	Date of Grant	Exercise price	Dates when Exercisable	Number of Options 2025	Number of Options 2024
2018 Performance Share Plan					
	Aug 2018	104.8p	02/08/21 to 01/08/28	60,000	60,000
	Feb 2020	109.3p	20/02/23 to 19/02/30	170,000	170,000
	July 2020	63.2p	23/07/23 to 22/07/30	40,000	40,000
	Mar 2021	83.5p	02/03/24 to 01/03/31	35,000	35,000
				305,000	305,000
2023 Performance Share Plan					
	Jul 2023*	50.0p	26/07/27 to 25/07/33	125,000	125,000
	Mar 2025*	50.0p	06/03/27 to 06/03/35	197,500	-
				322,500	125,000
				627,500	430,000

A reconciliation of the movement in the number of share options is given below:

	2025		2024	
	Weighted Average Exercise Price (P)	Number of Options	Weighted Average Exercise Price (P)	Number of Options
Outstanding at the Beginning of the Year	85.0	430,000	76.2	590,000
Granted During the Year	50.0	197,500	-	-
Exercised During the Year	-	-	63.2	(30,000)
Lapsed During the Year	-	-	50.0	(130,000)
Outstanding at the End of the Year	74.0	627,500	85.0	430,000
Exercisable at the End of the Year	99.4	305,000	99.4	305,000

The options outstanding at the end of the year have an exercise price in the range of 63.2p to 109.3p and a weighted average contractual life of 6.0 years (2024: 6.3 years).

* The performance hurdles in relation to 125,000 outstanding share options issued in 2023 were adjusted in order to remain a long-term incentive (2024: no change). The exercise price of 50p is subject to three increasingly targeted performance hurdles which are related to earnings per share and market capitalisation.

No valuation has been attributed to the adjustment to the share options that were adjusted in the year in line with current assumptions.

21. Employee Benefits

A. Defined Contribution Scheme

The Group makes contributions to a defined contribution arrangement. The pension cost charged to the income statement for the year in respect of these schemes was £335,000 (2024: £352,000). The liability to the scheme at the balance sheet date is £62,000 (2024: £49,000).

B. Defined Benefit Scheme

The Group also sponsors a funded defined benefit pension arrangement. There is a separate trustee administered fund holding the pension plan assets to meet long term pension liabilities for some 110 past employees as at 31 March 2025 (2024: 111). The level of retirement benefit is principally based on salary earned in the last three years of employment prior to leaving active service and is linked to changes in inflation up to retirement.

The plan is subject to the funding legislation, which came into force on 30 December 2005, outlined in the Pension Act 2004. This, together with documents issued by the Pensions Regulator, and Guidance Notes adopted by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension plans in the UK. The trustees of the plan are required to act in the best interests of the plan's beneficiaries. The appointment of the trustees is determined by the plan's trust documentation. It is policy that one third of all trustees should be nominated by the members.

The scheme is administered by the Section of the Pensions Master Plan managed by ISIO.

A full actuarial valuation was carried out as at 31 March 2024 in accordance with the scheme funding requirements of the Pension Act 2004, by Mark McClintock of ISIO, and the funding of the plan is agreed between the Group and the trustees in line with those requirements. These in particular require the surplus / deficit to be calculated using prudent, as opposed to best estimate actuarial assumptions.

This actuarial valuation at 31 March 2024 reported a surplus of £3.29m. The Group has agreed with the trustees to pick up some statutory costs of running the scheme, with all other costs being borne by the scheme itself. There were no voluntary contributions (2024: £Nil).

For the purposes of IAS19 the actuarial valuation as at 31 March 2025, which was carried out by a qualified independent actuary, has been updated on an approximate basis to 30 September 2025. There have been no changes in the valuation methodology adopted for this period's disclosures compared to the previous period's disclosures.

The scheme is aware of the Virgin Media case and that is investigating the potential implications but at this stage we are not aware of any specific issues that may impact the disclosures.

Amounts included in the Balance Sheet

	2025 £000	2024 £000
Fair Value of Scheme Assets	12,693	13,123
Present Value of Defined Benefit Obligation	(7,278)	(8,080)
Pension Surplus	5,415	5,043
Restriction of Pension Surplus	(1,354)	(1,261)
Asset recognised in the Balance Sheet	4,061	3,782

Under UK tax legislation a tax deduction of 25% (2024: 25%) is applied to a refund from a UK pension scheme, before it is passed to the employer. This tax deduction has been applied to restrict the value of the surplus recognised for the pension scheme.

The present value of scheme liabilities is measured by discounting the best estimate of future cash flows to be paid out by the plan using the projected unit credit method. This method is an accrued benefits valuation method

in which allowance is made for projected earnings increases. The value calculated in this way is reflected in the asset to be recognised in the balance sheet as shown above. All actuarial gains and losses will be recognised in the year in which they occur in other comprehensive income.

Reconciliation of the Impact of the Asset Ceiling

The Group has reviewed implications of the guidance provided by IFRIC 14 and has concluded that it is not necessary to make any adjustments to the IAS19 figures in respect of an asset ceiling or Minimum Funding Requirement as at 30 September 2025.

Reconciliation of Opening and Closing Present Value of the Defined Benefit Obligation

	2025 £000	2024 £000
Defined Benefit Obligation at Start of The Year	8,080	8,092
Interest expense	388	431
Actuarial (Gain)/Loss due to Scheme Experience	(23)	(307)
Actual Gain/(Loss) due to Changes in Demographic Assumptions	45	(45)
Actual (Gain)/Loss due to Changes in Financial Assumptions	(722)	432
Benefits Paid	(490)	(523)
Defined Benefit Obligation at End of The Year	7,278	8,080

Defined Benefit split by Membership Category

	2025 £000	2024 £000
Deferred pensioners	2,895	3,214
Unsecured pensioners	4,130	4,585
Additional liability from GMP equalisation	253	281
Defined Benefit Obligation at the End of the Year	7,278	8,080

Reconciliation of Opening and Closing Values of the Fair Value of Plan Assets

	2025 £000	2024 £000
Fair Value of Scheme Assets at Start of The Year	13,123	12,219
Interest Income	636	656
Return on Plan Assets (Loss)/Gain (Excluding Amounts Included in Interest Income)	(500)	847
Expenses	(76)	(76)
Benefits Paid	(490)	(523)
Fair Value of Scheme Assets at End of The Year	12,693	13,123

The actual return on the plan assets over the year ending 30 September 2025 was a gain of £135,000 (2024: gain of £1,503,000).

Defined Benefit Income Recognised in Profit or Loss

	2025 £000	2024 £000
Interest Income	635	656
Interest Cost	(387)	(431)
Net Interest Income	248	225

Defined Benefit Costs Recognised in the Statement of Other Comprehensive Income

	2025 £000	2024 £000
Return on Plan Assets (excluding Amounts Included in Interest Income) – (Loss)/Gain	(500)	847
Experience Gain arising on the Defined Benefit Obligation	23	307
Effect of changes in the Demographic Assumptions Underlying the Present Value of the Defined Benefit Obligation – (Loss)/Gain	(45)	45
Effect of changes in the Financial Assumptions Underlying the Present Value of the Defined Benefit Obligations – Gain/(Loss)	722	(432)
Amount Recognised in Other Comprehensive Income – Gain	200	767

Assets

	2025 £000	2024 £000
Equities	2,591	3,387
Corporate Bonds	1,233	3,591
Government Bonds	7,694	5,110
Cash and Net Current Assets	1,175	1,035
Total Assets	12,693	13,123

None of the fair value of the assets shown above include any direct investments in the Group's own financial instruments or any property occupied by, or other assets used by, the Group. All of the scheme assets have a quoted market price in an active market with the exception of the trustees' bank account balance.

It is the policy of the trustees and the Group to review the investment strategy at the time of each funding valuation. The trustees' investment objectives and the processes undertaken to measure and manage the risks inherent in the plan investment strategy are documented in the plan's Statement of Investment Principles. The scheme holds some assets in the form of bonds to match off certain liability risks, being interest rate and inflation sensitivity.

Significant Actuarial Assumptions

	2025 % Per Annum	2024 % Per Annum
Rate of Discount	5.65	4.95
Inflation (RPI)	3.00	3.20
Inflation (CPI)	2.50	2.70
Allowance for Pension in Payment Increases of RPI or 5% max	2.80	2.95
Allowance for Pension in Payment Increases of CPI or 3% max	2.00	2.10
Allowance for GMP equalisation - % of DBO	3.6	3.6
Allowance for Commutation of Pension for Cash at Retirement	75%	75%

The revaluation of non-GMP pensions in deferment is in line with CPI inflation subject to statutory limits.

The mortality assumptions adopted at 30 September 2025 are 100% of the standard tables S3PXA, Year of Birth, no age rating for males and females, projected using CMI_2024 converging to 1.0% p.a. (at 30 September 2024 are 100% of the standard tables S3PXA, Year of Birth, no age rating for males and females, projected using CMI_2023 converging to 1.0% p.a.). These imply the following life expectancies:

	Life Expectancy at Age 65 (years) 2025	2024
Male Retiring In 2025:	21.3	21.0
Female Retiring In 2025:	23.5	23.5
Male Retiring In 2042:	22.2	21.9
Female Retiring In 2042:	24.7	24.6

Analysis of the Sensitivity to the Principal Assumptions of the Present Value of the Defined Benefit Obligation

Assumption	Change in Assumption	Change in Liabilities 2025 % change	2024 % change
Discount Rate	Increase of 0.10%	Decrease 1.0%	Decrease 1.3%
Rate of Inflation	Increase of 0.10%	Increase 0.4%	Increase 0.4%
Rate of Mortality	Increase in Life Expectancy of 1 Year	No Change	Increase 5.2%
Commutation	Members Commute an Extra 10% of Post A Day Pension on Retirement	No Change	Decrease 0.1%

The sensitivities shown above are approximate. Each sensitivity considers one change in isolation. The inflation sensitivity includes the impact of changes to the assumptions for revaluation and pension increases. The average duration of the defined benefit obligation at the period ending 30 September 2025 is 11 years (2024: 11 years).

The plan typically exposes the Group to actuarial risks such as investment risk, interest rate risk, mortality risk and longevity risk. A decrease in corporate bond yields, a rise in inflation or an increase in life expectancy would result in an increase to plan liabilities. This would detrimentally impact the balance sheet position and may give rise to increased charges in future P&L accounts. This effect would be partially offset by an increase in the value of the plan's bond holding. Additionally, caps on inflationary increases are in place to protect the plan against extreme inflation.

The contributions expected to be paid by the Group to the plan for the period commencing 1 October 2025 are £Nil (2024: £Nil).

The directors are aware that the Court of Appeal has upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historical amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. On 5 June 2025, the Government announced its intention to introduce legislation to give affected pension schemes the ability to retrospectively obtain written confirmation that historical benefit changes met the necessary standards. However, details of the legislation have not yet been announced. Subject to the trustees being able to comply with the legislation and the pension scheme obtaining the required written actuarial confirmations, the directors do not expect the valuation of the scheme liabilities to change.

22. Financial Commitments

Capital Commitments

Contracted for but not provided in the accounts amounted to £Nil (2024: £Nil).

Contingent Liabilities

As at 30 September 2025 Group contingent liabilities relating to guarantees in the normal course of business amounted to £109,000 (2024: £109,000).

The group is currently in a legal dispute with a customer regarding a previously delivered product. The group is confident in its defence, but the dispute could take a further year to resolve. The range of outcome could be from £100,000 towards our costs to £600,000 liability. No provision has been made as the Group believes the likelihood of any significant liability is remote.

23. Related Party Transactions

Remuneration of Key Management Personnel

The remuneration of the directors and the executive management, who are considered to be the key management personnel of the Group, is set out below. Detailed information about the remuneration of individual directors is disclosed in the Remuneration Report.

	2025 £000	2024 £000
Remuneration	850	1,011
Loss of Office	40	109
Share Based Payments	-	4
	890	1,124

Other Related Party Transactions

The transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. There are no other related party transactions (2024: none).

24. Purchase of Business

0n 17 March 2025, the Group acquired from Eaton Electrical Products Limited its UK trading Powertron business and asset, including its small manufacturing capability. This resulted in the group acquiring fixed assets, current assets and liabilities, the employment of approximately 20 members of staff, and the business including worldwide rights to brands and product designs.

The acquisition is complementary to a number of power supply products the Group currently manufacturers for the rail industry and will provide a strong addition to LPA Channel Electric, the Group's Newbury -based division, that distributes engineered components. This acquisition supports our long-term growth strategy of buying core products.

Assets and Liabilities Acquired	17 March 2025 Book Value £000	Adjustments £000	17 March 2025 Fair Value £000
Right of Use Lease and dilapidations	-	346	346
Tangible Assets	69	-	69
Inventories	432	-	432
Trade and Other Receivables	339	-	339
Trade and Other Payables	(124)	-	(124)
Right of Use Lease and dilapidations	-	(346)	(346)
Net Assets Acquired	**716**	**-**	**716**

Consideration	
Cash	(76)
Negative Goodwill	**(640)**

In addition to the cash consideration, LPA agreed to settle lease dilapidation obligations expected to be due in 2026, estimated at £200,000.

The gain (negative goodwill), has arisen primarily due a recent lack of investment in the business and we will have to invest to support the long-term viability of the product.

Acquisition- related costs have been expensed as non-recurring items in note 6.

LPA Martek contributed £780,000 revenue and a £300,000 loss to the Group's loss for the period between the date of acquisition and 30 September 2025. If LPA Martek had been part of the Group for the full financial year, there would have been an additional £804,000 revenue and a £100,000 loss.

25. Purchase of Business

0n 4 January 2024, the Group acquired 100% of the issued share capital of Red Box Int Holdings Limited.

Red Box is a leading UK manufacturer of aviation ground power equipment with global reach and an established presence in the USA market. The acquisition will provide a strong addition to LPA Connection Systems, the Group's Saffron Walden-based division, that designs, manufactures and supplies high quality specialist products for the aviation, rail, and infrastructure markets. This acquisition supports our long-term growth strategy whilst also lessening the Group's dependence on rail projects.

Assets and Liabilities Acquired	4 January 2024 Book Value £000	Adjustments £000	4 January 2024 Fair Value £000
Intangible Assets	-	829	829
Tangible Assets	221	(64)	157
Inventories	657	(197)	460
Trade and Other Receivables	58	(28)	30
Cash	47	-	47
Trade and Other Payables	(164)	-	(164)
Bank Loan	(52)	-	(52)
Deferred Tax on Intangible Assets	-	(207)	(207)
Net Assets Acquired	**767**	**333**	**1,100**

Consideration	
Cash	550
Deferred Consideration <1 year	275
Deferred Consideration >1 year	275
	1,100

The value of intangible assets has been derived from the new technology that the acquisition brings to the group and that this will open up new markets. The intellectual property rights have been recognised since it is both probable that there will be future economic benefits and the cost of the assets can be measured reliably.

The book value of tangible assets was adjusted to take account of depreciation in 2023 not in the book value on acquisition.

The fair value of acquired trade receivables and other receivables was adjusted for proforma invoices. No provision was required for gross contractable trade receivables.

The book value of inventory was adjusted for missing inventory £98,000 and alignment with the Group's inventory stock provisioning policy £99,000.

Acquisition- related costs have been expensed as exceptional items in note 6.

Red Box contributed £800,000 revenue and a small loss to the Group's loss for the period between the date of acquisition and 30 September 2024. If Red Box had been part of the Group for the full financial year, there would have been an additional £400,000 revenue and a small loss.

26. Post Balance Sheet Event

The group refinanced the company's debt facilities in January 2026. This was through a 3 year revolving credit facility secured over property and receivables with Arbuthnot Latham for a total of £8.75m. This facility will create circa £2m of headroom of facilities for us to expand quicker and to manage growth while we generate cash profits in the future to repay the debt.

COMPANY FINANCIAL STATEMENTS

Company Balance Sheet 92

Company Statement of Changes in Equity 93

Company Notes to the Financial Statements 94

Company Balance Sheet

At 30 September 2025

	Note	2025 £000	2024 £000
Fixed Assets			
Investments	C5	5,166	5,166
Tangible Assets	C6	1,836	1,872
		7,002	7,038
Current Assets			
Debtors (including £486,000 (2024: £401,000) falling due after more than one year)	C7	2,708	2,715
Cash at Bank and In Hand		-	-
		2,708	2,715
Creditors: Amounts Falling Due Within One Year	C8	(4,384)	(4,396)
Net Current Liabilities		(1,676)	(1,681)
Total Assets Less Current Liabilities		5,326	5,357
Creditors: Amounts Falling Due After More Than One Year	C9	(2,243)	(2,359)
Net Assets		3,083	2,998
Capital and Reserves			
Called Up Share Capital	C12	1,351	1,351
Investment In Own Shares	C13	(324)	(324)
Share Premium Account	C13	959	959
Share Based Payment Reserve	C13	62	62
Merger Reserve	C13	784	784
Retained Earnings †	C13	251	166
Total Equity Shareholders' Funds		3,083	2,998

† The Company has not presented a separate Income statement account as permitted by Section 408 of the Companies Act 2006. The profit dealt within the financial statements of the Company amounted to £85,000 (2024: loss of £284,000).

The financial statements were approved and authorised for issue by the Board on 29 January 2026 and signed on its behalf by:

Stuart Stanyard
Chief Financial Officer

Company Statement of Changes in Equity

For the year ended 30 September 2025

2025	Share Capital £000	Investment in own shares £000	Share Premium Account £000	Share Based Payment Reserve £000	Merger Reserve £000	Retained Earnings £000	Total £000
At 1 October 2024	1,351	(324)	959	62	784	166	2,998
Profit for the Year	-	-	-	-	-	85	85
Total Comprehensive Income	-	-	-	-	-	85	85
At 30 September 2025	1,351	(324)	959	62	784	251	3,083

2024	Share Capital £000	Investment in own shares £000	Share Premium Account £000	Share Based Payment Reserve £000	Merger Reserve £000	Retained Earnings £000	Total £000
At 1 October 2023	1,348	(324)	943	62	784	578	3,391
Loss for the Year	-	-	-	-	-	(284)	(284)
Total Comprehensive Income	-	-	-	-	-	(284)	(284)
Dividends	-	-	-	-	-	(132)	(132)
Proceeds from Issue of shares	3	-	16	-	-	-	19
Transfer on exercise of share options	-	-	-	(4)	-	4	-
Share based payments	-	-	-	4	-	-	4
Transactions with owners	3	-	16	-	-	(128)	(109)
At 30 September 2024	1,351	(324)	959	62	784	166	2,998

Company Notes to the Financial Statements

For the year ended 30 September 2025

C1. Company Information

LPA Group plc is a public limited company incorporated in England. The address of its registered office is Light & Power House, Shire Hill, Saffron Walden, CB11 3AQ, UK. The principal activity is that of a holding company.

C2. Basis of Preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland', and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are presented in Sterling (£) which is the functional and presentational currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The Company has taken advantage of the following disclosure exemptions under FRS102 on the basis that the equivalent disclosures are included in the Group Financial Statements:

- The requirements of Section 4 Statement of Financial Position 4.12 (a)(iv);
- The requirements of Section 7 Statement of Cash Flows;
- The requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- The requirements of Section 33; Key management and personnel paragraph 33.7 and Related Party Disclosures paragraph 33.3;
- The requirements of Section 11 Basic Financial Instruments; Section 12 Other Financial Instrument Issues; and
- The requirements of Section 26 Share Based Payments.

This information is included in the consolidated financial statements of LPA Group plc as at 30 September 2025.

C3. Accounting Policies

The following are the principal accounting policies of the Company which have been applied consistently throughout the year and the preceding year.

A. Tangible Fixed Assets

Tangible fixed assets are measured at cost, net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets, other than freehold land, by equal annual instalments over their estimated useful economic lives. The rates generally applicable are:

Buildings	2%
Plant and Machinery	10%

A profit or loss on disposal is recognised in the income statement at the surplus or deficit of disposal proceeds over net carrying amount of the asset at the time of disposal.

B. Investments

Investments in subsidiaries are shown at cost less any provision for impairment. The investments are assessed for indications of impairment at each reporting date. If any such indication exists, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the investment. If the recoverable amount of an investment is estimated to be less than its carrying amount, the carrying amount of the investment is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

C. Financial Instruments

Classification and measurement of financial assets

All financial assets are classified as either those which are measured at fair value through the Income Statement or Other Comprehensive Income, and those measured at amortised cost.

Financial assets are initially recognised at fair value. For those which are not subsequently measured at fair value through profit or loss, this includes directly attributable transaction costs. Prepayments and cash and cash equivalents are subsequently measured at amortised cost.

Derivatives

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in value recognised in profit or loss. The Group does not currently apply hedge accounting.

Financial Liabilities

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instrument. The Company's financial liabilities comprise trade payables, borrowings, and lease liabilities.

Financial liabilities are recorded initially at fair value and subsequently at amortised cost using the effective interest method, with interest related charges recognised as an expense in finance cost within the consolidated income and expenditure statement.

A financial liability is derecognised only when the obligation is discharged, cancelled or expires.

D. Foreign Currencies

Transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Foreign currency monetary assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange gains and losses arising are credited or charged to the income statement within net operating costs in the period in which they arise.

E. Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tax expense / (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

F. Equity-Settled Share-Based Payments

The cost of share-based employee compensation arrangements, whereby Groupwide employees receive remuneration in the form of share options, is recognised as an employee benefit expense in the profit and loss account, with a corresponding credit to the share-based payment reserve.

The total expense to be apportioned over the vesting period of the benefit is determined by reference to the fair value of the share options awarded (at the date of grant) and the number of options that are expected to vest. The Company has adopted the Black-Scholes model for the purposes of computing the fair value of options. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payment reserve.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and the share premium account when the options are exercised. Where the Company grants options over its shares to employees in subsidiaries, it recognises this as a capital contribution equivalent to the share-based payment charge recognised in the income statement. In the financial statements of the Company, this capital contribution is recognised as an increase in the cost of investment in subsidiaries, with the corresponding credit being recognised directly in equity.

G. Defined Contribution Pension Schemes

The pension costs charged against operating profits are the contributions payable in respect of the accounting period.

H. Significant Judgements and Estimates

The preparation of the financial statements requires management to make judgements on the application of its accounting policies and make estimates about the future. Actual results may differ from these assumptions. There are no key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year. The critical judgements made in arriving at the amounts included in these financial statements are detailed below.

Key Judgement – Impairment of investments

The determination of whether an impairment trigger arises requires a judgment by management. If triggered an estimate of the value in use of the cash-generating units to which the investment relates is required. The value in use calculation requires management to make an estimate of the expected future cash flows of the cash-generating units and to choose an appropriate discount rate in order to calculate the present value of those cash flows. The carrying amount of investments are disclosed in note C5.

C4. Employee Information

With the exception of the directors, the number of people employed by the Company was three (2024: two). Detailed information concerning directors' emoluments, shareholdings and options is shown in the Remuneration Report.

The average number of people employed by the Company during the year was:

	2025 Number	2024 Number
Administration	9	8

The employee benefit expense for the year amounted to:

	2025 £000	2024 £000
Wages and Salaries	764	648
Social Security Costs	84	78
Pension Costs - Defined Contribution Arrangements	46	48
Share Based Payments	-	5
	894	779

Detailed information concerning directors' emoluments, shareholdings and options is shown in the Remuneration Report within the Group Financial Statements.

Employee benefits expenses include items contained within exceptional costs of £Nil (2024: £116,000) for reorganisation costs. See note 6 within the Group Financial Statements.

C5. Investments

Investments in Subsidiary Undertakings

	Cost £000	Provision for Impairment £000	Carrying Amount £000
At 1 October 2024 and 30 September 2025	6,214	(1,048)	5,166

Details of the investments, which are all registered in England and Wales in which the Group holds directly and indirectly 20% or more of the nominal value of any class of share capital are as follows:

Name of Company	Holding	Proportion of Voting Rights and Shares Held	Nature of Business
Subsidiary Undertakings			
Channel Electric Equipment Limited t/a LPA Channel Electric	Ordinary Shares	100%	Engineered component distribution
LPA Industries Limited t/a LPA Connection Systems	Ordinary Shares	100%	Electro-mechanical Systems
Excil Electronics Limited t/a LPA Lighting Systems	Ordinary Shares	100%	LED lighting and electronic Systems
Red Box Int Holdings Limited	Ordinary Shares	100%*	Holding Company
Red Box International Limited	Ordinary Shares	100%*	Provision of Ground Power

* Indirectly held

Channel Electric Equipment Holdings Limited and Haswell Engineers Limited were both liquidated during the year.

Red Box Int Holdings Limited and Red Box International Limited were both dormant at the year end.

LPA Group plc is the sole member and guarantor of LPA Industries Pension Trustees Limited, a company limited by guarantee, which acts as trustee to the closed defined benefit pension scheme operated within the Group and the Group's Life Assurance Scheme.

The registered office for all Group entities is Light & Power House, Shire Hill, Saffron Walden, CB11 3AQ, UK.

The Directors have confirmed the carrying value of the investment are suitably supported by the net assets of the subsidiary companies and/or discounted future cash flows.

Channel Electric Equipment Limited (company no. 00919987), LPA Industries Limited (company no. 00629433), Excil Electronics Limited (company no.01675128), Red Box Int Holdings Limited (company no.07070335), and Red Box International Limited (company no.02965494) have applied the subsidiary company exemption from audit by virtue of S479A of the Companies Act 2006.

C6. Tangible Fixed Assets

	Freehold Land and Buildings £000	Plant and Machinery £000	Total £000
Cost			
At 1 October 2024 and 30 September 2025	**2,233**	**727**	**2,960**
Depreciation			
At 1 October 2024	369	719	1,088
Charge for the year	34	2	36
At 30 September 2025	**403**	**721**	**1,124**
Net book value			
At 30 September 2025	**1,830**	**6**	**1,836**
At 30 September 2024	1,864	8	1,872

C7. Debtors

	2025 £000	2024 £000
Current		
Amounts Due from Subsidiary Undertakings	2,141	1,953
Prepayments	67	331
Other Taxation and Social Security	14	30
	2,222	2,314
Non-Current		
Deferred Taxation (note C11)	486	401

Amounts due from subsidiary undertakings are interest free and repayable on demand. The balance due is not expected to be fully collected in the 2025 financial year.

C8. Creditors: Amounts Falling Due within One Year

	2025 £000	2024 £000
Bank Loan (Note C10)	109	96
Bank Overdraft	1,496	2,396
Trade Creditors	203	396
Amounts owed to Subsidiary Undertakings	2,283	1,235
Accruals	293	273
	4,384	4,396

Amounts owed to subsidiary undertakings are interest free and repayable on demand.

C9. Creditors: Amounts Falling Due after More than One Year

	2025 £000	2024 £000
Debt - Bank Loan (Note C10)	2,243	2,359

C10. Borrowings

	2025 £000	2024 £000
Due Within One Year		
Bank Loan	109	96
	109	96
Non-Current		
Bank Loan	2,243	2,359
Total Borrowings	2,352	2,455
Repayable		
Within One Year	109	96
Between One and Two Years	109	98
Between Two and Five Years	2,134	2,261
	2,352	2,455

The following security is provided to Barclays Bank plc in respect of the Company's £2.3m term loan outstanding at 30 September 2025 (2024: £2.5m): (i) a legal charge over the developed freehold property owned by the Company; (ii) a debenture from the Company; and (iii) a cross guarantee by the Company as guarantor on account of the obligations of each Group company to Barclays Bank plc.

See Group Financial Statements note 15 for the terms of the borrowings.

C11. Deferred Tax Asset

	£000
At 1 October 2024	401
Credited to Profit in the Year	85
At 30 September 2025	486

Recognised Deferred Tax Assets and Liabilities

Deferred Taxation Assets recognised in the Accounts are as Follows:

	2025 £000	2024 £000
Accelerated Capital Allowances	74	80
Tax Benefit on Losses	412	321
	486	401

Deferred tax is provided at a composite rate based on enacted rates expected to apply at the year end. The rate provided in the year is 25% (2024: 25%). Deferred tax assets are disclosed in Note C7. A deferred tax asset has not been recognised on trading losses of £640,000 (2024: £nil) due to uncertainty over their future use.

C12. Share Capital

	2025		2024	
Issued and Fully Paid	**Number**	**£000**	**Number**	**£000**
In Issue at the Start of the year	13,513,229	1,351	13,483,229	1,348
Allotted Under Share Plans	-	-	30,000	3
In Issue at the End of the year	13,513,229	1,351	13,513,229	1,351

During the year nil were exercised (2024:30,000 options at a weighted average of 63.2p were exercised).

C13. Reserves

Called-Up Share Capital

Called up share capital represents the nominal value of shares that have been issued.

Investment in Own Shares

This reserve records the share capital acquired in the Company, by the Company as Treasury Shares or by the LPA Group Plc Employee Benefit Trust, at nominal value. As at 30 September 2025, 300,000 ordinary shares of 10p each were held (2024: 300,000).

Share Premium Account

This reserve records the premium for shares issued at a value that exceeds their nominal value.

Share Based Payment Reserve

This reserve represents equity-settled share-based employee remuneration for outstanding options recognised over the vesting period.

Merger Reserve

This reserve records the premium for shares issued, as part consideration on the acquisitions of group companies, at a value that exceeded their nominal value, and which qualified for merger relief.

Retained Earnings

This reserve includes all current and prior period retained profits and losses.

C14. Share Based Payments

Details of the Company's share option schemes, a reconciliation of movements therein and options granted in the year are given in note 20 to the Group Financial Statements. The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The Company recognised a share-based remuneration expense in the year of £Nil (2024: £4,000).

C15. Related Party Transactions

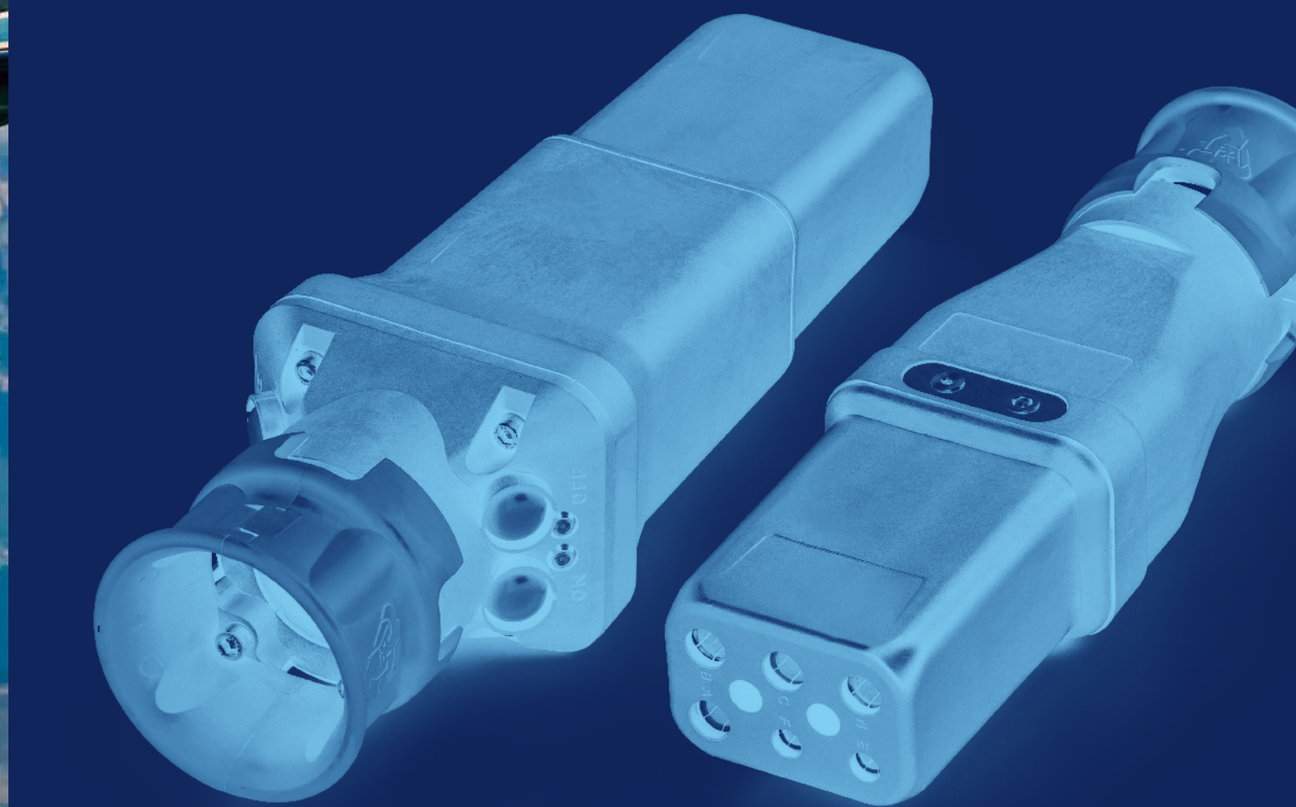
Related Party Transactions with directors of the Company are set out on page 26 to the Group Financial Statements.

C16. Contingent Liabilities

Security was provided to Barclays Bank plc in respect of the Group overdraft facility by way of a cross guarantee between the Company and its subsidiaries. As at 30 September 2025 the Company's exposure in relation to the overdraft facility was £0.8m (2024: £nil).

OTHER INFORMATION

Alternative Performance Measures Glossary	105
Five Year Summary	106



Alternative Performance Measures Glossary

The Annual report and Accounts include alternative performance measures ("APM's") which are not defined or specified under the requirements of UK-adopted International Accounting Standards ("IFRS"). The Company believes that these APM's provide all readers of the document with relevant additional information on the Group, such measures utilised by the Group's management also.

Order book

The combined value of all orders received (order intake), representing future revenues less revenue recognised in the period and adjustments for foreign exchange movements.

The measure allows management to assess the future success and visibility of potential earnings.

Order Entry

The value of contractual commitments represented by a purchase order or comparable binding commitment from a customer received during any period for the delivery of the performance obligation / revenue at a point in the future. Order intake excludes framework agreements or contract awards representing a basis, agreement or intention to place future orders and reference only the product specification and basis of agreement, without commitment or definition.

The measure allows management to assess the achievement of its selling activities.

Pipeline

Opportunities identified and targeted to win, generating order intake.

This measure allows management to identify the activities that, with a sensitivity, should result in order intake. Such activities represent defined customer intentions or work streams that are reasonably expected to be awarded to a level that once sensitised, is sufficient to generate adequate Order Intake in future periods.

Funnel

Activities identified that feed the Pipeline, ultimately leading to Order Intake.

This forward looking measure is used by management to ensure sufficient activity and interest is identified within the Company's target markets and across its customer base and those targeted that will feed the Pipeline.

Added Value

The margin generated through the conversion of raw materials.

A standard manufacturing measure utilised by the Group provides management comfort that sufficient margin is available within the manufacturing processes through the conversion of material, to fund overhead and variable cost absorption.

Five Year Summary – Unaudited Information

Summary Income Statement	2021 £000	2022 £000	2023 £000	2024 £000	2025 £000
Revenue	18,265	19,325	21,712	23,546	21,546
Adjusted EBITDA †	594	568	812	840	(50)
Depreciation and Amortisation	(868)	(794)	(881)	(1,086)	(1,244)
Underlying Operating Profit/(Loss)	(274)	(226)	(69)	(246)	(1,294)
Non-recurring items	(74)	1,310	776	(380)	702
Net Finance (Costs) / Income	(39)	(10)	52	33	(10)
Profit/(Loss) Before Taxation	(387)	1,074	759	(593)	(602)
Taxation	365	111	100	268	253
Profit/(Loss) for The Year	(22)	1,185	859	(325)	(349)

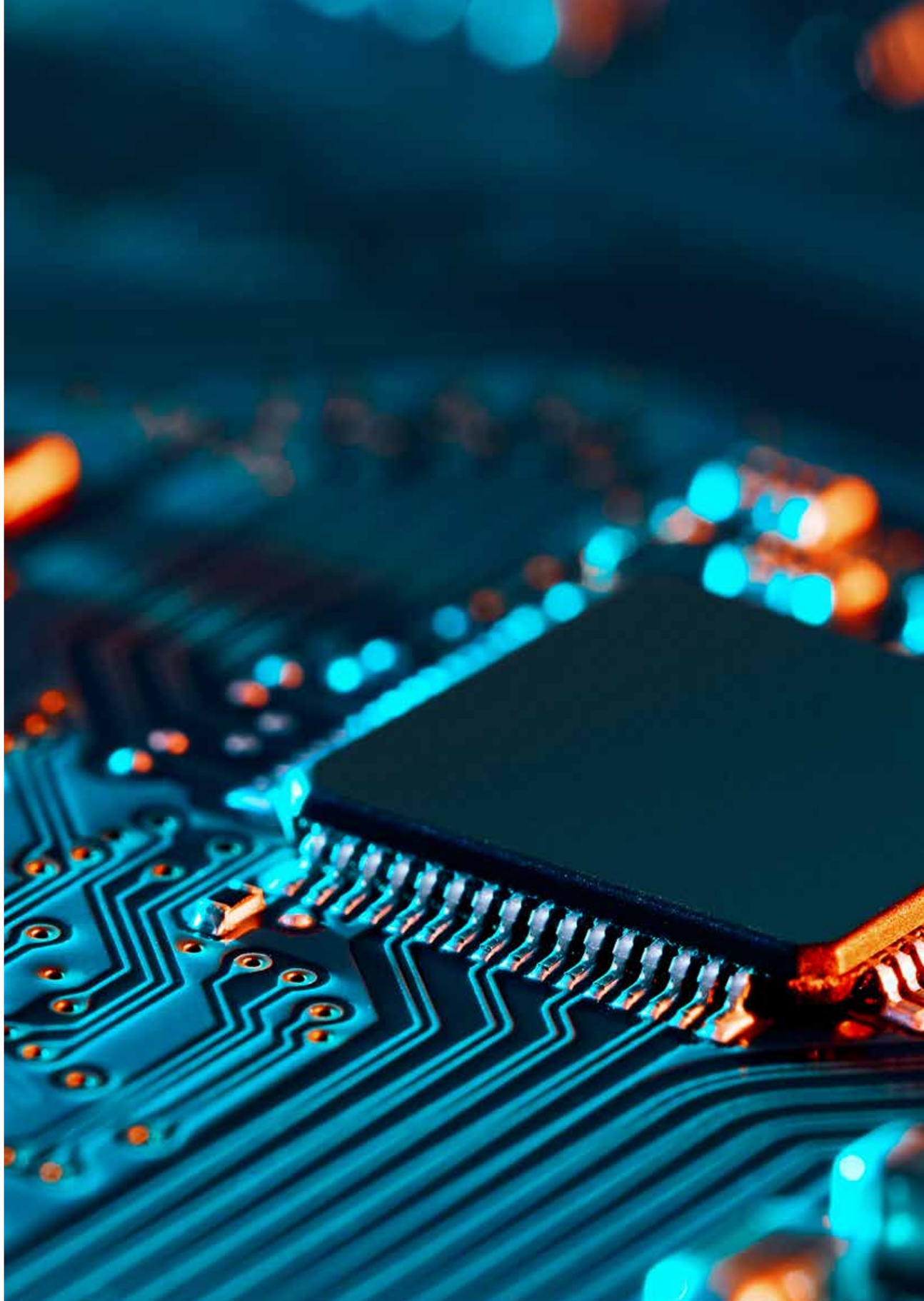
Summary Balance Sheet	2021 £000	2022 £000	2023 £000	2024 £000	2025 £000
Property, Plant and Equipment	6,433	5,985	5,755	5,536	5,170
Intangible Assets – excluding Goodwill	256	324	2,007	3,168	2,840
Net Trading Assets	4,688	5,119	5,488	4,867	6,093
Net Operating Assets ^^	11,377	11,428	13,250	13,571	14,103
Net Debt	(1,633)	(521)	(1,204)	(2,118)	(3,435)
Deferred Taxation	263	229	(165)	(155)	109
Net Assets before Pension and Goodwill	10,007	11,136	11,881	11,298	10,777
Goodwill	1,149	1,149	1,149	1,149	1,149
Pension Asset	2,563	2,471	2,683	3,782	4,061
Net Assets	13,719	14,756	15,713	16,229	15,987

Other Information	2021	2022	2023	2024	2025
Adjusted EBITDA To Sales	3.3%	2.9%	3.7%	3.3%	(0.2)%
Basic Earnings/(Loss) Per Share	(0.17)p	8.99p	6.52p	(2.46)p	(2.64)p
Dividends Per Ordinary Share	-	-	1.0p	-	-
Net Assets Per Ordinary Share	108.9p	112.0p	116.5p	120.1p	118.3p
Net Debt/ adjusted EBITDA	2.75	0.92	1.48	2.69	(68.7)
Gearing (Net Debt as a % of Total Equity)	11.9%	3.5%	7.7%	13.1%	21.3%

Key

† - adjusted earnings before interest, tax, depreciation, amortisation of intangible assets, non-cash charges for equity-settled share-based payments and exceptional items.

^^ Net Operating Assets – The total of inventories and receivables less payables, excluding net debt and right of use liabilities.



Notice of Meeting

NOTICE IS HEREBY GIVEN that the Sixty Fourth Annual General Meeting ("AGM") of LPA Group Plc (the "Company") will be held at the offices of LPA Group PLC, Light and Power House, Shire Hill, Saffron Walden, CB11 3AQ, on Thursday 26 March 2026 at 12.00 noon for the following purposes:

Routine Business

1. To receive the accounts for the year ended 30 September 2025, together with the reports of the directors and the auditors thereon.
2. To re-elect as a director Gordon Wakeford who retires by rotation, in accordance with the Company's Articles of Association.
3. To re-elect as a director Stuart Stanyard in accordance with the Company's Articles of Association.
4. To re-appoint RSM UK Audit LLP as auditors to the Company, to hold office until the end of the next general meeting at which accounts are laid before the Company, and to authorise the directors to fix the auditors' remuneration.

Special Business

Share Capital

To consider, and if thought fit, pass resolution 5 as an ordinary resolution:

5. That, the directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £148,677 provided that this authority shall expire at the end of the next annual general meeting of the Company after the passing of this resolution or at the close of business on the date falling 15 months after the date of the passing of this resolution, whichever is earlier, save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry and the directors may allot shares or grant rights to subscribe for or convert securities into shares in pursuance of such an offer or arrangement as if the authority conferred hereby had not expired.

To consider and, if thought fit, pass resolution 6 as a special resolution:

6. That subject to and in accordance with the Company's Articles of Association and pursuant to section 701 of the Companies Act 2006, the Company is hereby generally and unconditionally authorised to make market purchases (as defined in section 693(4) of the Companies Act 2006) of any of its Ordinary Shares on such terms and in such manner as the directors of the Company may from time to time determine, provided that:
    a. The maximum number of Ordinary Shares hereby authorised to be purchased is 1,351,323 representing 10% of the issued share capital of the Company;
    b. The minimum price (excluding expenses) which may be paid for an Ordinary Share is 10p;
    c. The maximum price (excluding expenses) which may be paid for an Ordinary Share shall not be more than the higher of (i) five per cent above the average middle market quotation for Ordinary Shares as derived from the AIM appendix to London Stock Exchange Daily Official List for the five business days before the date on which the contract for the purchase is made, and (ii) an amount equal to the higher of the price of the last independent trade and highest current independent bid as derived from the trading venue where the purchase was carried out;
    d. The authority hereby conferred shall, unless renewed prior to such time, expire at the end of the annual general meeting of the Company to be held in 2026 or the close of business on the date falling 15 months after the date of the passing of this resolution, whichever is earlier, provided that the Company may, before such expiry, make a contract to purchase its own shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its own shares in pursuance of such contract as if the authority hereby conferred had not expired.

By order of the Board
Stuart Stanyard
29 January 2026

Registered office:
Light & Power House
Shire Hill, Saffron Walden
CB11 3AQ, UK

Notes:

Entitlement to Attend and Vote

1. To be entitled to attend and vote at the Meeting (and for the purposes of the determination by the Company of the votes that may be cast in accordance with Regulation 41 of the Uncertified Securities Regulations 2001), only those members registered in the Company's register of members at close of business on 24 March 2026 (or, if the Meeting is adjourned, close of business on the date which is two business days before the adjourned Meeting) shall be entitled to attend and vote at the Meeting. Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

Website Giving Information Regarding the Meeting

2. Information regarding the Meeting is available from www.lpa-group.com.

Attending in Person

3. If you wish to attend the Meeting in person, please bring some form of identification.

Appointment of Proxies

4. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting. You can appoint a proxy only using the procedures set out in these notes and the notes to the proxy form.

5. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

6. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please indicate on your proxy submission how many shares it relates to.

7. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of Proxy Using Hard Copy Proxy Form

8. A form of proxy has been included, but you can also request a form of proxy, directly from the registrars MUFG Corporate Markets on Tel: 0371 664 0300. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales. Or via email at shareholderenquiries@cm.mpms.mufg.com or via postal address at MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington St, Leeds LS1 4DL. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. In the case of an individual, the form of proxy must be signed by the individual or their attorney. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form. For the purposes of determining the time for delivery of proxies, no account has been taken of any part of a day that is not a working day.

9. To be effective, the form of proxy, duly executed together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) must be lodged at the Company Registrars not less than 48 hours (excluding any part of a day which is a non-working day) before the time appointed for the holding of the Meeting or adjourned meeting.

Appointment of a Proxy Online

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

Download on the App Store

GET IT ON Google Play

Appointment of Proxies via Proxymity

11. Proxymity Voting - if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.00 noon on 24 March 2026 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

Appointment of Proxies Through Crest

12. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from www.euroclear.com. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: RA10) by 12.00 noon on 24 March 2026. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

Appointment of Proxy by Joint Members

13. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding, the first-named being the most senior.

Changing Proxy Instructions

14. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off times for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact MUFG Corporate Markets as per the communication methods shown in note 8. If you submit more than one valid proxy appointment,

the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of Proxy Appointments

15. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to MUFG Corporate Markets, at the address shown in note 8. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed, or a duly certified copy of such power or authority, must be included with the revocation notice. The revocation notice must be received by MUFG Corporate Markets no later than 48 hours before the Meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

    Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Issued Shares and Total Voting Rights

Corporate Representatives

16. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued Share Capital

17. As at 29 January 2026, the Company's issued share capital comprised 13,513,229 Ordinary Shares of 10p each (nil held in Treasury). Each Ordinary Share carries the right to one vote at a General Meeting of the Company and, therefore, the total number of voting rights in the Company on 29 January 2026 is 13,513,229. The website referred to in note 2 will include information on the number of shares and voting rights.

Documents on Display

18. Copies of the letters of appointment of the Directors of the Company and a copy of the Articles of Association of the Company will be available for inspection at the meeting or before at the registered office of the Company from the date of this notice.

Group Directory

LPA Group Plc

Light & Power House, Shire Hill, Saffron Walden, Essex, CB11 3AQ, UK
Tel: +44 (0)1799 512800
Email: enquiries@lpa-group.com
Website: www.lpa-group.com

Electro-mechanical systems

LPA Connection Systems

Light & Power House, Shire Hill, Saffron Walden,
CB11 3AQ, UK
Tel: +44 (0)1799 512800
Email: connectionsystems@lpa-group.com
and redbox@lpa-group.com

Rail rolling stock and infrastructure

Inter-car jumpers & connection boxes
Metal plugs, sockets & harnesses
Auxiliary power systems

Industrial applications

Metal plugs & sockets (Niphan range)
Fire-resistant connection boxes

Aircraft support

Ground power plugs & harnesses (Plane Power)
Cable carrying systems (Crocodiles)

Ground Power Units (Red Box)

Lighting and electronic systems

LPA House, Ripley Drive, Normanton, West Yorkshire,
WF6 1QT, UK
Tel: +44 (0)1924 224100
Email: lighting@lpa-group.com

Rail rolling stock

End to end rolling stock interior lighting
Electronic control systems
Electronic monitoring systems
Light Control Unit (LCU) – dimming, ambient light control, remote condition monitoring
Seat control electronics solutions
Driver cabin audible system
Door locking systems

Hazardous environment (i.e. oil & gas)

LED light engine
Power supply integrated into explosion proof enclosures

Value Add Distribution

Unit 22 Kingfisher Court, Newbury,
Berkshire RG14 3SJ, UK
Tel: +44 (0)1635 864866
Email: distribution@lpa-group.com

Rail Depots and Rolling stock

Circuit breakers
Connectors
Fans & motors
Relays & contactors
Switches
USB charging units
Power Supplies

Aerospace and Defence

Connectors
Backshells
Cable accessories
Relays
Circuit breakers
Fans

Power Converters

Glebe Farm Campus, Knapwell, Cambridge, CB23 4GG
Tel: +44 (0)1954 267726
Email: powersystems@lpa-group.com

Power Converters

Power range 10W – 500W
Applications for any electronic equipment on rail vehicles including passenger information displays, Wi-Fi, USB charging, train management system, CBTC

LPA Group PLC – Form of Proxy

For use at the Annual General Meeting to be held at 12.00 noon on Thursday 26 March 2026 at the offices of LPA Group PLC, Light and Power House, Shire Hill, Saffron Walden, CB11 3AQ.

I/We _____

of _____

being a member/members of LPA Group plc hereby appoint (note 1) _____ or failing him the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the above mentioned meeting and at any adjournment thereof. I/We wish this proxy to be used as shown below:

Signed _____ Dated _____ 2026

Please indicate with an "X" in the spaces below how you wish your votes to be cast. This proxy will be used only in the event of a poll being directed or demanded. If the form is returned without any indication as to how the proxy shall vote on any particular matter, the proxy will vote or abstain as he thinks fit. The "Vote withheld" option is provided to enable you to abstain on any particular resolution. However, it should be noted that a "Vote withheld" is not a vote in law and will not be counted in the calculation of the proportion of votes "For" and "Against" a resolution. If you select "Discretionary", your proxy can vote as he or she chooses or can decide not to vote. Your proxy can also do this on any other resolution that is put to the meeting.

☐ Please tick here if this proxy appointment is one of multiple proxies being made (and refer to Note 5 below)

☐ If this is one of multiple proxies being made please insert the number of shares to which this form relates and see Note 5 below

Resolution	For	Against	Vote withheld	Discretionary
1. To receive the accounts for the year ended 30 September 2025.				
2. To re-elect Gordon Wakeford as a director of the Company.				
3. To re-elect Stuart Stanyard as a director of the Company.				
4. To re-appoint as RSM UK Audit LLP auditors and to authorise the directors to fix the auditor's remuneration.				
5. To authorise the directors to allot shares (as defined in section 551 of the Companies Act 2006) in the Company.				
6. To authorise the Company to make market purchases (as defined in section 693(4) of the Companies Act 2006) of its own shares.				

Notes:

1. If you wish to appoint as your proxy any person(s) other than the Chairman of the meeting, please insert the full name(s) of the proxy or proxies (in block capitals) in the space above. A proxy need not be a member of the Company and may attend the meeting in person and vote on a show of hands and on a poll.

2. To be effective a form of proxy must be in writing and signed by the member or his duly authorised attorney or, if the member is a corporation under its common seal or signed by a duly authorised officer or attorney. A corporation may appoint a representative to attend and vote at the meeting.

3. To be valid this proxy, together with any power of attorney under which it is signed, must be received at MUFG Corporate Markets , PXS 1, Central Square, 29 Wellington St, Leeds LS1 4DL not less than 48 hours (excluding any part of a day that is a non-working day) before the time fixed for the meeting. Alternatively, you can vote via the Investor Centre app or on the website at https://uk.investorcentre.mpms.mufg.com/.

4. In the case of joint holdings the vote of the first-named holder in the register will be accepted to the exclusion of the other joint holders.

5. To appoint more than one proxy you may photocopy this form. Please indicate if the proxy instruction is one of multiple instructions being given by ticking the box. Please also indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). All forms must be signed and should be returned together in the same envelope.

6. All members are entitled to attend and vote at the meeting, whether or not they have returned a form of proxy.

7. If two or more valid forms of proxy are delivered in respect of the same share, the one which was delivered last (regardless of its date or the date of its execution) will be valid.

8. Appointment of a proxy will not preclude a member from attending and voting in person should he subsequently decide to do so.

9. Any alterations made in this form of proxy should be initialled.

LPA Group Plc
Light & Power House
Shire Hill
Saffron Walden
Essex
CB11 3AQ UK

+44 (0) 1799 512800

This report is printed on FSC certified material and fully recyclable