DEWHURST GROUP

ANNUAL REPORT 2024

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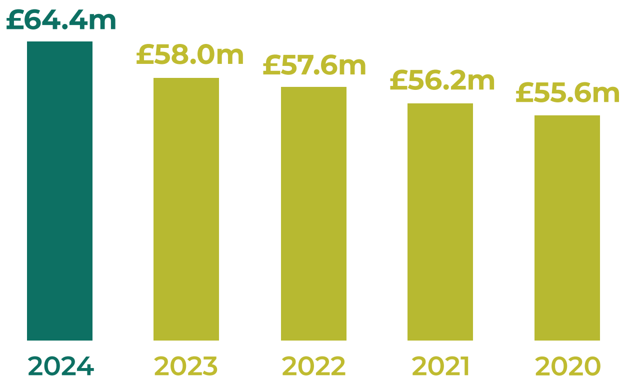
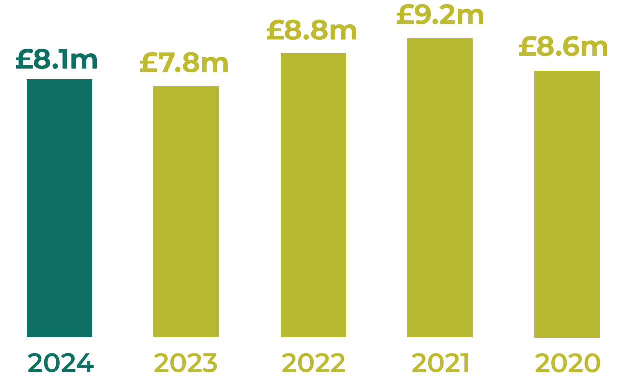
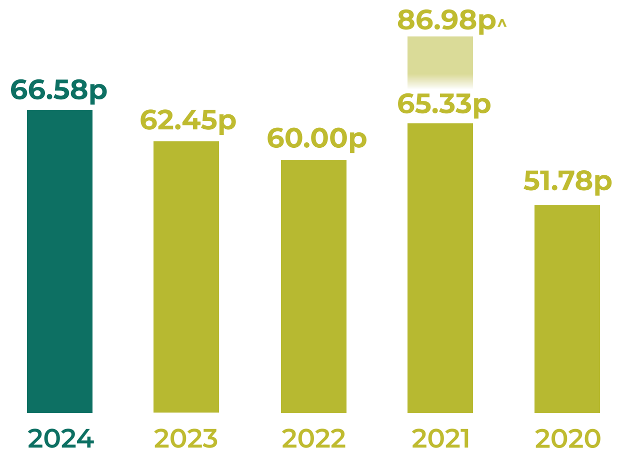
£64.4m
Revenue



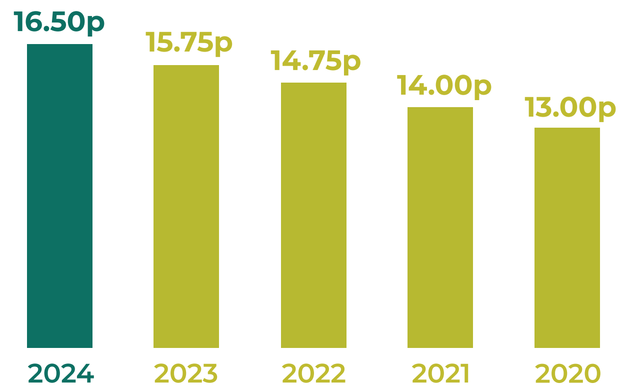
£8.1m
Operating profit*



66.58p
Earnings per share



16.50p
Dividend per share



* Operating profit before goodwill write down, amortisation of acquired intangibles, gain on property disposal, GMP equalisation
^ Total including gain arising on the disposal of old premises at Dupar Controls Inc.

> It is very encouraging to report that all our businesses achieved sales growth in local currency this year.
>
> **Richard Dewhurst**
> Non-executive Chairman

Results

I am delighted to report record sales and improved profits. Operating profit is up 5% and profit before tax is 7% higher. Group sales for the year to 30 September 2024 increased 11% to £64.4 million (2023: £58.0 million). Operating profit was £8.1 million (2023: £7.8 million) and profit before tax was £8.6 million (2023: £8.1 million). Earnings per share were 66.58p (2023: 62.45p) up 7%.

Sales performance improved at all divisions and at almost all companies. Transport and Highways grew 7% although this was primarily due to growth in rail infrastructure work, while highways showed more modest growth after their strong showing the previous year. Keypad sales returned to a level that has become more normal since the start of this decade, reporting an increase of a third on last year's depressed figures. The Lift division improved 10% assisted by the additional contribution from our new business in Singapore. The UK continued its growth of last year and the Australian businesses also contributed growth this year, bouncing back after a decline the previous year. This was offset by a small decline in North America, after strong growth the previous year. The pound strengthened against our other operational currencies during the year by about 10% from start to end, with an average year impact of approximately 4%. The translation effect of this change reduced our reported sales by £1.7 million and our reported profit before tax by £0.2 million.

We are proposing an increase in our final dividend of 0.50p, making an increase of 0.75p for the year. If approved, this would result in a total dividend for 2024 of 16.50p per share which is 4.8% up on 2023.

Operations and People

All businesses have performed well this year and all showed growth in sales in local currency terms. The increases in reported sales have been partly as a result of inflation in material and labour costs over the last couple of years, although we have absorbed some costs ourselves. We have worked hard over the year to mitigate these increases and to improve our operating efficiency. It is encouraging that this focus has borne results as most businesses have shown improvement in operating performance this year.

We installed a new Group-wide HR management system during the year, which is helping us to improve our communication and engagement with our staff as well as improving control of our documentation. I am also encouraged by the progress we have made this year in improving our sustainability performance through reducing our real scope 1 & 2 carbon emissions. Clearly there is much more to do, but I feel we have made material progress both in engagement with our staff and in respect of emissions. This is set out in our Sustainability report.

Achieving our overall growth and improved performance has been a stimulating challenge for all involved. The results have been achieved through the efforts of all our staff and I would like to thank everyone for their individual contributions.

I am delighted to welcome Jeremy Dewhurst to the Group Board in his new role as Chief Financial Officer and to thank Jared Sinclair for his dedicated performance of that role for 22 years and for his continuing support on the transition. We are all pleased Jared is remaining on the Board in a new role as Chief Integration Officer.

7%
improvement in earnings per share

Our new Group-wide HR system is helping to improve employee engagement

Investment

We have continued to invest in our new company in Singapore designing and manufacturing displays. The investment is both financial and in resources in order to position the company to be able to achieve profitable growth. The business has made progress this year, but there is more to do.

Given the cash on our balance sheet we decided this year to put some of the surplus to use in the pension scheme and return some funds to shareholders. Our defined benefit pension scheme has been a liability on our balance sheet for many years now. In addition it is an increasing burden to keep up with the regulations to administer the scheme. It is our objective to transfer the scheme to an insurer when this is viable. In the meantime we aim to capitalise on higher interest rates to de-risk and reduce the volatility in the scheme in the short term. In September 2024, we used £2.5 million of our cash to accelerate payments into the scheme to improve the funding position. A further £2.5 million has been paid into the scheme since the year end.

We also took the opportunity accorded by the authority granted at the AGM to return some of our cash to shareholders by re-purchasing some of our non-voting shares. This has previously been reported by RNS and is set out in more detail in the Financial Review.

Outlook

Group sales have started the year slightly up on last year and in line with our expectations. Lift product demand is softer in Canada, as we have been anticipating for a while, because of excess capacity in certain segments of the property market. Elsewhere the lift market is reasonable in the short term, but likely to slow in some markets during the year. We currently expect keypad demand to be similar to this year, although it does tend to fluctuate quite significantly during the year. Highways and transport products are also expected to be similar or slightly ahead of last year.

The outlook for growth in the UK has worsened since the new Government's October budget with our customers' mood dented by the additional financial burden placed on companies. It remains to be seen whether this is a temporary setback or whether it will have longer term effects. If tariffs are introduced on elevator products imported into the US from Canada and the UK this is likely to be detrimental to our business, but it is too early to assess the scale of the impact.

We are likely to have to continue to invest in our Singapore business in the short to medium term, but our priority objective is to achieve long term sustainable growth.

We are a supplier of quality components to the lift, transport and keypad industries

DEWHURST GROUP

OUR VALUES

We act with honesty, integrity, and transparency in everything we do

We are passionate about quality, and take pride in delighting our customers with quality products, services and solutions

We empower our people to think outside the box and find the ingenious solution

We challenge each other and invest in our people to continuously learn and develop each day

We are committed to sustainability, to make the world better for future generations

£64m
global sales

Sales by Region

The Americas	24%
UK, Europe & Middle East	36%
Australia & Asia	40%

350
employees worldwide

Employees by Region

The Americas	67
UK, Europe & Middle East	175
Australia & Asia	108

Our global reach

12
group trading companies

The Americas

Dupar Controls Inc.
Elevator Research & Manufacturing Corp

UK & Europe

Dewhurst Ltd
A&A Electrical Distributors Ltd
Traffic Management Products Ltd
Dewhurst (Hungary) Kft

Australia & Asia

Australia Lift Components Pty Ltd
P&R Liftcars Pty Ltd
Lift Material Australia Pty Ltd
Dual Engraving Pty Ltd
Dewhurst (Hong Kong) Ltd
Dewhurst (Singapore) Ltd

Operational efficiency and customer focus remain central to our continued growth.

John Bailey
Chief Executive Officer

Business Review

The Group has achieved another milestone year, driven by robust performances across our business segments and demonstrating the strength of our strategic vision and operational execution. Sales increased by 11% year-on-year to £64.4 million, while profits before tax grew by 7%, reflecting both a recovery in market conditions and the effective implementation of our operational initiatives.

Our principal activities remain the manufacture and distribution of electrical components and control equipment for industrial and commercial applications. The year has seen strong growth in several divisions, with some registering record sales and profits. A business review of the Group's operations is dealt with below in operating highlights, in the Chairman's statement, and in the Financial review.

Key Performance Indicators

The Directors continue to use a focused set of financial and non-financial KPIs to track performance and ensure sustainable growth. Key financial measures include earnings per share, adjusted operating profit, profit before tax, and return on equity, reflecting strong profitability and effective capital use in 2024.

Non-financial KPIs focus on quality, on-time deliveries, and sustainability progress. Notable achievements this year include increased use of recycled materials, reduced waste and improved energy efficiency. These KPIs highlight the Group's balanced approach to financial strength, operational excellence and environmental responsibility.

Operating Highlights

The global economic environment remains complex, marked by inflationary pressures, supply chain disruptions, and geopolitical uncertainty. Despite these challenges, we have maintained a strong market presence in the lift, transport, and keypad sectors. Our ongoing commitment to our people, operational efficiency and our customer focus has been integral to this year's success.

While we have seen improvements in both our Keypads market and Australian lift interiors business, there were signs in our second-half performance which suggest some continued challenges in North America and the UK. Nonetheless, most businesses performed well reflecting our overall positive performance.

Following insights from our inaugural staff survey, we introduced several initiatives to strengthen employee engagement and development. These included the rollout of a global HR system - PeopleHR and further integration of our mission, vision, and values driving stronger engagement and development across the organisation.

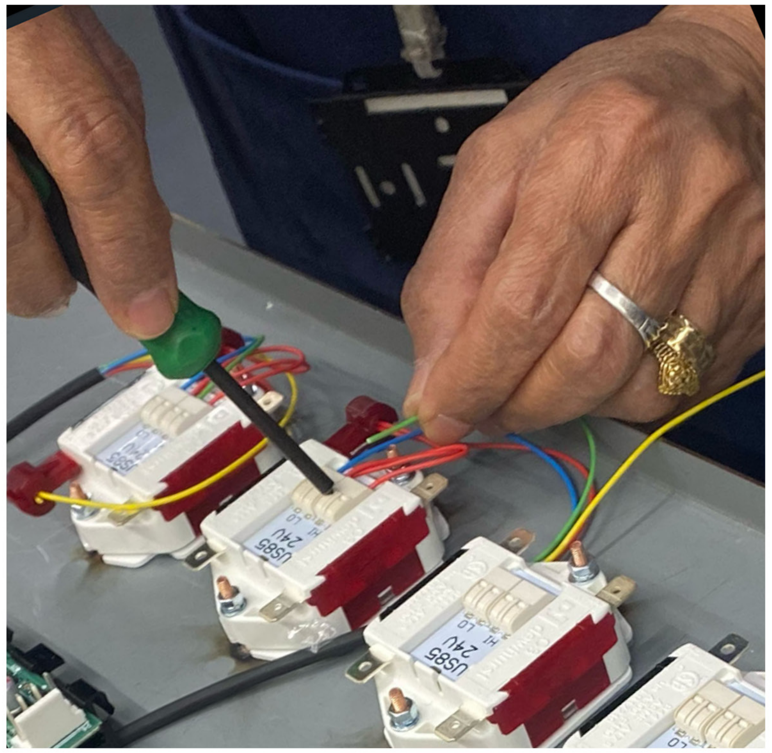
As part of our planned senior leadership transitions, Jeremy Dewhurst was promoted to Chief Financial Officer, joining the Group's Board of Directors. Jared Sinclair stepped down as Chief Financial Officer to take on the role of Chief Integration Officer, while remaining a Group Board member and the Company Secretary. These changes have been implemented smoothly, bringing fresh perspectives and maintaining strong momentum. We are confident they will continue to drive positive outcomes and support the Group's long-term objectives.

Collaboration across the Group remains key to unlocking global product opportunities, both organic and inorganic. This year, we have focused on strengthening cross-business partnerships, sharing expertise and identifying new market possibilities. These efforts position us to capitalise on emerging opportunities, drive innovation and expand our product offerings on a global scale for sustained growth. Meeting our people and supporting our businesses in person continues to be a key part of my strategy to

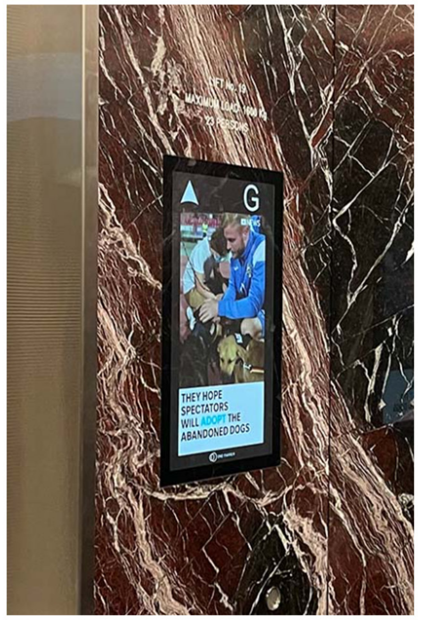
7%
improvement in profit before tax

Embracing Diversity

A multitude of skills, expertise and experience across the globe



Interior Design



From Start to Finish: Delivering the complete lift experience

strengthen connections and deepen understanding across the Group. I have visited all our businesses at least twice throughout the year and want to thank them all for their continued hard work, dedication and outstanding contributions.

UNITED KINGDOM

Dewhurst Ltd

Dewhurst Limited delivered a strong performance this year, achieving record sales and growth in profit. This success was driven by a significant shift in product mix compared to previous years, with all product groups exceeding both last year's results and initial expectations.

Lift products performed well, supported by a strong performance in other non-lift related product lines. The resurgence in our keypad business resulted in increased demand from Hungary and a key rail project saw the delivery of a high number of our PA51 LED illuminated Bodyside Indicators used on rolling stock to provide the visible indication of the door interlock status.

Operationally, we have intensified our focus on improving efficiency, enabling us to manage increased demand as well as ensure we remain competitive in our markets. A key sustainability milestone was the installation of an on-site nitrogen generation system, which supports laser cutting operations. This initiative not only reduced costs but also eliminated the environmental impact associated with regular bottled gas deliveries.

Leadership transitions also marked a pivotal year for the company. Peter Dewhurst was promoted to Managing Director of Dewhurst Ltd in April while continuing to lead as Managing Director of Dewhurst Singapore, our displays and position indicators business. Peter's global perspective is expected to drive further product innovation as the company continues integrating advanced technologies such as IoT, AI, and smart manufacturing systems.

Our growth reflects the hard work and talent of our people

This year's result is testament to the hard work of the entire team who have found innovative ways to improve workflows to cope with increased demand whilst continuing to meet our stringent quality requirements and the tight deadlines of our customers.

Traffic Management Products (TMP)

Sales exited at similarly pleasing levels to 2023 with all key product lines performing in line with expectation. This, despite ongoing financial constraints within local authorities who have seen significant reductions in their spending power coincide with increasing demand for their services and inflationary pressures.

Traffic bollard sales into our export market remained strong but we expect this to reduce as the rollout of new installations is nearing completion.

Increased operating costs coupled with market price pressure remains an ongoing challenge. We continue to navigate product and customer mix to ensure we remain competitive in securing the larger contracts in the market whilst mitigating credit risk.

Our focus on our customers, operational efficiencies and our sustainability credentials summarised as people, profit and planet continue to provide opportunities for competitive advantage - they are helping shape our product innovation.

A&A Electrical Distributors (A&A)

The past year at A&A has been relatively flat, reflecting the ongoing volatility and competitive nature of the market. Both we and our customers have faced challenges in this dynamic environment.

However, some areas have shown resilience. Products related to trailing cables, lifts, and safety equipment performed well, along with the introduction of our redesigned trade counter, which has generated significant interest and supported sales.

We have also taken steps to strengthen our product management team to accelerate the introduction of new products. In addition, we are exploring ways to extend our operational improvements across a broader supplier network to deliver even greater value to our customers. The continued focus on operational efficiency and sustainability has led to the implementation of new tools that allow for quicker cost and pricing management, enhancing our agility in a fast-moving market. Additionally, we introduced an in-house designed driver delivery app that helps manage driving routes and provide more accurate arrival times, improving the overall customer experience.

A key development this year has been the addition of electric vans to our fleet, which aligns with our sustainability goals while also reducing operational costs. This addition contributes to our competitive edge by enhancing efficiency and reducing carbon emissions.

Our e-commerce platform has seen increased use as more customers become familiar with its features and benefits. However, we remain committed to ensuring that traditional engagement methods continue to play a vital role in meeting the needs of all our customers.

Ongoing regulatory requirements present both risks and opportunities, which will be key drivers for future product development and range expansion. These regulations will play an important part in shaping our product strategy going forward.

EUROPE

Dewhurst Hungary

Whilst not back to previous levels there was good recovery in our keypad market as the effects of our customer's restructuring settled. Our own restructuring implemented last year coupled with our decision to move some of our product assembly from the UK to Hungary earlier this year has delivered a consistent base load to the business and an area we will continue to explore.

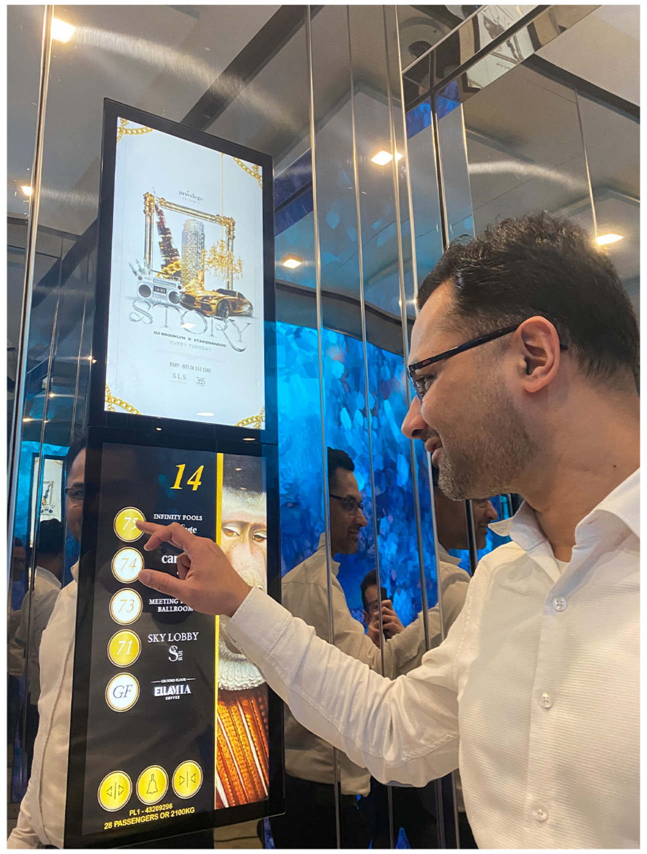
NORTH AMERICA

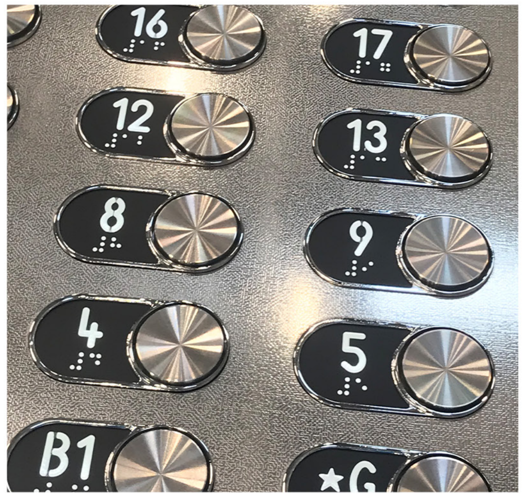
Dupar Controls

Following a period of steady growth over the past few years, Dupar experienced a relatively flat year, primarily due to economic uncertainty, a slowdown in large construction projects and ongoing challenges within the construction market.

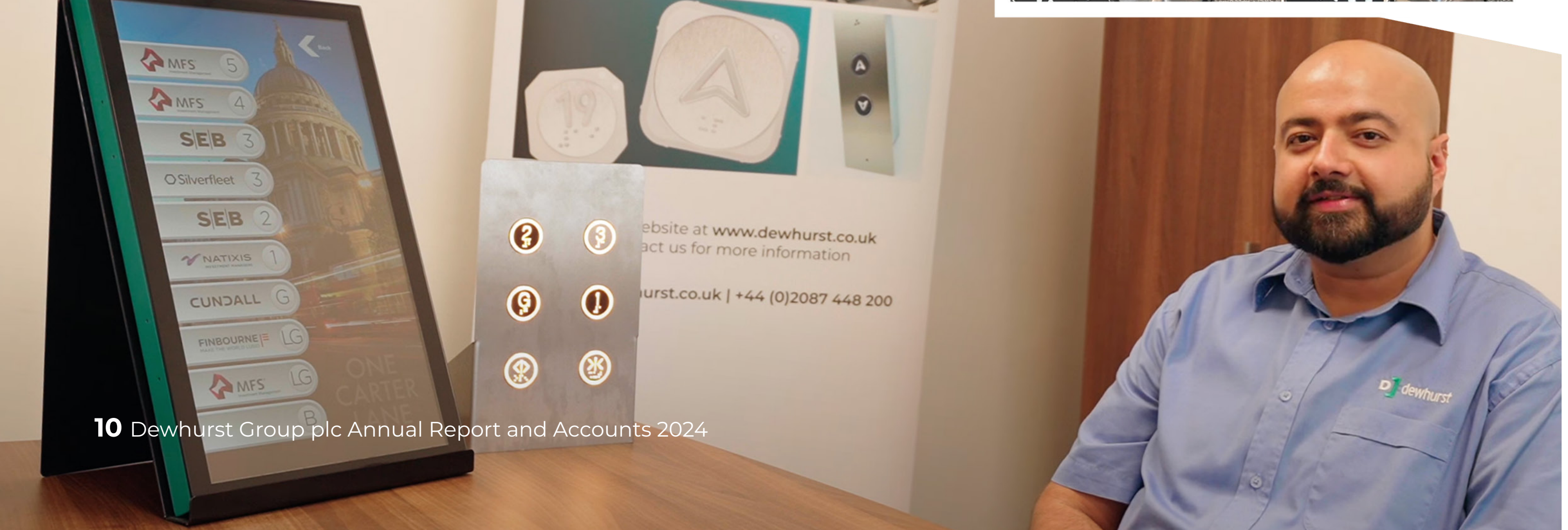
The impact of these factors was compounded by continuing supply chain disruptions, particularly with key suppliers of controller boards, which had been an issue in the previous year. As a result, many customers shifted their project priorities, which disrupted our manufacturing patterns and negatively affected our overall efficiency.

Displaying Excellence





Leading innovation and enhanced customer satisfaction



Despite these challenges, Dupar successfully managed planned personnel changes in some key management positions. The transitions were planned carefully to ensure there was adequate handover time, preventing any disruption to performance. Additionally, our operational efficiency remained resilient in coping with fluctuating demands throughout the year. Although the external factors posed significant hurdles Dupar's ability to adapt to changing circumstances has helped mitigate the impact on operations.

Elevator Research & Manafacturing (ERM)

Our continued focus on operational efficiency and customer engagement resulted in another strong year at ERM and again delivered further progression in our profitability.

Our 60th anniversary celebrations in May were well attended and provided a chance to thank our customers for their continued support. Increased customer visits and investment in our engineering function including additional engineering resource supports our efforts for further expansion in the California market.

AUSTRALIA & ASIA

Australian Lift Components (ALC)

An improved performance at ALC saw both sales and profits exceed the previous year's results, driven by a renewed focus on differentiation.

Key successes included significant sales of ALC pit kits and advances in our technical capabilities, particularly in integrating Dewhurst display systems into our products. However, challenges persist in the market, as the lack of new projects and the continued emphasis by major lift companies on promoting their factory packages create a competitive environment.

P&R Lift Cars (P&R)

A positive turnaround year at P&R as we halted the decline of the last two years. The market has been more favourable this year with improvements made in many of our key processes.

During the year we acquired the remaining shareholding of Roy Peat which saw him stand down as General Manager but remain with the business in a new role which utilises his design skills and years of experience within the lift industry.

James Cameron joined the business in June as General Manager and has settled in well. We have worked hard to steady our position whilst working on our plans for further progression.

Lift Material (LMA)

Another year of record sales at LMA as we consolidated our position across our key product lines. Investment in people and the opening of a new branch in Melbourne resulted in profit being slightly down on the previous year but an enabler to our further growth.

Good progress has been made in the expansion of our escalator handrail business during the year as well as the addition of new product lines to LMA's growing portfolio. The introduction of our e-commerce system developed at A&A is designed to promote these products quickly as well as offer customers significant benefits in the way they can obtain quotes and place orders.

Dual

The transformation of Dual has continued at an impressive pace, delivering an excellent year marked by record levels in both sales and profit. Favourable market conditions contributed to this success, along with the achievement of securing the prestigious Metronet project. Despite its challenging engineering demands and tight timeframes, the project has been expertly executed by the entire team at Dual.

The challenges of increased customer demand coupled with tight project timelines meant production space was significantly stretched. However, the improvements in our production workflows enabled our output to be achieved efficiently and safely.

The hard work and dedication of our entire team has been instrumental in driving our strategic initiatives forward.

Dewhurst Hong Kong

Despite the political and economic challenges Hong Kong has encountered over the past 12 months, the business has continued to demonstrate strong performance again achieving a double-digit increase compared to last year and setting another record.

Customer engagement remains a central focus of the company's operations, whether through in-person meetings, virtual engagements via Teams, or technical webinars, which have helped maintain strong relationships with clients and foster continued growth.

However, progress has been slower than expected with regard to the approval of the rope gripper by Hong Kong authorities. Limited approvals have been granted, but there is still significant potential for this product, as well as others to be distributed within the Hong Kong market in the future.

Dewhurst Singapore

The three-month hiatus between the announcement of ending production of the E-Motive products and our acquisition of the brand understandably caused customer concern. This gap allowed competitors to strengthen their positions, particularly in the Singapore market, where they capitalised on the uncertainty.

Despite this setback, we have successfully reversed this trend in the UK and Australian markets, where demand for our display products has started to rise.

Our increased customer engagement, backed by a proven record of manufacturing high-quality products, is beginning to yield positive results. We are optimistic about seeing significant improvements in our sales across Singapore, Asia and the Middle East in the near future. Additionally, we have focused on rationalising our product lines and improving our cost base, which will further support our growth objectives and strengthen our financial position.

ERM 60TH ANNIVERSARY
Customers gathered to celebrate

> We delivered a solid performance in the year, with 7% growth in Group profit before tax driven by our lift business.
>
> **Jeremy Dewhurst**
> Chief Financial Officer

Trading Results

The Group continued its upward trend with an 11.1% increase in total sales to £64.4 million (2023: £58.0 million). Lift sales increased 10.0% due to strong growth in Asia & Australia, which includes a full year of trading at Dewhurst Singapore. Continued construction projects supported both our Australian lift interiors businesses P&R and Dual deliver double digit growth, with Dual registering a record year in 2024. Slowing demand in North America impacted Dupar, with the outlook expected to be challenging for at least the first half of 2025. Steady growth in Transport sales was driven by higher rail sales at Dewhurst, and Keypad sales bounced back in 2024, delivering 33.2% growth in sales, although this continues the fluctuations in demand seen in previous years.

Overall operating profit increased by 4.8% to £8.1 million (2023: £7.8 million), at an operating profit margin of 12.6% (2023: 13.4%) and profit before taxation increased 6.9% to £8.6 million (2023: £8.1 million).

A significant proportion of the Group's revenue and profits are generated and held in foreign currency, and the foreign exchange retranslation impact on the reporting performance of the Group this year decreased both like-for-like revenue and profit before tax by 3% (2023: a decrease of 1% each).

7 subsidiaries delivered record sales

Strong Cash Position

The subsidiaries continued to trade throughout 2024 without the need for Group cash support, and paid dividends back to Group totalling £6.7 million. £3.6 million of this cash was generated from operating activities during the year and as a result Group cash is strong. Further details can be seen from the consolidated cash flow statement.

During the year, the Group spent £1.5 million to acquire the remaining 25% of the shares in P&R Liftcars, £1.8m on the purchase of own shares, and £0.9 million on the purchase of property, plant and equipment.

The Group started and ended the year without any bank borrowings. The cash balance at year end was £21.6 million, down £2.8 million from £24.4 million in 2023.

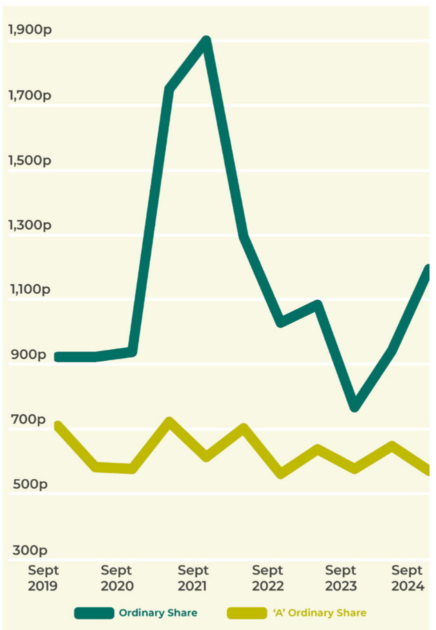
Pension Scheme Surplus

The Company paid a total of £3.9 million deficit reduction contributions into the pension scheme this year and I am pleased to report that the deficit decreased by £5.1m and is now in a surplus position of £3.0m (2023: £2.1 million deficit) on an IAS19 basis.

Aside from the increase in contributions, the main reason for the decrease in the deficit was an overperformance of the pension scheme assets, which was partially offset by the liability discount rate decreasing from 5.50% to 4.95% at the year-end.

A more detailed analysis of the retirement benefit fund assets and liabilities movements is reported in note 21 and all recommendations made by the scheme's actuary to eliminate the scheme deficit within an agreed timeframe have been fully implemented.

Shareholders' return



GROUP FIVE YEAR REVIEW

Continuing operations	2024 £(000)	2023 £(000)	2022 £(000)	2021 £(000)	2020 £(000)
Revenue	**64,403**	57,962	57,565	56,249	55,617
Adjusted operating profit*	**8,121**	7,750	8,818	9,214	8,630
Profit before taxation	**8,649**	8,088	7,169	9,563	6,740
As a percentage of total equity	**14.1%**	13.4%	11.7%	18.1%	15.7%
Taxation	**3,189**	2,966	2,051	2,110	2,061
Profit after taxation	**5,460**	5,122	5,118	7,453	4,679
Total equity	**61,301**	60,317	61,533	52,731	42,826
ROTIC[1]	**11.4%**	10.4%	11.6%	13.4%	13.6%
EPS^	**66.58p**	62.45p	60.00p	86.98p	51.78p
Dividends per share	**16.50p**	15.75p	14.75p	14.00p	13.00p
On time delivery (%)	**93%**	93%	86%	90%	91%

* Operating profit before goodwill write down, amortisation of acquired intangibles, gain on property disposal, GMP equalisation and cyber attack remediation costs.

[1] ROTIC – Return on Total Invested Capital being Adjusted operating profit*/Total invested capital. Total invested capital is total equity adjusted for net retirement benefit obligations and the associated deferred tax, cumulative amortisation of acquired intangibles and historical depreciation or impairments to goodwill.

^ Earnings per share (EPS) – basic and diluted.

Capital Management and Treasury Policy

The Group defines capital as total equity plus net debt. The objective is to maintain a strong and efficient capital base to support the Group's strategic objectives, provide optimal returns for shareholders and safeguard the Group's assets and status as a going concern. The Group is not subject to externally imposed capital requirements and the Group's philosophy is to have minimal or no borrowing where possible.

The Group seeks to reduce or eliminate financial risk to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The policies and procedures operated are regularly reviewed and approved by the Board. By varying the duration of its fixed and floating cash deposits, the Group maximises the return on interest earned.

The Group continues to hedge foreign currencies internally where possible and did not use derivatives during the year in the form of foreign exchange contracts to manage its currency risk, as reported in note 24.

Dividends

The Board is proposing a final dividend of 11.50p (2023: 11.00p). If approved, this would be paid on 26 February 2025 and would result in a total dividend for 2024 of 16.50p per share which is 4.8% up on 2023 and is covered 4.3 times by earnings. The dividend would be paid to members on the register at 17 January 2025 (ex-dividend 16 January 2025). Dividends are accounted for when paid or approved by shareholders, and not when proposed, therefore the proposed final dividend for 2024 has not been accrued at the end of the reporting period.

Following a share buyback programme, there was a reduction in the number of allotted shares during the year, and these have been fully reported in the Directors' Report.

2024 has been a year in which we have made real positive changes for our people, the environment and in reducing our emissions footprint.

Richard Dewhurst
Non-executive Chairman

Introduction from the Chairman

In two years, we've made significant strides in monitoring and reducing our Scope 1 and 2 emissions, achieving a 42% reduction and nearly meeting our 2027 target three years early. We've shifted our focus to an emissions intensity ratio, considering sales growth, and have already achieved a 48% reduction in our intensity ratio from our 2022 baseline. We are now aiming for a 60% reduction by 2027.

While Scope 1 and 2 emissions are just a fraction compared to Scope 3, there's a strong drive within Dewhurst Group Plc to contribute to slowing global warming. Our sustainability strategy has been refreshed, emphasising our mission, vision, and values. We've strengthened our People strategy by listening to staff through our global survey and implementing our first global HR system, which unites and supports our culture.

There's still much to do, but our staff and businesses understand the importance of sustainability and are committed to making a positive, sustainable change. On behalf of the Group Board, I thank everyone for their efforts.

Environment

Strategy

At Dewhurst Group, we are committed to promoting sustainability and managing our impact across all areas of our operations. Our strategy is to minimise our environmental impact by reducing our carbon emissions, to make a meaningful contribution to a more sustainable world.

Carbon Emissions

The Group has made real progress with its reductions in its Scope 1 and Scope 2 emissions. 2024 has been a year of big change with our Global carbon emissions dropping 33% which equates to a reduction of 189 tonnes of CO2. This is despite sales increasing by 11%.

This has been achieved through numerous actions but the biggest has come from the continuation of group companies switching electricity and gas contracts as they mature, into green 'zero carbon' contracts. 10 out of 12 group companies now operate solely from 100% renewable electricity contracts, and 2 out of 5 group companies now operate solely from biogas contracts. The switch to biogas has helped us reduce our gas emissions by 24%. As of September 2024, 74% of our company's electricity consumption and 41% of our company's gas consumption comes from renewable sources.

The group has also successfully trialled and implemented a four-day production week at two group companies. This has reduced electricity and gas consumption by 16% without compromising product quality, output, or sales.

Prior year's capital expenditure and commitment to on-site solar panels has helped our carbon reduction. The installation of solar panels at four group company sites - our Feltham (UK), two Sydney & one Perth (Australia) sites have enabled us to reduce our global grid electricity consumption by 15%.

We have adopted a proactive approach to monitor and manage our emissions, and we regularly measure and track environmental metrics across all sites to identify areas for reduction of carbon emissions. We have also developed roadmaps at each business that outline specific actions we will take to minimise our emissions, including investing in new technology, adopting sustainable practices, and sharing these across the Group. As a result, our global sites continue to make incremental changes in line with best practices

6.1 tC02e/£m
GHG Intensity Ratio. A 48% decrease from baseline year

Environment

Minimise our environmental impact by reducing our emissions footprint, to make a meaningful contribution to a more sustainable world.

2024 PERFORMANCE & HIGHLIGHTS

- 33% reduction in emissions (42% compared with baseline year)
- 39% decrease in emissions intensity ratio
- 48% decrease in emissions intensity ratio compared with baseline year
- 74% of electricity consumed from green sources
- 87% reduction in our Feltham site's emissions
- 94% UK waste diverted from landfill of which 14% is converted into energy
- Improved recycling processes to reuse and repurpose waste materials

KEY PRIORITIES

Scope 1 and 2 emissions:
- Switch remaining businesses to green electricity
- Switch UK businesses to green gas
- Install solar panels where viable
- Switch company vehicles to 100% electric vehicles
- Install EV chargers at each company

Waste and packaging:
- ISO 14001:2015 certification for UK businesses
- Increase diversion of waste from landfill

Supply chain:
- Engage and collaborate with key suppliers

Product:
- Increase our range of sustainable products

TARGETS

- Carbon reduction: **reduce scope 1 and 2 carbon intensity ratio by 60% by 2027 vs 2022**
- Waste diversion from landfill: **>95% by 2024**
- Packaging: **>95% packaging to be recyclable by 2030**

Our People

Create and maintain an environment where people are engaged and feel empowered, motivated, and fulfilled.

2024 PERFORMANCE & HIGHLIGHTS

- New global HR system (PeopleHR) implemented across the Group
- New UK payroll software implemented
- Employee turnover of 11%
- Females make up 31% of the workforce
- Global "value awards" launched, for employees who go above and beyond in demonstrating our values
- Employee work life balance improved through implementation of flexible working including 4-day weeks at two companies
- Employees collectively walked 15,750 miles in our Round the World Challenge raising £10k for the OXFAM Gaza Humanitarian Appeal

KEY PRIORITIES

- Communicate to & engage with our people on mission, vision, values
- Utilise PeopleHR to improve employee engagement
- Improve communication across the Group

TARGETS

- Group employee engagement rating: **85%**
- Health & safety incident rate: **eliminate serious incidents**
- Voluntary employee turnover: **below 15%**

A&A ELECTRIC VANS
EV switch started in 2023

to promote sustainability and reduce our environmental impact. Examples include solar tinting to conserve energy, updating plant and equipment with more modern energy-efficient machinery and continuing to prioritise the use of green chemicals and use LED lighting. We also look to optimise equipment usage and use best practices for energy management

Our UK-based subsidiaries have made the biggest percentage reductions in greenhouse gas (GHG) emissions in 2024 with Dewhurst seeing an 87% reduction from 2023 followed by TMP seeing a 77% reduction. The UK is closely followed by our Australian businesses who have equally made real change and seen a collective 38% reduction from 2023.

379MWh of electricity produced in 2024 from our solar panels

Carbon Intensity Ratio

These reduced carbon emissions equate to a GHG Intensity ratio in 2024 of 6.1 tCO2e/£m which is a decrease of 39% this year and a 48% decrease from our baseline year in 2022 which is when we first reported an intensity ratio of 11.8 tCO2e/£m. This is excellent and a testament to the hard work put in by all.

Our two remaining companies not on 100% renewable electricity contracts are constrained by their national electricity markets and the fact there is no 100% renewable supplier option available. 1.3 million kWh or 1.3 GWh's of electricity used across the group is now 100% renewable.

Company Vehicles

Company vehicle emissions now account for 40% of our GHG emissions within our control, so for 2025 we will be focusing on looking at the viability of trialling and switching more of our delivery fleets around the world to 100% electric vans. A&A's first electric van was acquired in 2023 and has performed with great success, and a second van has recently been acquired by A&A. Dewhurst has also recently committed to an electric van which is due early 2025.

One of our core sustainable objectives is to eliminate carbon emissions, and if this is not practical then to minimise or substitute these. Sometimes, however emissions are unavoidable, and we have partnered with Ecologi (a B Corp company) at our UK sites to offset emissions through funding sustainable projects.

Waste, Packaging & Water

In 2024 we continued to expand our strategy of diverting over 95% of our waste from landfill, out to the whole Group. We are also implementing reduce, reuse and recycling programs to minimise waste at our sites.

Whilst we are conscious of the waste from our operations, TMP is leading the way for traffic management by recycling their own and competitor's bollards. TMP collects old or damaged bollards due for replacement and recycles them, enabling the plastic recovered to be reused. Material which was once sent to landfill now offsets the need for virgin plastic to be utilised. Furthermore, TMP plants a tree in areas of declining vegetation for every bollard replaced as well as every bollard recycled (or on orders over a set price point).

We are committed to reducing our environmental impact by enhancing our recycling programs. We have implemented better segregation practices at our locations in Australia, to reuse and repurpose waste materials, such as bubble wrap and off-cuts. This not only helps us to save raw materials, but also contributes to the circular economy. We continue to reduce our total waste generation and increase our recycling rate globally.

A&A re-achieved ISO 14001:2015 certification for environmental management in 2024. This demonstrates that sustainability is an embedded part of A&A's culture and way of working. We will look to implement ISO 14001:2015 across our other Group businesses going forwards.

At Dewhurst Group, we recognise the importance of water conservation and strive to minimise water usage across our operations, such as harvesting rainwater for use in toilets, optimising tapware with push taps, high pressure; low volume spouts, and automated flushing of toilets.

Supply chain

We collaborate and work closely with our suppliers, and by being curious and involving our suppliers and other stakeholders in the decision-making process, this allows us to identify potential challenges and opportunities and come up with innovative solutions to overcome them. A&A's Ecobox product has replaced more than 2,500 x 20 litre plastic oil drums since its inception in 2022. In July 2024, A&A also launched its Disposoil service which provides customers with the ability to recycle waste oil for reuse, reducing the need for additional fossil fuel extraction and processing to create new oil. The Ecobox is a more transportable solution which enables greater carriage of deliveries in our own and customer's vans. When onsite, it is easier to transport to the job, the replacement oil is distributed via an easy-pour recycled plastic spigot which is attached to the biodegradable bag that can be mindfully disposed of after use, reducing landfill waste.

ECOBOX
Assembly of items in warehouse

ENERGY CONSUMPTION MWh	UK & Offshore		Global (excl. UK & Offshore)		Group	
	2024	2023	**2024**	2023	**2024**	2023
Heating and transport fuels	**756**	879	**1,137**	1,171	**1,893**	2,050
Used green electricity	**674**	631	**357**	212	**1,031**	843
On-site renewable electricity	**127**	135	**133**	60	**260**	195
Purchased non-green electricity	**4**	3	**460**	561	**464**	564
Total energy consumption	**1,561**	1,648	**2,087**	2,004	**3,648**	3,652

GREENHOUSE GAS EMISSIONS tCO2e	UK & Offshore		Global (excl. UK & Offshore)		Group	
	2024	2023	**2024**	2023	**2024**	2023
Scope 1: Direct emissions from operations						
– Natural gas	**84**	116	**128**	143	**212**	259
– Transport fuels	**3**	64	**140**	137	**143**	201
– Cooling gases	**–**	5	**–**	–	**–**	5
Total Scope 1	**87**	185	**268**	280	**355**	465
Scope 2: Indirect Emission from electricity consumption						
– Market based	**3**	7	**30**	105	**33**	112
Scope 3: Emissions from businesss travel in employee-owned vehicles						
	4	4	**–**	–	**4**	4
Total emissions	**94**	196	**298**	385	**392**	581
Intensity ratio: Total carbon emissions per sales (tCO2e/£m)						
	4.1	9.1	**7.1**	10.6	**6.1**	10.0

The UK's location-based electricity consumption produced 143 tCO2e in 2024 and 128 tCO2e in 2023.

Dewhurst followed the GHG protocol guidance for SECR reporting.

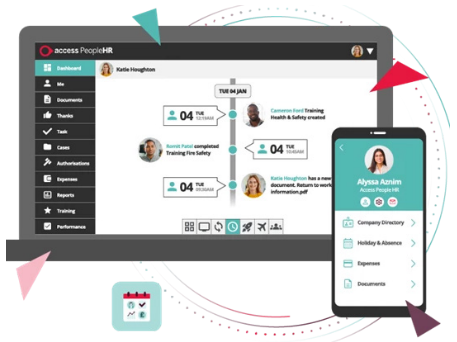
Based on available data at the time of reporting, to be revised as data availability improves.

Our people

Strategy

At Dewhurst Group we want to create and maintain an environment where people are engaged and feel empowered, motivated, and fulfilled.

To further support and embed our Group mission, vision, and values, we committed to a global HR system across all companies. This has been a key project and enables us to communicate, engage and collaborate with our people globally. It also gives us the ability to track employee trends through data extracts such as turnover and diversity, so we can better identify areas for development.



Engagement

Following on from our first global employee survey in which our staff identified the need for a global HR system, our global HR system (PeopleHR) was successfully selected from eight potential HR systems and went live across all group companies in 2024.

As part of the selection process we identified that the HR system must cover the following key modules of HR Planning, Recruitment & Selection, Safety & Wellbeing, Employee Engagement, Rewards & Recognition, Careers & Capability and Compliance. PeopleHR also includes further functionality to improve and streamline our HR processes, and support employee engagement.

Following a successful implementation, all staff globally now have a secure employee 'self-service' platform either through their pc or mobile app that allows them to see and validate their personal data, engage with the company, manage their own leave, absence and documents as well as get up to date visibility of company documents, policies and procedures as well as the latest news and communications.

The HR System implementation has three distinct phases: 1) global implementation, 2) data and document validation and finally 3) automation of key HR functions, reporting and data tracking. Now that phase 1 is complete, Group HR has moved into phase 2 and will be looking to deliver this along with phase 3 in 2025.

Embedded within phase 2 and 3 will be the task of reviewing key processes, functions and policy's across the group. The goal is to ensure processes are fit for today as well as the future and this phase of the project gives us the opportunity to review, update and streamline as many processes as we can through automation.

These changes once fully implemented will enable our HR functions across the group to be proactive, looking toward growth and support rather than reacting to day-to-day administrative queries now staff have been empowered to 'self-serve'.

The Group HR team underwent Employment law training in 2024, resulting in various policy changes for the UK, and legislation change training will be performed annually going forwards. This will ensure the latest compliance requirements and best practice is followed by both employer and employee.

Employee turnover for 2024 is 11%, down from 13% in 2023 and below our target of 15%.

Our second global employee survey following up on the actions taken

2%
absence rate across the group

throughout 2024 has been issued and sent out to all staff in November 2024, with results expected early 2025.

Charity

Once again, our team across the globe supported local charities as well as came together to make a difference for international charities. This year we supported the humanitarian crisis happening in Gaza. Over the course of two weeks from 15th to 28th April employees from Dewhurst Group were challenged to work together in teams of four to walk/run the total distance between all of our businesses across the world. The two main objectives of the challenge were to raise funds for the OXFAM Gaza Humanitarian Appeal and to engage all our staff in a fun and competitive way. 192 staff across 49 teams clocked up a staggering (literally) 30,536,669 steps in our Round the World challenge, covering an impressive distance of 15,750 miles. Moreover, we raised £10,000 for the OXFAM Gaza Humanitarian Appeal and we are proud to have been able to make such a positive difference in the lives of those affected by these disasters.

BREAST CANCER AWARENESS
The ALC team came together to raise funds and awareness for the McGrath Foundation.

Health and Safety

Increasing our global engagement and introducing PeopleHR has seen an initial spike in reported Health & Safety logs. With the introduction of near misses as well as actual incidents now being logged, we have seen 37 incidents in 2024 compared to 15 last year. This is disappointing to see a significant increase, but we must rebase our expectations and baseline figures now near misses are included. The critical aspect in all this is proactive reporting and steps are being taken after each incident to try to reduce or mitigate against future incidents and thus continually drive down incidents around the group. In our ongoing commitment to sustainability and employee well-being, we are proud to announce that we have achieved ISO 45001 certification at A&A. By implementing ISO 45001, we aim to reduce workplace risks, enhance productivity, and foster a culture of continuous improvement in health and safety practices.

All Health & Safety incidents are reported through the local board meetings first as well as summarized and reported at a Group Board level.

Diversity, Equality and Inclusion

We remain committed to upholding diversity, including gender, cultural background, and level of competence. We believe that a diverse workforce brings a wealth of perspectives and experiences that can enrich our work environment and enhance our ability to achieve our goals. Therefore, we actively seek to recruit, retain, and promote individuals from a wide range of backgrounds and experiences to help us build a more inclusive and productive workplace and are pleased to recognize and embrace 26 different nationalities. One woman serves on our board of six, and women run three of our twelve subsidiary businesses. 31% of our employees globally are female, and our aim is to continue to promote women to senior positions across the Group.

26
different nationalities, all working together

DIWALI 2024
The Dewhurst Group and Dewhurst Ltd team celebrated Diwali at HQ

Wellbeing

We have been actively engaging with our people to enhance their wellbeing, by promoting awareness of important issues and providing support and access to resources. Our Group newsletter The Pulse contains a regular Headspace feature that has included information on topics such as menopause and anxiety. In doing so, we hope to promote understanding of areas that might affect our people and help to support them.

Mental Health

We have continued to roll out mental health training in 2024 around the Group as well as increase awareness amongst staff, through company communications and our mental health first aiders.

Employees also have access to a 24-hour advice and information line where they can receive counselling, legal information and information on health issues. There is also an app available that can help employees track their mood, access breathing exercises and gain access to CBT. Information about this support is displayed on company noticeboards.

Community

Fundraising days across the group have helped raise awareness and money for charities such as local autism centres and nursing programmes. On breast cancer awareness "Wear it Pink" day companies across the group came together to raise money by wearing pink and participating in fundraising activities. We also have several Christmas fundraisers planned over the festive period.

Training and Development

As part of the PeopleHR implementation, we are streamlining and enhancing our induction process, where all new joiners will receive training on the company, our mission, vision and values, Health and Safety and sustainability.

In addition, PeopleHR provides a central online suite of training which will ensure we have consistency and full global visibility of courses undertaken.

Managers are encouraged to have regular and open conversations with their teams on skills and knowledge gaps. We aim to have a culture of internal development to retain company knowledge and reduce external recruitment.

RISK	IMPACT	MITIGATION
OPERATIONAL		
Change in Leadership. The transition of CFO from Jared Sinclair to Jeremy Dewhurst presents a risk during handover.	Potential reduction in control and increased risk on individual subsidiary's performance.	The transition is well planned and supported. Jeremy is an ACA chartered accountant and performed the Finance Director role at our largest subsidiary A&A Electrical Distributors from 2018-2022. Jeremy and Jared executed a well planned transition plan and Jeremy is supported by the whole Group Board.
Not seizing growth opportunities.	Inability to grow sales and profits.	The Dewhurst Group board maintains an opportunities register and regularly and proactively reviews new growth and acquisition opportunities.
People. Staff engagement, well-being, recruitment and retention.	Inability to work effectively which impacts sales and profits; staff absence; high staff turnover and difficulty recruiting new staff.	Performed the first independent and anonymous groupwide staff survey in 2023 and implemented a new Group HR System in 2024 to help harmonise HR systems and controls. Company conversations are held bi-monthly at each site and the continued engagement of staff through communication of our mission, vision and values.
Business Control. The geographically diverse nature of our business means that many subsidiary companies are remote from our senior management.	Reduction in control and increased risk on individual subsidiary's performance.	We aim to strike a balance between autonomy and responsibility of the local management. Senior management generally visit all subsidiaries regularly to maintain senior contact directly with the business. We operate the same IT system across the business so that information flow to management is consistent and we introduced a secure data warehouse for Group KPI monitoring.
Loss of a key customer. Because the Group tends to operate in niche markets there are limited numbers of major customers in some of these markets.	Reduced sales and reduced profits.	We aim to provide key customers with excellent products and service at a competitive price. We closely monitor our performance with these customers to ensure we are meeting the objectives.
Problems at a key supplier.	Inability to maintain required service levels.	Where necessary we dual source, if possible in different regions, and/or hold strategic stocks of particularly time critical key components.
Technological change reducing demand for the Group's mechanical products. Our products are primarily mechanical human machine interfaces. These are subject to significant technological change at present as new electronic ways of interacting with machines are constantly being developed.	Reduced sales and reduced profits.	We monitor our markets for innovations and endeavour to ensure we retain a competitive offering for our customers, supported by an active product development programme. The securing of the E-Motive displays, and key electrical engineers bridges that gap and enhances our electronic capabilities.
Cyber attack and intrusion into our network	Loss of trading, leading to reduced sales and reduced profits.	Groupwide software in place such as email filtering, firewalls, anti-virus/endpoint protection, with threats detected and responded to through an external Security Operations Centre (SOC). Multifactor authentication to prevent unauthorised access. Daily offline backups at each site, which are regularly tested to ensure recoverability of data.
FINANCIAL		
Inflationary pressures.	Increased materials and labour costs, reducing margins and profits.	Limit the duration of our quotes to customers or build into quotes, where we can, an inflationary increase mechanism. Continually monitor component cost increases and where sensible take on additional inventory of key components to delay any increase. Look for efficiency savings before looking to pass these increases onto customers, and utilise technology to support pricing controls.
The Group operates a defined benefit pension scheme in the UK. This is subject to risks in relation to liabilities caused by changes in life expectancy and inflation. It is also subject to risks regarding the value of and return on investments.	Potential impact on the balance sheet and on cash flow.	The UK defined benefit schemes were closed to new future accrual on 30 September 2010. Our investment strategy is designed to diversify risk and reduce volatility. A proportion of the liabilities are covered by Liability Driven Investments which more closely match the movements in the values of liabilities.
Being an international Group, foreign currency is our most significant treasury risk.	Changes in foreign currencies can have a significant impact on profit performance.	Our wide international spread reduces risk to individual markets but inevitably increases exchange rate risks. We aim to minimise holdings of non-functional currencies at companies around the Group, unless there are specific reasons. The Group does not hedge operating profits.

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders in their decision making. They must make decisions in good faith that they believe will most likely promote the success of the Company for the benefit of its members as a whole. In making these decisions the Directors must consider, amongst other things:

- Likely long-term impact of their decisions
- Interests of employees and the need to act fairly between members of the Company
- The reputation of the Company and relationships with customers and suppliers
- The effect on the community and environment in which the Company operates

KEY STAKEHOLDERS	HOW WE ENGAGE
Shareholders	As an AIM listed business, we have a dedicated investor website with all key information and RNS updates. We also communicate regularly with investors particularly after trading updates as well as at the AGM.
Employees	Group senior management have been able to visit all subsidiaries during the year. In addition, being mindful of our carbon footprint, this has also been supported by more regular video conferences. Within the individual companies there are regular briefing sessions with employees on the performance of the company and key decisions and issues.
Customers	Our customers are at the heart of everything we do. We use email and social platforms to update them about new products and regularly review any feedback we receive to understand how we can improve their experience. We engage with our customers regularly through a mix of face to face and remote meetings.
Suppliers	We have personal relationships across our supply chain and update each other through regular meetings and phone calls.

SIGNIFICANT EVENTS/DECISIONS 2024

EVENT/DECISION and stakeholders considered	CONSIDERATIONS, ACTIONS & IMPACT
Director Role Changes Shareholders, potential investors, employees and governments	• As part of the planned transition, Jeremy Dewhurst was promoted to CFO on 1 July 2024, with Jared Sinclair remaining on the Board and taking on a new role as Chief Integration Officer (CIO). • Jeremy is an ACA chartered accountant and performed the Finance Director role at our largest subsidiary A&A Electrical Distributors from 2018-2022. • Jeremy and Jared executed a well planned transition plan involving regular meetings and information handover prior to 1 July 2024, and Jeremy is supported by Jared and the whole Group Board.
Growth opportunities Shareholders, potential investors and employees	• The Board updated its acquisition criteria and maintains an opportunities register. • The CEO visits all businesses regularly to review strategy maps, performance, and opportunities for growth. • The Board believe that there is an opportunity to sell displays globally through Dewhurst Singapore, resulting from the purchase of the rights to the E-motive brand and range of displays in 2023. This is a growth opportunity although requires continued management focus.

EVENT/DECISION and stakeholders considered	**CONSIDERATIONS, ACTIONS & IMPACT**
Sustainability and The Environment Shareholders, employees, customers, suppliers and society	• The Board regularly reports on energy consumption and greenhouse gas emissions at all Group companies. • We are focused on continuing to reduce our environmental impact, to make a meaningful contribution to a more sustainable world. • The Group has achieved a 33% reduction in carbon emissions in 2024 (42% compared to base line year). • 48% decrease in carbon emissions intensity ratio compared to our base line year. • 74% of the electricity the Group consumes is 100% renewable. • Further detail can be found in the Sustainability Report.
People Employees, customers and suppliers	• Based on the feedback from our groupwide survey in 2023, a new Group HR system was implemented in 2024. • More regular staff communications take place at each site as bi-monthly Company Conversations.
Margin Pressures & Inflation Shareholders, potential investors, employees, customers and suppliers.	• With continued higher levels of inflation and increased interest rates we are continually assessing the effect labour costs, component cost increases and inflation have on our margins. • The Group continues to absorb cost increases where possible and seeks efficiency savings before looking to pass increases on to our customers. • Where possible the duration of our quotes to customers have been time limited or an inflationary increase mechanism is built into the quote.

The information provided in the Strategic report section of the Annual Report forms part of the requirement by Companies Act 2006 to be included in a strategic report.

The Board of Directors of Dewhurst believe that good corporate governance is a central element of the successful growth and development of the Group. The Board and its Committees play a key role in the Group's governance by providing an independent perspective to the senior management team, and by seeking to ensure that an effective system of internal controls and risk management procedures is in place. Below describes our corporate governance structures and processes which are reviewed regularly and at least annually.

AIM Rule 26 from 28 September 2018 requires companies to report against an adopted corporate governance code. Dewhurst's Board considers that the QCA Corporate Governance Code ("QCA Code") is the most suitable framework for smaller public companies and, consequently, formally adopted the QCA Code. The QCA Code continues to be applied during its financial year ended 30 September 2024.

The Board ensures that the Company adopts proper standards of corporate governance and, where appropriate, the principles of best practice as set out in the QCA Code. Set out on our website (www.dewhurst-group.com) and below is a summary of how the Company is applying the key requirements of the Code.

The Board comprises persons from technical and professional qualified backgrounds ensuring there are the appropriate skills and capabilities to perform their duties. These are maintained through continuing professional development, in-house training and regular courses to ensure they are up-to-date. In addition the Directors commit all the time necessary to fulfil their roles and there are processes in place enabling Directors to take independent advice at the Company's expense in the furtherance of their duties and to have access to the advice and services of the Company Secretary.

The Board considers its Non-executive Directors to be independent in character and judgement; however only Ms S McErlain and Mr C Holroyd are technically independent as defined by the Code.

The full Board met eight times this year and deals with all important aspects of the Group's affairs. During the year all directors were able to attend all executive meetings.

Formal executive Director performance evaluations are conducted annually through appraisals. Each Non-executive Director's performance is evaluated as an outcome of the formal performance evaluations of the Committee(s) of which they are a member.

Annual performance evaluations of both executive Directors and Non-executive Directors (via Committee evaluation) identify and record achievements and areas for improvement in relation to annual objectives and performance of their role, in order to consider effectiveness. Objectives for the forthcoming year are defined along with identification of how achievements will be met, target dates and details of resource constraints or issues to ensure that actions are planned and taken as a result of the evaluation process. These objectives and the performance of the Director are monitored monthly through formal meetings with the Chairman or Chief Executive Officer.

The Committees conduct a self-assessment of their performance during the year, measuring their performance against their Terms of Reference. The Audit committee risks and concerns are reported in the body of the audit report, particularly the audit approach and key audit matters sections.

In light of the size of the Board, the Board do not consider it necessary to establish a Nomination committee. All members of the Board participate in the recruitment of members to the Board. The Remuneration committee does not produce a formal report. The Remuneration committee considers Directors' remuneration based on market conditions, Group values and business objectives. We seek to set remuneration that is competitive and motivational whilst consistent with our values. Bonuses for Directors are based on profit and growth in profit and some Directors also have bonuses based on achieving individual personal objectives.

RICHARD DEWHURST ● R
NON-EXECUTIVE CHAIRMAN

DAVID DEWHURST
DIRECTOR

JOHN BAILEY
CHIEF EXECUTIVE OFFICER

JEREMY DEWHURST
CHIEF FINANCIAL OFFICER

JARED SINCLAIR
CHIEF INTEGRATION OFFICER AND COMPANY SECRETARY

SUSAN MCERLAIN A R
NON-EXECUTIVE DIRECTOR

CHARLES HOLROYD A R
NON-EXECUTIVE DIRECTOR

COMMITTEE MEMBERSHIP

A Audit committee
(meets twice per year)

R Remuneration committee
(meets once per year)

● Chairman of Committee

The Directors present their Annual Report on the affairs of the Group together with the financial statements and Auditor's Report for the year ended 30 September 2024.

Results and Dividends

The profit for the year, after taxation, amounted to £5.5 million (2023: £5.1 million).

A final dividend on the Ordinary and 'A' non-voting ordinary shares of 11.50p per share (2023: 11.00p) for the financial year ended 30 September 2024 will be proposed at the Annual General Meeting (AGM) to be held on 18 February 2025. If approved, this dividend will be paid on 26 February 2025 to members on the register at 17 January 2025. The ex-dividend date will be 16 January 2025.

An interim dividend 5.00p per share (2023: 4.75p) was paid on 13 August 2024.

A final dividend on the Ordinary and 'A' non-voting ordinary shares of 11.00p per share (2022: 10.25p) which amounted to £882k (2022: £828k) for the financial year ended 30 September 2023 was approved at the AGM held on 20 February 2024 and was paid on 26 February 2024 to members on the register at 19 January 2024.

Share Repurchases

Between 2 February 2024 and 27 March 2024 the Company purchased 286,680 of its own 'A' non-voting ordinary 10p shares for £1,776,164 which were earnings enhancing. At the time of purchase these shares amounted to 3.6% of the called up share capital of the Company and have been cancelled.

Details of shares purchased have been notified to the London Stock Exchange and to the Registrar of Companies.

Directors

The members of the Board during the year were:

Mr R M Dewhurst (Non-executive Chairman)
Mr D Dewhurst
Mr J Bailey (Chief Executive Officer)
Mr J M Dewhurst (Chief Financial Officer, appointed 1 July 2024)
Mr J C Sinclair (Chief Integration Officer)
Ms S McErlain (Non-executive)
Mr C Holroyd (Non-executive)

The Directors retiring by rotation at this year's Annual General Meeting are Mr J M Dewhurst and Mr J C Sinclair who, being eligible, offer themselves for re-election. The unexpired period of Mr J M Dewhurst and Mr J C Sinclair's service agreement is less than one year.

During the year and at the date of approval of the accounts, the Group maintained liability insurance for all Directors.

Directors' Share Interests

The table below sets out the names of the persons who were Directors of the Company during the financial year ended 30 September 2024 together with details of their own and their families' beneficial interests in the shares of the Company at that date and corresponding details at 30 September 2023.

	30 September 2024		30 September 2023	
	Ordinary shares	'A' ordinary shares	Ordinary shares	'A' ordinary shares
Mr R M Dewhurst	492,333	123,666	492,333	123,666
Mr D Dewhurst	419,595	62,599	419,595	34,932
Mr J M Dewhurst	327,500	-	2,000	-
Mr J C Sinclair	1,000	-	1,000	-
Mr J Bailey	1,000	-	1,000	-
Ms S McErlain	10	2,586	10	2,586
Mr C Holroyd	100	6,649	100	6,649

At 30 September 2024 and 30 September 2023 there were no share options allocated to the Directors. During the financial year no Director was materially interested in any contract which was significant to the Group's business.

Directors' Remuneration

The remuneration of the Directors is shown below:

	Salary and fees £(000)	Bonus £(000)	Benefits in kind £(000)	Pension £(000)	2024 Total £(000)	2023 Total £(000)
Executive Directors:						
Mr D Dewhurst	74	87	4	–	165	128
Mr J Bailey	196	191	3	2	392	300
Mr J M Dewhurst	40	10	–	2	52	–
Mr J C Sinclair	130	59	8	15	212	181
Non-executive Directors:						
Mr R M Dewhurst	65	64	–	–	129	105
Ms S McErlain	32	–	–	–	32	30
Mr C Holroyd	32	–	–	–	32	30
	569	411	15	19	1,014	774

Substantial Shareholdings

At 19 November 2024, the Company had been advised of the following beneficial interests in excess of 3% of the Ordinary voting share capital (other than the holdings shown under Directors' share interests).

Mr P Dewhurst	325,500	Mr J H Ridley	138,500
Mr I Scott	331,000	Interactive Investor Services Nominees Ltd	128,877
Mrs B Bruce	190,208		

At the same date the register shows interests in excess of 3% of the 'A' non-voting ordinary share capital (other than Directors' holdings) of:

JIM Nominees Ltd	638,876	Interactive Investor Services Nominees Ltd	185,314
Hargreaves Lansdown Nominees Ltd	452,991	HSBC Global Custody Nominees (UK) Ltd	163,500
Montoya Investments Ltd	287,000	Mr J H Ridley	153,100

Employee Involvement

Meetings, chaired by Managing Directors, are held with employee representatives. The financial position and prospects of the Company are discussed together with details of investment and changes in facilities which are planned by management. Opportunity is given at the meetings to question senior executives about matters which concern the employees.

Environment, Social and Governance (ESG)

The Company recognises that all of its activities have an environmental, social and governance impact and as such a more detailed section on sustainability and ESG has been included in the Sustainability Report.

Research and Development

The Group continues to invest in research and development programmes for new products as well as new processes and technologies to improve overall operational effectiveness.

Financial Risks

The Group seeks to reduce or eliminate financial risk to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. These risks are further reported in the principal risks and uncertainties within the Strategic report, the Financial review and in note 24.

Going Concern and Future Developments

Positive steps to develop sales, control costs and maintain a strong cash balance have been taken by management to ensure the Company has adequate resources to continue in operational existence and for the foreseeable future. The strong performance, statement of position as well as robust cash reserves lead the Directors to continue to adopt a going concern basis in preparing the financial statements. Future developments are covered in the Strategic Report.

Auditor

The current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Group's Auditor for the purposes of the audit and to establish that the Auditor is aware of that information. The Directors are not aware of any relevant audit information of which the Auditor is unaware.

A resolution will be proposed at the Annual General Meeting to reappoint Gravita Audit Limited as the Group's Auditor and to authorise the Directors to determine its remuneration.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK-adopted International Accounting Standards ("IFRS"). 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 Company and the Group 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;
- state that the financial statements comply with IFRS;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

The Directors are responsible for the maintenance and integrity of the 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.

By order of the Board

Jared Sinclair
Secretary

12 December 2024

For the year ended 30 September 2024	Notes	2024 £(000)	2023 £(000)
Continuing operations			
Revenue	2	64,403	57,962
Operating costs	3	(56,282)	(50,212)
Operating profit		8,121	7,750
Finance income	5	649	494
Finance costs	6	(121)	(156)
Profit before taxation		8,649	8,088
Taxation	7	(3,189)	(2,966)
Profit for the period	8	5,460	5,122
Other comprehensive income:			
Actuarial gains/(losses) on the defined benefit pension scheme	21	1,280	(1,896)
Deferred tax effect		(320)	474
Tax on items taken directly to equity		555	348
Total that will not be subsequently reclassified to income statement		1,515	(1,074)
Exchange differences on translation of foreign operations		(1,311)	(3,544)
Total that may be subsequently reclassified to income statement		(1,311)	(3,544)
Other comprehensive income/(expense) for the year, net of tax		204	(4,618)
Total comprehensive income for the year		5,664	504
Profit for the year attributable to:			
Equity Shareholders of the Company		5,227	5,037
Non-controlling interests		233	85
		5,460	5,122
Total comprehensive income for the year attributable to:			
Equity Shareholders of the Company		5,441	623
Non-controlling interests		223	(119)
		5,664	504
Basic and diluted earnings per share	9	66.58p	62.45p
Basic and diluted earnings per share – continuing operations	9	66.58p	62.45p

At 30 September 2024	Notes	2024 £(000)	2023 £(000)
Non-current assets			
Goodwill	10	9,453	9,516
Other intangibles	11	8	389
Property, plant and equipment	12	16,580	17,443
Retirement benefit surplus	21	2,965	-
Right-of-use assets	22	2,151	2,426
Deferred tax asset	19	-	54
		31,157	29,828
Current assets			
Inventories	14	7,966	8,337
Trade and other receivables	15	12,455	10,182
Cash and cash equivalents	16	21,560	24,374
		41,981	42,893
Total assets		73,138	72,721
Current liabilities			
Trade and other payables	17	8,328	6,899
Current tax liabilities		339	578
Short-term provisions	18	179	158
Lease liabilities	22	789	719
		9,635	8,354
Non-current liabilities			
Retirement benefit obligation	21	-	2,112
Lease liabilities	22	1,600	1,938
Deferred tax liability	19	602	-
Total liabilities		11,837	12,404
Net assets		61,301	60,317
Equity			
Share capital	20	773	802
Share premium account		157	157
Capital redemption reserve		364	335
Translation reserve		425	1,725
Retained earnings		58,892	55,916
Total attributable to equity Shareholders of the Company		60,611	58,935
Non-controlling interests		690	1,382
Total equity		61,301	60,317

The financial statements were approved by the Board of Directors and authorised for issue on 12 December 2024 and were signed on its behalf by:

Richard Dewhurst Chairman

Jeremy Dewhurst Chief Financial Officer

Company Registration Number: 00160314

For the year ended 30 September 2024	Share capital £(000)	Share premium account £(000)	Capital redemption reserve £(000)	Translation reserve £(000)	Retained earnings £(000)	Non controlling interests £(000)	Total equity £(000)
At 30 September 2022	808	157	329	5,065	53,525	1,649	61,533
Share repurchase	(6)	–	6	-	(375)	-	(375)
Exchange differences on translation of foreign operations	–	–	–	(3,340)	-	(204)	(3,544)
Actuarial gains/(losses) on defined benefit pension scheme	–	–	–	–	(1,896)	–	(1,896)
Deferred tax effect	–	–	–	–	474	–	474
Tax on items taken directly to equity	–	–	–	–	348	–	348
Dividends paid	–	–	–	–	(1,197)	(148)	(1,345)
Profit for the year	–	–	–	–	5,037	85	5,122
At 30 September 2023	802	157	335	1,725	55,916	1,382	60,317
Share repurchase	(29)	–	29	–	(1,776)	–	(1,776)
Exchange differences on translation of foreign operations	–	–	–	(1,300)	–	(11)	(1,311)
Actuarial gains/(losses) on defined benefit pension scheme	–	–	–	–	1,280	–	1,280
Deferred tax effect	–	–	–	–	(320)	–	(320)
Tax on items taken directly to equity	–	–	–	–	555	–	555
Dividends paid	–	–	–	–	(1,269)	(147)	(1,416)
Acquisition of remaining shareholding of existing subsidiary undertaking	–	–	–	–	(721)	(767)	(1,488)
Profit for the year	–	–	–	–	5,227	233	5,460
At 30 September 2024	**773**	**157**	**364**	**425**	**58,892**	**690**	**61,301**

For the year ended 30 September 2024 Continuing operations	Notes	2024 £(000)	2023 £(000)
Cash flows from operating activities			
Operating profit		8,121	7,750
Depreciation, amortisation and impairments		1,846	1,090
Right-of-use asset depreciation	22	758	605
Contributions to pension scheme, net of administration fee		(3,810)	(1,634)
Exchange adjustments		(274)	(878)
(Profit)/loss on disposal of property, plant and equipment		(56)	(4)
		6,585	6,929
(Increase)/decrease in inventories		371	(406)
(Increase)/decrease in trade and other receivables		(2,273)	2,136
Increase/(decrease) in trade and other payables		1,429	(884)
Increase/(decrease) in provisions		21	(186)
Cash generated from operations		6,133	7,589
Interest paid		(1)	(1)
Tax paid		(2,487)	(1,218)
Interest and tax paid		(2,488)	(1,219)
Net cash from operating activities		3,645	6,370
Cash flows from investing activities			
Acquisition of remaining shareholding of existing subsidiary undertaking		(1,488)	-
Proceeds from sale of property, plant and equipment		69	67
Purchase of property, plant and equipment		(928)	(830)
Development costs capitalised		(375)	(384)
Interest received		649	494
Net cash generated from/(used in) investing activities		(2,073)	(653)
Cash flows from financing activities			
Dividends paid	9	(1,416)	(1,345)
Repayment of lease liabilities including interest	22	(856)	(688)
Purchase of own shares		(1,776)	(375)
Net cash used in financing activities		(4,048)	(2,408)
Net increase/(decrease) in cash and cash equivalents		(2,476)	3,309
Cash and cash equivalents at beginning of year	16	24,374	21,764
Exchange adjustments on cash and cash equivalents		(338)	(699)
Cash and cash equivalents at end of year	16	21,560	24,374

Note 1 Accounting policies

Basis of preparation Dewhurst Group Plc prepares its consolidated and Company financial statements on a going concern basis and in accordance with UK-adopted International Accounting Standards (IFRSs). The Group and Company financial statements have been prepared in accordance with those parts of the Companies Act 2006 that are applicable to companies adopting IFRS. The Company is registered and incorporated in the United Kingdom and quoted on AIM.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated. The results have been prepared on the basis of all IFRS issued by the International Accounting Standards Board currently effective.

There are no standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions. There are no IFRS or IFRIC interpretations that are effective for the first time in this financial year that would have a material impact on the Group.

The financial statements have been prepared under the historical cost convention and are presented in GB Pounds to the nearest thousand (£'000).

Consolidation The consolidated financial statements incorporate the results of Dewhurst Group Plc and all of its subsidiary undertakings made up to 30 September 2024, adjusted to eliminate intra-group balances, transactions, income and expenses. The Group has used the acquisition method of accounting to consolidate the results of subsidiary undertakings, which are included from the date of acquisition.

Revenue Revenue is measured at the fair value of sales of goods and services less returns and sales taxes. The Group has analysed its business activities and applied the five-step model prescribed by IFRS 15 to each material line of business, as outlined below:

Sale of products The contract to provide a product is established when the customer places a purchase order. The performance obligation is to provide the product requested by an agreed date, and the transaction price is the value of the product as stated in our order acknowledgement. The performance obligation is typically met when the product is dispatched and so revenue is primarily recognised for each product when dispatching takes place. In some limited situations when the product is complete but the customer is unable to take delivery, the performance obligation is met when the customer formally accepts transfer of risk and control even though the product has not been dispatched.

Sale of services The contract to provide a service is established when the customer places a purchase order. The performance obligation is to provide the service requested either by an agreed date if it relates to the servicing of a specific product or over an agreed period if it relates to a constant access or monitoring service. The transaction price is the value of the service as stated in our order acknowledgement. The performance obligation for a specific product service is typically met when the service is performed and so revenue is recognised for each service when the servicing takes place. The performance obligation for a constant access or monitoring service is typically met over a time-based measure and so revenue is recognised for each service on a straight-line basis over the service period.

The Group has no material revenue of a servicing nature. The Group's revenue is from contracts with customers and by sale of products which is further analysed within note 2 - segment reporting.

Customer loyalty rebates The cost of customer loyalty rebates is recognised within sales, with deferred revenue equal to the estimated fair value of the loyalty rebate recognised when the original transaction occurs. On redemption, the value which has been redeemed is released from deferred revenue.

Government grants The Group has received government assistance income in the period as a result of apprenticeships. Government grants are recognised where there is reasonable assurance that the grant will be received and that the group will comply with the conditions attached to them. Government grants that compensate the Group for expenses incurred are recognised in the income statement, as a deduction against the related expense, over the periods necessary to match them with the related costs.

Goodwill Goodwill arising on the acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired and is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in the income statement and is not subsequently reversed. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. Goodwill arising on acquisitions before the date of transition to IFRS has been retained at the previous UK GAAP amount subject to being tested for impairment at that date.

Other intangible assets
Product research and development costs
Research expenditure is written off in the financial year in which it is incurred. Development expenditure is written off in the financial year in which it is incurred unless it satisfies the criteria of IAS 38 for recognition as an intangible asset. Such expenditure is capitalised in the consolidated statement of financial position at cost and is amortised through the consolidated income statement on a straight-line basis over its estimated economic life of three years.

Acquired intangible assets An intangible resource acquired with a subsidiary undertaking is recognised as an intangible asset if it is separable from the acquired business or arises from contractual or legal rights, is expected to generate future economic benefits and its fair value can be measured reliably. Acquired intangible assets, comprising of trademarks and customer relationships, are amortised through the consolidated income statement on a straight-line basis over their estimated economic lives of between three and ten years.

Property, plant and equipment Property, plant and equipment is stated at cost or deemed cost less accumulated depreciation and any recognised impairment loss. Depreciation is charged so as to write off the cost over the assets expected useful life. The depreciation rates used are:

Property (basic structure)
- 1½% - on a declining balance basis

Property (fittings)
- 5% to 20% - on a straight-line basis

Plant and equipment
- 10% to 33⅓% - on a straight-line basis

Investments in subsidiaries In the accounts of the Company, investments in subsidiaries are held as non-current assets and stated at cost less provision for impairment.

Inventories Inventories are stated at the lower of weighted average cost and net realisable value. Cost represents direct materials, labour and appropriate production overheads on a product-by-product basis. The Group provides 30% where there is more than one year's usage held and for all inventories where there is no usage in the year. Usage is either units sold or units used as components in manufacturing.

Taxation The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from the net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current tax is charged or credited to the income statement, except when it relates to items charged to other comprehensive income (OCI), in which case the current tax is also dealt within the OCI. As such the current tax savings arising from the OCI element of the closed defined benefit pension scheme deficit contributions are also recognised in the OCI as required by IAS 12.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the end of the reporting period liability method. Deferred tax liabilities are generally recognised for all material taxable temporary differences and deferred tax assets are only recognised to the extent that taxable profits will be available against which deductible temporary differences can be utilised. A deferred tax liability has been recognised in relation to the pension scheme surplus.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based upon tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited through other comprehensive income, in which case the deferred tax is also dealt with through other comprehensive income.

Foreign currencies Foreign currency transactions of individual companies are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are retranslated at the rates ruling at the end of the reporting period. Any differences are taken to the income statement.

The results of overseas operations are translated at the average rates of exchange during the year and their statement of financial positions translated into GB Pounds at the rates of exchange ruling at the end of the reporting period. Exchange differences which arise from translation of the opening net assets and results of foreign subsidiary undertakings and from translating the income statement at an average rate are taken to other comprehensive income. All other differences are taken to the income statement.

The treatment of tax charges or credits resulting from the exchange differences reported above match the accounting treatment and are either taken to other comprehensive income or to the income statement as appropriate.

Leases The Group recognises a right-of-use asset and a lease liability 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 an estimate of costs to restore the underlying asset, 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.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made. The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or a rate or a change in the Group's assessment of whether it will exercise an extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the right-of-use asset.

Payments associated with long-term leases with less than 12 months from the date of application, short-term leases or low-value assets are recognised on a straight-line basis as an expense in the consolidated income statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets mostly comprise of IT equipment and small items of office furniture.

Employee benefits The Group operates both a defined contribution and a defined benefit type pension scheme. Contributions in respect of the defined contribution schemes are charged to the income statement in the year they fall due. The defined benefit scheme has been set up under a trust deed with its financial assets held separately from those of the Group and is controlled by the Trustees. The pension cost is assessed in accordance with the advice of an independent qualified actuary to recognise the expected cost of providing pensions on a systematic and rational basis over the expected remaining service lives of employees.

The liability recognised in the statement of financial position in respect of the defined benefit pension scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of scheme assets, together with adjustments for unrecognised actuarial gains and losses and past service costs. The defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds approximating to the terms of the related pension liability.

Actuarial gains and losses are recognised in full in the statement of comprehensive income. Interest on the pension scheme's liabilities and the expected return on the scheme's assets are recognised within finance costs in the income statement.

Dividends Dividend distribution to the Company's Shareholders is recognised in the Group's financial statements in the year in which dividends are approved by Shareholders or paid, whichever is earlier.

Financial instruments

Trade receivables and payables Trade receivables do not carry any interest and trade payables are not interest bearing. Receipts and payments occur over a short period and are subject to an insignificant risk of changes in value. The Group provides for all trade receivables that are more than ninety days overdue therefore the Directors consider the carrying amounts are stated at their fair value after deduction of appropriate allowances for expected credit losses.

Financial liabilities Financial liabilities incurred by the Group are classified according to the substance of the contractual arrangements entered into and measured at their amortised cost.

Cash and cash equivalents Cash and cash equivalents comprise cash on hand and short-term deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The short-term deposits have maturities of three months or less.

Derivative financial instruments Derivative financial instruments are measured at fair value. Changes in the fair value of derivative financial instruments are recognised as income or expense in the statement of comprehensive income as they arise.

Provisions Provisions are recognised for liabilities of uncertain timing or amount when there is a present legal or constructive obligation that has arisen as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the obligation and where the amount of the obligation can be reliably estimated (see notes 15 and 18).

Key judgements and estimates The Group makes judgements and assumptions concerning the future that impact the application of policies and reported amounts. The resulting accounting estimates calculated using these judgements and assumptions will, by definition, seldom equal the related actual results but are based on historical experience and expectation of future events. The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are discussed below.

Key accounting judgements

Goodwill impairment The Directors review each cash generating unit (CGU) and calculate whether its goodwill has suffered any impairment loss, based upon the fair value calculation. The Directors judged the 2024 fair value calculation to be the 2024 EBITDA multiplied by an externally derived private company price index (PCPI). This calculation is disclosed further in note 10.

Retirement benefit obligation Determining the value of the future defined benefit obligation requires judgement in respect of the assumptions used to calculate present values. These include inflation, salary increases, liability discount rate and future mortality. Management makes these judgements in consultation with an independent actuary. Details of the judgements made in calculating these transactions are disclosed in note 21, along with sensitivities. The retirement benefit obligation is most sensitive to changes in the liability discount rate.

Key accounting estimates

Provisions Provisions have been made for obsolete inventory, expected credit losses and product warranties. These provisions are estimates and the actual costs and timing of the future cash flows are dependent on future events. Any difference between expectations and the actual future liability will be accounted for in the period when such determination is made. Details of provisions are set out in notes 12, 14, 15 and 18.

Lease term and incremental borrowing rate
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised. The Group is also required to determine its incremental borrowing rate (IBR) to measure lease liabilities. Judgement is applied based on a series of inputs including local bank borrowing rates, country-specific base rates and credit risk assessments of the entities involved.

Income taxes The Group recognises expected liabilities for tax based upon an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. The Directors determined an element of the closed defined benefit pension scheme payment could give rise to a potential current tax saving which under IAS 12 is reportable in the other comprehensive income (OCI) section of the income statement. The Directors judged the best way to calculate this is to perform two tax computations, with and without the OCI element, thus determining the tax difference to be the OCI tax saving. Details of the tax charge and deferred tax are set out in notes 7 and 19 respectively.

Note 2 Segment reporting

The Group Board assess the performance of all segments on the basis of location and reports its primary segmental information by geographical destination.

The geographical analysis by significant regions is as follows:

	Revenue 2024 £(000)	Revenue 2023 £(000)	Operating profit 2024 £(000)	Operating profit 2023 £(000)
United Kingdom	**22,223**	20,773	**2,135**	2,586
Europe	**3,433**	2,445	**321**	(155)
The Americas	**16,879**	16,972	**2,625**	2,623
Asia & Australia	**28,003**	21,967	**2,999**	2,681
Other	**300**	107	**41**	15
	70,838	62,264	**8,121**	7,750
Inter-company sales	**(6,435)**	(4,302)		
Finance income/(costs)			**528**	338
Consolidated revenue/profit before tax for the year	**64,403**	57,962	**8,649**	8,088

	Assets 2024 £(000)	Assets 2023 £(000)	Liabilities 2024 £(000)	Liabilities 2023 £(000)
United Kingdom	**26,460**	26,824	**4,233**	5,653
Europe	**6,023**	4,340	**603**	602
The Americas	**17,005**	18,344	**1,921**	2,411
Asia & Australia	**22,820**	22,878	**5,007**	3,691
Other	**830**	335	**73**	47
Consolidated assets/liabilities for the year	**73,138**	72,721	**11,837**	12,404

	Capital additions 2024 £(000)	Capital additions 2023 £(000)	Depreciation and amortisation 2024 £(000)	Depreciation and amortisation 2023 £(000)
United Kingdom	**332**	607	**765**	583
Europe	**31**	44	**75**	59
The Americas	**230**	422	**422**	394
Asia & Australia	**1,213**	812	**1,324**	655
Other	**4**	3	**10**	4
Total Group	**1,810**	1,888	**2,596**	1,695

The secondary segmental reporting is by the following business sectors:

Sector	Revenue 2024 £(000)	Revenue 2023 £(000)
Lift	**61,044**	54,069
Transport	**4,840**	4,539
Keypad	**4,954**	3,656
	70,838	62,264
Inter-company sales	**(6,435)**	(4,302)
	64,403	57,962

	Assets 2024 £(000)	Assets 2023 £(000)	Capital additions 2024 £(000)	Capital additions 2023 £(000)
Lift	**65,504**	66,477	**1,764**	1,650
Transport	**3,694**	3,255	**32**	196
Keypad	**3,940**	2,989	**14**	42
Total Group	**73,138**	72,721	**1,810**	1,888

The Group has one major customer who accounts for £3.2 million (2023: £2.4 million) of the keypad revenue which is split across Europe, Asia and the Americas. The qualitative aspects such as the nature, timing and uncertainty of revenue, expenses, assets and liabilities are disclosed within the Strategic report and accounting policies.

Note 3 Operating costs

	2024 £(000)	2023 £(000)
Movement in inventory obsolescence provision	**(47)**	31
Cost of inventories recognised as an expense	**27,942**	25,875
Staff costs (see note 4)	**19,951**	17,823
Depreciation	**1,093**	1,079
Amortisation and impairment	**752**	11
Right-of-use asset depreciation	**758**	605
Foreign exchange differences	**105**	65
Other operating charges	**5,728**	4,723
Operating costs	**56,282**	50,212

Other operating charges include a gain on sale of property, plant and equipment £56k (2023: gain of £4k) and auditor's remuneration are detailed below. Expenditure on research and development was £462k (2023: £360k).

Auditor's remuneration:

Amounts paid to Gravita Audit Ltd	The Group 2024 £(000)	The Group 2023 £(000)	The Company 2024 £(000)	The Company 2023 £(000)
Statutory audit services	**91**	90	**38**	36

Note 4 Staff costs and information regarding employees

Costs during the year were as follows:

	The Group 2024 £(000)	The Group 2023 £(000)	The Company 2024 £(000)	The Company 2023 £(000)
Wages and salaries	**17,794**	15,858	**1,864**	1,611
Social security costs	**1,160**	1,082	**207**	183
Pension costs – Other (see note 21)	**997**	883	**69**	88
	19,951	17,823	**2,140**	1,882

The average number of employees during the year was:

	The Group 2024 No.	The Group 2023 No.	The Company 2024 No.	The Company 2023 No.
Office and management	**153**	134	**21**	21
Manufacturing	**197**	204	**–**	–
	350	338	**21**	21

The Executive Directors comprise the key management personnel of the Group and Company in both the current and previous years.

The total amount of the Directors' remuneration was as follows:

	2024 £(000)	2023 £(000)
Emoluments - Executive Directors	**802**	593
Emoluments - Non-executive Directors	**193**	165
	995	758

Three Directors also received pension payments into their defined contribution schemes totalling £19k (2023: £16k).

The emoluments of the Directors are reported in the Directors' report and the remuneration of the highest paid Director during the year was £392k (2023: £300k). The highest paid Director, under the defined benefit scheme has accrued pension of £nil (2023: £nil).

Note 5 Finance income

	2024 £(000)	2023 £(000)
Bank deposit interest	**649**	494

Note 6 Finance costs

	2024 £(000)	2023 £(000)
Interest payable on bank overdraft and loans	**(1)**	(1)
Interest payable on lease liabilities	**(107)**	(103)
Net costs on defined benefit pension scheme (note 21)	**(13)**	(52)
	(121)	(156)

Note 7 Taxation

Current tax	2024 £(000)	2023 £(000)
UK corporation tax at 25.0% (2023: 22.0%)	**981**	740
Adjustment on prior years tax	**(36)**	345
Overseas taxation	**1,871**	1,341
	2,816	2,426
Deferred tax		
Origination and reversal of temporary differences	**375**	540
Adjustment in respect of prior periods	**(2)**	–
Tax expense in the income statement	**3,189**	2,966

The tax assessed for the year is different from the standard rate of corporation tax in the UK. The differences are explained below:

	2024 £(000)	2023 £(000)
Profit before tax	**8,649**	8,088
Standard rate of corporation tax in the UK	**25.0%**	22.0%
Effects of:		
Adjustments in respect of prior years	**(0.4%)**	4.3%
Different rate of tax on overseas earnings	**1.4%**	3.6%
Overseas withholding tax	**1.0%**	1.1%
Expenses not deductible for tax purposes	**4.9%**	0.7%
Income not taxable	**0.6%**	–
Other permanent differences	**0.2%**	0.1%
Tax charged to other comprehensive income	**0.3%**	5.0%
Movement in deferred tax rates	**(0.1%)**	(0.1%)
Movement in defined benefit scheme	**3.7%**	–
Adjustments to brought forward values	**0.3%**	–
Effective tax rate for the year	**36.9%**	36.7%

Note 8 Profit for the financial year

The parent company made a profit after tax for the financial year of £5,667k (2023: £7,421k), which has been dealt with in the financial statements of the holding company. The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own income statement in these financial statements.

Note 9 Earnings per share and dividend per share

Weighted average number of shares	2024 No.	2023 No.
For basic and diluted earnings per share	7,850,393	8,065,945

The calculation of basic and diluted earnings per share is based on the profit for the year attributable to equity shareholders of £5,227,166 (2023: £5,036,780) and on the weighted average number of Ordinary 10p and 'A' non-voting ordinary 10p shares in issue throughout the financial year, as disclosed above. There are no share options issued.

Paid dividends per 10p Ordinary share	2024 £(000)	2023 £(000)
2023 final paid of 11.00p (2022: 10.25p)	(882)	(828)
2024 interim paid of 5.00p (2023: 4.75p)	(387)	(369)
Dividends paid – The Company	(1,269)	(1,197)
Dividends paid to non-controlling interests – Dual Engraving Pty Ltd & P&R Liftcars Pty Ltd	(147)	(148)
Dividends paid – The Group	(1,416)	(1,345)

The final proposed dividend is based on 3,309,200 Ordinary 10p shares and 4,425,518 'A' non-voting ordinary 10p shares, being the latest number of shares in issue. The Directors are proposing a final dividend of 11.50p (2023: 11.00p) per share, totalling £889k (2023: £882k). This dividend has not been accrued at the end of the reporting period.

Note 10 Goodwill

	2024 £(000)	2023 £(000)
Cost:		
At 1 October	16,283	17,244
Exchange adjustment	(213)	(961)
Disposals	(493)	-
At 30 September	15,577	16,283
Impairment:		
At 1 October	6,767	7,139
Exchange adjustment	(150)	(372)
Disposals	(493)	-
At 30 September	6,124	6,767
Net book value:		
At 30 September 2024	9,453	9,516
At 30 September 2023	9,516	10,105

Goodwill is allocated at acquisition to the business units that are expected to benefit from that acquisition.

The remaining goodwill relates to five CGUs, four in Australia, Australian Lift Components Pty Ltd acquired in February 2000 - £1,062k (2023: £1,079k), Lift Material Australia Pty Ltd acquired in July 2005 - £757k (2023: £769k), Dual Engraving Pty Ltd acquired in February 2013 - £1,181k (2023: £1,199k), P&R Liftcars Pty Ltd acquired in January 2017 - £1,033k (2023: £1,049k) and one in the UK, A&A Electrical Distributors Ltd acquired in June 2018 - £5,420k (2023: £5,420k).

Goodwill values have been tested for impairment by comparing them against the fair value of the relevant CGUs. The fair value calculations for 2024 are based on 2024 EBITDA profits multiplied by an externally derived private company price index (PCPI). The goodwill impairment charge that arose during the current year is nil (2023: nil) and the calculations indicate sufficient headroom such that a 15% change to key assumptions would not result in an impairment of the related goodwill.

Note 11 Other intangibles

	2024 Acquired intangibles £(000)	2024 Other £(000)	2024 Total £(000)	2023 Acquired intangibles £(000)	2023 Other £(000)	2023 Total £(000)
Cost:						
At 1 October	5,837	1,023	6,860	5,957	651	6,608
Exchange adjustment	(13)	(14)	(27)	(120)	(11)	(131)
Additions	–	375	375	–	384	384
Disposals	–	-	-	–	(1)	(1)
At 30 September	5,824	1,384	7,208	5,837	1,023	6,860
Amortisation and impairment:						
At 1 October	5,837	634	6,471	5,957	632	6,589
Exchange adjustment	(13)	(10)	(23)	(120)	(9)	(129)
Charge for the year	–	212	212	–	11	11
Impairment	–	540	540	–	–	–
At 30 September	5,824	1,376	7,200	5,837	634	6,471
Net book value:						
At 30 September 2024	–	8	8	–	389	389
At 30 September 2023	–	389	389	–	19	19

All amortisation has been charged to the statement of comprehensive income through operating costs and no intangible items are held as security.

Capital commitments contracted by the Group at 30 September 2024 for intangibles amounted to £nil (2023: £375k) and by the Company is £nil (2023: £375k).

Note 12 Property, plant and equipment

	Property £(000)	Plant and equipment £(000)	The Group Total £(000)	Property £(000)	Plant and equipment £(000)	The Company Total £(000)
Cost:						
At 30 September 2022	18,194	11,830	30,024	6,288	185	6,473
Exchange adjustment	(1,292)	(686)	(1,978)	–	–	–
Additions	174	656	830	42	3	45
Disposals	–	(347)	(347)	–	–	–
At 30 September 2023	17,076	11,453	28,529	6,330	188	6,518
Exchange adjustment	(654)	(287)	(941)	–	–	–
Additions	98	830	928	–	13	13
Disposals	–	(199)	(199)	–	–	–
At 30 September 2024	16,520	11,797	28,317	6,330	201	6,531
Depreciation:						
At 30 September 2022	2,303	8,574	10,877	1,267	137	1,404
Exchange adjustment	(119)	(467)	(586)	–	–	–
Depreciation charge for the year	228	851	1,079	75	18	93
Disposals	–	(284)	(284)	–	–	–
At 30 September 2023	2,412	8,674	11,086	1,342	155	1,497
Exchange adjustment	(37)	(219)	(256)	–	–	–
Depreciation charge for the year	238	855	1,093	78	19	97
Disposals	–	(186)	(186)	–	–	–
At 30 September 2024	2,613	9,124	11,737	1,420	174	1,594
Net book value:						
At 30 September 2024	13,907	2,673	16,580	4,910	27	4,937
At 30 September 2023	14,664	2,779	17,443	4,988	33	5,021
At 1 October 2022	15,891	3,256	19,147	5,021	48	5,069

Capital commitments contracted by the Group at 30 September 2024 for property, plant and equipment amounted to £70k (2023: £59k) and by the Company is £7k (2023: £nil).

Note 13 Investments – shares in subsidiary undertakings

The Company Investments (Ordinary shares) are:	2024 £(000)	2023 £(000)
Cost	23,842	22,354
Provision for impairment	(7,002)	(7,002)
	16,840	15,352

On 21 February 2024, the Company acquired the remaining 25% of shares of P&R Liftcars Pty Ltd not already owned by the Company, for cash consideration of £1.5m.

The Company has thirteen wholly-owned trading subsidiaries, Dewhurst Ltd, A&A Electrical Distributors Ltd and Traffic Management Products Ltd (TMP), registered and principally operating in England, Dewhurst (Hungary) Kft, registered and principally operating in Hungary, Dupar Controls Inc., registered and principally operating in Canada, The Fixture Company and Elevator Research & Manufacturing Corp. (ERM) registered and principally operating in the United States of America, Australian Lift Components Pty Ltd, Lift Material Australia Pty Ltd, P&R Liftcars Pty Ltd and Dewhurst Australian Property Pty Ltd, all registered and principally operating in Australia, Dewhurst (Hong Kong) Ltd registered and principally operating in Hong Kong and Dewhurst Singapore Pte Ltd registered and principally operating in Singapore. Dual Engraving Pty Ltd principally operating in Australia is not wholly owned but instead owned 70%. All companies have similar principal activities to Dewhurst Group Plc, except TMP which operates solely in the transport sector and Dewhurst Australian Property Pty Ltd, which operates solely to hold Australian Lift Components Pty Ltd's and Lift Material Australia Pty Ltd's properties.

In addition to the trading companies above the following dormant companies are also subsidiaries of the Group - Dewhurst & Partner Ltd, Dewhurst Hounslow Property Ltd, LiftStore Ltd, TMP Solutions Ltd & Dewhurst UK Ltd.

Note 14 Inventories

	The Group 2024 £(000)	The Group 2023 £(000)	The Company 2024 £(000)	The Company 2023 £(000)
Raw materials and components	1,812	2,119		–
Work-in-progress	731	1,018	–	–
Finished goods and goods for re-sale	5,423	5,200	–	–
	7,966	8,337	–	–

Inventory above is shown net after an obsolete impairment provision of £1,581k (2023: £1,628k). There is no material difference between the replacement cost of inventories and the amounts stated above.

Note 15 Trade and other receivables

	The Group 2024 £(000)	The Group 2023 £(000)	The Company 2024 £(000)	The Company 2023 £(000)
Trade receivables	11,650	9,530	40	1
Amounts due from subsidiary undertakings (note 23)	–	–	2,120	592
Other receivables	71	72	47	21
Prepayments and accrued income	734	580	42	37
	12,455	10,182	2,249	651

Trade receivables which relate solely to contracts with customers are shown net of provision for impairment. Financial assets included above amount to £11,767k (2023: £9,688k) for the Group and £2,160k (2023: £596k) for the Company. The movements in the provision for impairment of trade receivables were as follows:

	The Group 2024 £(000)	The Group 2023 £(000)	The Company 2024 £(000)	The Company 2023 £(000)
At 1 October	198	267	–	–
Charge for the year	77	(62)	–	–
Foreign exchange	(4)	(16)	–	–
Costs recovered/(incurred)	(22)	9	–	–
At 30 September	249	198	–	–

At the end of the reporting period the ageing analysis of trade receivables, with normal terms being 30 days net monthly, not provided for was as follows:

	Total £(000)	Within terms £(000)	Up to 1 month overdue £(000)	Up to 2 months overdue £(000)	Over 2 months overdue £(000)
As at 30 September 2024	**11,650**	**8,551**	**2,573**	**478**	**48**
As at 30 September 2023	9,530	7,814	1,485	267	(36)

Note 16 Cash and cash equivalents

	The Group 2024 £(000)	The Group 2023 £(000)	The Company 2024 £(000)	The Company 2023 £(000)
Cash	**14,810**	10,374	**5,323**	1,497
Short-term deposits	**6,750**	14,000	**6,750**	14,000
	21,560	24,374	**12,073**	15,497

Note 17 Trade and other payables

	The Group 2024 £(000)	The Group 2023 £(000)	The Company 2024 £(000)	The Company 2023 £(000)
Trade payables	**2,181**	1,897	**75**	35
Other taxes and social security costs	**770**	752	**45**	39
Other payables	**287**	193	**11**	18
Accruals and deferred income	**5,090**	4,057	**729**	548
	8,328	6,899	**860**	640

The Directors consider that the carrying amount of trade and other payables approximates to their fair value. Financial liabilities included above amount to £7,411k (2023: £6,068k) for the Group and £799k (2023: £587k) for the Company.

Note 18 Short-term provisions

	The Group 2024 £(000)	The Group 2023 £(000)	The Company 2024 £(000)	The Company 2023 £(000)
Warranty provisions	**179**	158	**–**	–

Warranties, which relate to product or service defects identified within 12 months of invoice, are provided in the normal course of business based on current issues and are costed on an assessment of future claims with reference to past claims. The provision is in relation to replacement and change-out costs and although it is not possible to estimate the timing of crystallisation of the potential liability it is expected that it will be utilised during the coming year. Amounts charged to the Group income statement during the year were £56k (2023: £(142k)). Amounts utilised by the Group in the year were £52k (2023: £26k). There were no amounts charged or utilised this year or last year by the Company.

Note 19 Deferred taxation

Deferred tax asset/(liability):	The Group 2024 £(000)	The Group 2023 £(000)	The Company 2024 £(000)	The Company 2023 £(000)
At 1 October	**54**	118	**283**	252
Transfer directly (to)/from other comprehensive income	**(320)**	474	**(320)**	474
Foreign exchange on deferred tax	**37**	2	**–**	–
Transfer (to)/from income statement	**(373)**	(540)	**(533)**	(443)
At 30 September	**(602)**	54	**(570)**	283

Deferred tax at 30 September relates to the following:	The Group 2024 £(000)	The Group 2023 £(000)	The Company 2024 £(000)	The Company 2023 £(000)
Defined benefit pension scheme	**(741)**	528	**(741)**	528
Provisions	**139**	(474)	**171**	(245)
Deferred tax asset/(liability)	**(602)**	54	**(570)**	283

Note 20 Share capital

Authorised:	2024 £(000)	2023 £(000)
Shares of 10p each – 4,500,000 Ordinary	**450**	450
– 9,000,000 ‘A’ non-voting ordinary	**900**	900
	1,350	1,350

Allotted and fully paid:	2024 £(000)	2023 £(000)
Shares of 10p each – 3,309,200 (2023: 3,309,200) Ordinary	**331**	331
– 4,425,518 (2023: 4,712,198) ‘A’ non-voting ordinary	**442**	471
	773	802

The Ordinary shares and the ‘A’ non-voting ordinary shares rank in all respects pari passu except that the ‘A’ non-voting ordinary shares do not carry the right to receive notices, attend or vote at meetings of the Company.

The share premium reserve arose when shares were issued and sold at above the par value, the capital redemption reserve was created on the repurchase and cancellation of the Company’s own shares and the translation reserve represents the cumulative foreign exchange differences on the translation of the net assets of the Group’s foreign operations from their functional currency to the presentation currency of the parent.

Note 21 Retirement benefit obligation

The Group operates pension schemes in the UK, Canada, USA, Australia, Hong Kong and Singapore, and also complies with Hungarian state legislation in relation to retirement provision. During the year the UK operated both defined contribution schemes, the assets of which are held in independently administered funds, and a defined benefit scheme, the assets of which are held in Trustee administered funds. The total pension cost for the Group was £997k (2023: £883k). All, apart from £1k (2023: £20k) of defined benefit pension protection fund levy fees relates to defined contribution schemes. The active UK, Hungarian, Canadian, USA, Australian, Hong Kong and Singapore schemes are of the defined contribution type and the cost to the Group amounted to £996k (2023: £863k). There was an accrued charge of £5k at the end of the reporting period in respect of the defined benefit scheme (2023: £13k). On 30 September 2010 the Company closed the defined benefit scheme to future accrual and offered all existing members future pension benefits in a new Group defined contribution scheme. There were contributions during the year of £3,904k into the defined benefit scheme (2023: £1,638k) and the contributions for next year will be £3,904k. The funding policy is to review triennially the funding position with the actuary and from that review the trustees, Company and actuary agree the funding arrangements for the next three years.

The pension cost relating to the UK defined benefit scheme is assessed in accordance with the advice of qualified actuaries using the new scheme specific funding regime. The latest actuarial valuation of the scheme was on 1 June 2021. It has been assumed that future investment yields would be at 3.3% per annum (pre-retirement) and 1.8% (post-retirement).

At the date of the latest actuarial valuation of the UK scheme, the market value of the assets of the scheme were £47.8 million (2018: £37.4 million) and the funding level on the on-going valuation basis was 90% (2018: 78%). The 2021 actuarial valuation takes account of secured pensioners when assessing the assets and liabilities of the fund. All the recommendations made by the scheme's actuary to eliminate the scheme deficit have been fully implemented.

IAS 19 Employee benefits

Under IAS 19 a snapshot is taken of the retirement benefit fund assets and liabilities to coincide with the Company's financial year-end. Thus movements in equity and bond markets and in discount rates may create some volatility in the calculation of the scheme assets and liabilities. The weighted average duration of the liabilities is 12 years and payments from the scheme assets are made on a monthly basis.

Assumptions

The following actuarial assumptions, updated to 30 September 2024 by the scheme actuary and taking account of Covid-19, have been used in preparing the disclosures required under IAS 19:

		2024	2023
Retail price index expected to rise by		3.15%	3.35%
Pensionable salaries will increase by		n/a	n/a
Deferred pensions and pensions in payment will increase by		3.15%	3.35%
Liabilities discounted at a rate of		4.95%	5.50%
Expected return on pension scheme assets		4.95%	5.50%
Expected lifetime for a member retiring at the accounting date	– for males	21.8 yrs	21.9 yrs
	– for females	24.2 yrs	24.4 yrs
Future expected lifetime for a member retiring in 20 years' time	– for males	22.7 yrs	23.1 yrs
	– for females	25.3 yrs	25.8 yrs

The sensitivities regarding the principal assumptions used are set out below:

Assumption	Change in assumption	Impact on plan liabilities
Liability Discount Rate	Increase/decrease by 0.5%	Decrease/increase by 5.9%
Rate of inflation (RPI)	Increase/decrease by 0.5%	Increase/decrease by 2.4%
Rate of mortality	Increase/decrease by 1 year	Increase/decrease by 2.8%

IAS 19 requires the value of annuities purchased in respect of pensioners and widow(er)s to be taken into current year calculations.

	Fair value at 30 Sept 2024 £(000)	Fair value at 30 Sept 2023 £(000)	Fair value at 30 Sept 2022 £(000)
Equities	23,126	21,615	21,819
Bonds	12,602	7,117	9,732
Other	2,376	2,664	1,839
Total fair value of scheme assets	38,104	31,396	33,390
Present value of scheme liabilities	(35,139)	(33,508)	(35,188)
Scheme surplus/(deficit)	2,965	(2,112)	(1,798)
Related deferred tax asset/(liability)	(741)	528	450
Net pension asset/(liability)	**2,224**	**(1,584)**	**(1,348)**

Amounts charged to other finance costs:

	2024 £(000)	2023 £(000)	2022 £(000)
Interest on pension scheme assets	1,794	1,758	1,002
Interest on pension scheme liabilities	(1,807)	(1,810)	(1,087)
Net benefit/(cost)	**(13)**	**(52)**	**(85)**

Amounts recognised in the statement of comprehensive income (SOCI):

	2024 £(000)	2023 £(000)	2022 £(000)
Experience gains and losses arising on the scheme assets	2,421	(3,958)	(16,506)
Experience gains and losses arising on the scheme liabilities	327	(261)	(336)
Changes in assumptions underlying the present value of the scheme liabilities	(1,468)	2,323	18,729
Actuarial gains/(losses) recognised in SOCI	**1,280**	**(1,896)**	**1,887**

History of experience gains and losses:

	2024 £(000)	2023 £(000)	2022 £(000)
Experience gains and losses arising on the scheme assets	2,421	(3,958)	(16,506)
Percentage of scheme assets	6.4%	(12.6%)	(49.4%)
Experience gains and losses on scheme liabilities	327	(261)	(336)
Percentage of the present value of scheme liabilities	(0.9%)	0.8%	1.0%
Total amount recognised in SOCI	1,280	(1,896)	1,887
Percentage of the present value of scheme liabilities	(3.6%)	5.7%	(5.4%)

Note 21 Retirement benefit obligation continued

The movement in the scheme assets, liabilities and the net deficit are as follows:

	2024 Assets £(000)	2024 Liabilities £(000)	2024 Total £(000)	2023 Total £(000)	2022 Total £(000)
Deficit in scheme at 1 October	31,396	(33,508)	(2,112)	(1,798)	(4,737)
Movement in the year:					
Benefits paid	(1,317)	1,317	–	–	–
Contributions	3,904	–	3,904	1,638	1,170
Administration charge	(94)	–	(94)	(4)	(33)
Other finance costs	1,794	(1,807)	(13)	(52)	(85)
Actuarial gains/(losses)	2,421	(1,141)	1,280	(1,896)	1,887
Surplus/(deficit) in scheme at 30 September	38,104	(35,139)	2,965	(2,112)	(1,798)

Included in retained earnings is £11,653k (2023: £12,933k) being the cumulative actuarial losses on the defined benefit pension scheme.

Note 22 Right-of-use assets and lease liabilities

Right-of-use assets	Property £(000)	Plant and equipment £(000)	2024 Total £(000)	Property £(000)	Plant and equipment £(000)	2023 Total £(000)
Cost:						
At 30 September 2023	4,161	128	4,289	3,718	118	3,836
Exchange adjustment	(52)	1	(51)	(190)	–	(190)
Additions	477	30	507	633	41	674
Disposals	–	–	–	–	(31)	(31)
At 30 September 2024	4,586	159	4,745	4,161	128	4,289
Depreciation:						
At 30 September 2023	1,806	57	1,863	1,310	53	1,363
Exchange adjustment	(27)	–	(27)	(76)	–	(76)
Charge for the year	714	44	758	572	33	605
Disposals	–	–	–	–	(29)	(29)
At 30 September 2024	2,493	101	2,594	1,806	57	1,863
Net book value:						
At 30 September 2024	2,093	58	2,151	2,355	71	2,426
At 30 September 2023	2,355	71	2,426	2,408	65	2,473

Lease liabilities	2024 £(000)	2023 £(000)
Cost:		
At 30 September 2023	2,657	2,698
Exchange adjustment	(26)	(127)
Additions	507	674
Interest	107	103
Repayments	(856)	(688)
Disposals	–	(3)
At 30 September 2024	2,389	2,657
Of which:		
Current lease liabilities	789	719
Non-current lease liabilities	1,600	1,938
	2,389	2,657

Of the non-current lease liabilities £1,600k falls due in the next 2 to 5 years (2023: £1,938k) and £nil after 5 years (2023: £nil). Other operating charges include short-term leases paid and expensed on a straight-line basis of £119k (2023: £109k).

Note 23 Related parties

The controlling party of the Group is Dewhurst Group Plc. Transactions between the Company and its subsidiaries, which are related parties to the Company, have been eliminated on consolidation. However during the year, in the Company's financial statements, there have been the following transactions: group management charges, interest on loans at floating rates on a commercial basis and dividend income received. All transactions are settled by cash. Any loans given are secured on the assets of the relevant company and repayable on demand.

Company related party transactions	2024 £(000)	2023 £(000)
Management charges to subsidiaries	2,007	1,876
Rent charges to subsidiaries	150	150
Interest income received	69	11
Expected credit gains/(losses) charged to income statement	–	400
Dividend income received	6,664	7,910
Dividends paid to Directors	230	166
Purchase of subsidiary share capital	1,488	-
Loans and trade receivables due	2,120	592

Note 24 Financial instruments

The Group's policies towards using financial instruments to manage interest rate, liquidity and currency exposure risks are explained in the Financial review. The Group defines capital as total equity plus net debt. The objective is to maintain a strong and efficient capital base to support the Group's strategic objectives, provide optimal returns for Shareholders and safeguard the Group's assets and status as a going concern. The Group is not subject to externally imposed capital requirements.

Credit risk

The Group is mainly exposed to credit risk from credit sales. It is Group policy, implemented locally, to assess the credit risk of new customers before entering contracts. Such credit ratings, taking into account local business practices, are then factored into any contracts. Credit risk also extends to the banks utilised by the Group. The majority of cash deposits were held by the RBS NatWest bank £6.2 million (2023: £4.3 million) and the Santander bank £9.6 million (2023: £14.1 million) at the year end and these banks' credit ratings (long term) with Standard & Poor were A+ & A respectively.

Interest risk

The Group is exposed to interest risk but purely on bank deposits. It is Group policy to maximise the return on interest earned whilst taking adequate steps to monitor the viability of the bank and safeguarding the assets of the Group.

Foreign exchange risk

The Group is exposed to foreign exchange risk both on a transactional and translational basis. The Group looks to mitigate transactional foreign exchange risk by trying to balance its trade in foreign currencies and only hold sufficient currencies to meet its future needs.

The sensitivities regarding the foreign exchange rate translation however are set out below:

Metric	Change in GB Pounds	Translational Impact
Group Revenue	Weaken/strengthen by 10%	Increase/decrease by 6.3%
Group Profit	Weaken/strengthen by 10%	Increase/decrease by 5.7%
Group Net Assets	Weaken/strengthen by 10%	Increase/decrease by 3.9%

The Group did not use forward contract derivatives to manage credit risk during the year.

Liquidity risk

At the end of the reporting period the ageing analysis of financial liabilities, with normal terms for trade payables being 30 days net monthly, was as follows:

	Total £(000)	Within one year £(000)	Within one to two years £(000)	Over two years £(000)
As at 30 September 2024	**7,558**	**7,132**	**–**	**426**
As at 30 September 2023	6,147	5,764	–	383

Currency and interest rate exposure of financial assets and liabilities

The cash and cash equivalent amount of £21,560k (2023: £24,374k) is made up of cash of £14,810k (2023: £10,374k) and short-term deposits of £6,750k (2023: £14,000k). The cash was invested at overnight rates based on the relevant national LIBOR. Of the cash, £15,093k (2023: £16,828k) is denominated in GB Pounds with the balance of £6,467k (2023: £7,546k) held in foreign currencies. Other financial assets and liabilities do not attract interest.

				The Group				The Company
Currency and interest profile	Floating rate assets £(000)	Fixed rate assets £(000)	Interest free assets £(000)	Interest free liabilities £(000)	Floating rate assets £(000)	Fixed rate assets £(000)	Interest free assets £(000)	Interest free liabilities £(000)
GB Pounds	2,828	14,000	4,053	958	101	14,000	1	35
AUS Dollars	4,525	–	2,401	371	1,298	–	–	–
US Dollars	907	–	780	114	–	–	–	–
CAN Dollars	1,533	–	2,153	75	–	–	–	–
Other	581	–	143	379	98	–	–	–
At 30 September 2023	10,374	14,000	9,530	1,897	1,497	14,000	1	35
GB Pounds	**8,343**	**6,750**	**4,843**	**933**	**4,909**	**6,750**	**40**	**75**
AUS Dollars	**3,258**	**–**	**3,466**	**587**	**412**	**–**	**–**	**–**
US Dollars	**1,051**	**–**	**867**	**292**	**–**	**–**	**–**	**–**
CAN Dollars	**1,378**	**–**	**2,237**	**26**	**–**	**–**	**–**	**–**
Other	**780**	**–**	**237**	**343**	**2**	**–**	**–**	**–**
At 30 September 2024	**14,810**	**6,750**	**11,650**	**2,181**	**5,323**	**6,750**	**40**	**75**

The only operations that hold material monetary assets and liabilities in currencies other than their functional currency are Dewhurst Group plc and Dewhurst (Hungary) Kft Ltd. Dewhurst Group plc holds cash in AUS Dollars with a balance of £412k (2023: £1,298k), and Dewhurst (Hungary) Kft holds trade receivables denominated in US Dollars with a balance of £225k (2023: £101k).

Fair value of financial instruments

Fair value is defined as the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties, excluding accrued interest, and is calculated by reference to market rates discounted to current value. Accordingly, the Directors believe that there is no material difference between the carrying amount and the fair value of its financial instruments.

Borrowings - bank lines of credit

The Group through Dupar Controls Inc continues with one line of credit, following the build of its new premises in Canada. There is a £1.7 million (C$2.5 million) operating line of credit bearing interest at Canadian prime plus 0.5% and at the year end the amount borrowed was nil (2023: nil). This credit facility is secured by a general security agreement. Dupar Controls also signed a £0.1 million (C$0.2 million) letter of credit with the City of Cambridge, Ontario, on which the City can draw from in the case of any unpaid development costs. This loan bears interest at Canadian prime plus 2.0%, is secured by Dupar's commercial property and at the year end the balance on this loan was nil (2023: nil).

For the year ended 30 September 2024	Share capital £(000)	Share premium account £(000)	Capital redemption reserve £(000)	Retained earnings £(000)	Total equity £(000)
At 30 September 2022	808	157	329	28,331	29,625
Share repurchase	(6)	–	6	(375)	(375)
Actuarial gains/(losses) on defined benefit pension scheme	–	–	–	(1,896)	(1,896)
Deferred tax effect	–	–	–	474	474
Dividends paid	–	–	–	(1,197)	(1,197)
Profit for the year	–	–	–	7,421	7,421
At 30 September 2023	**802**	**157**	**335**	**32,758**	**34,052**
Share repurchase	**(29)**	**–**	**29**	**(1,776)**	**(1,776)**
Actuarial gains/(losses) on defined benefit pension scheme	**–**	**–**	**–**	**1,280**	**1,280**
Deferred tax effect	**–**	**–**	**–**	**(320)**	**(320)**
Dividends paid	**–**	**–**	**–**	**(1,269)**	**(1,269)**
Profit for the year	**–**	**–**	**–**	**5,667**	**5,667**
At 30 September 2024	**773**	**157**	**364**	**36,340**	**37,634**

At 30 September 2024	Notes	2024 £(000)	2023 £(000)
Non-current assets			
Property, plant and equipment	12	**4,937**	5,021
Retirement benefit surplus	21	**2,965**	-
Deferred tax asset	19	**-**	283
Investments in subsidiaries	13	**16,840**	15,352
		24,742	20,656
Current assets			
Trade and other receivables	15	**2,249**	651
Cash and cash equivalents	16	**12,073**	15,497
		14,322	16,148
Total assets		**39,064**	36,804
Current liabilities			
Trade and other payables	17	**860**	640
		860	640
Non-current liabilities			
Retirement benefit obligation	21	**-**	2,112
Deferred tax liability	19	**570**	-
Total liabilities		**1,430**	2,752
Net assets		**37,634**	34,052
Equity			
Share capital	20	**773**	802
Share premium account		**157**	157
Capital redemption reserve		**364**	335
Retained earnings		**36,340**	32,758
Total equity		**37,634**	34,052

Retained earnings includes £5,667k (2023: £7,421k) of profit after tax for the financial year, which has been dealt with in the financial statements of the holding company.

The financial statements were approved by the Board of Directors and authorised for issue on 12 December 2024 and were signed on its behalf by:

Richard Dewhurst Chairman
Jeremy Dewhurst Chief Financial Officer
Company Registration Number: 00160314

For the year ended 30 September 2024	Notes	2024 £(000)	2023 £(000)
Cash flows from operating activities			
Operating profit/(loss)		**(954)**	(291)
Depreciation and amortisation		**97**	93
Contributions to pension scheme, net of administration fee & GMP equalisation		**(3,810)**	(1,634)
		(4,667)	(1,832)
(Increase)/decrease in trade and other receivables		**(1,598)**	(519)
Increase/(decrease) in trade and other payables		**220**	106
Cash generated from/(used in) operations		**(6,045)**	(2,245)
Income tax paid		**(85)**	(91)
Net cash from/(used in) operating activities		**(6,130)**	(2,336)
Cash flows from investing activities			
Acquisition of remaining shareholding of existing subsidiary undertaking		**(1,488)**	–
Purchase of property, plant and equipment		**(13)**	(46)
Interest received		**588**	389
Dividends received		**6,664**	7,910
Net cash generated from/(used in) investing activities		**5,751**	8,253
Cash flows from financing activities			
Dividends paid	9	**(1,269)**	(1,197)
Purchase of own shares		**(1,776)**	(375)
Net cash used in financing activities		**(3,045)**	(1,572)
Net increase/(decrease) in cash and cash equivalents		**(3,424)**	4,345
Cash and cash equivalents at beginning of year	16	**15,497**	11,152
Cash and cash equivalents at end of year	16	**12,073**	15,497

Independent Auditor's report to the members of Dewhurst Group plc for the year ended 30 September 2024.

Opinion

We have audited the financial statements of Dewhurst Group Plc (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 September 2024 which comprise the consolidated statement of comprehensive income, the consolidated and parent Company statements of financial position, the consolidated and parent Company statements of changes in equity, the consolidated and parent Company statements of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group and parent Company financial statements is applicable law and UK-adopted International Accounting Standards (IFRSs), as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 September 2024 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the United Kingdom;
- the parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the United Kingdom as applied in accordance with the provisions of the Companies Act 2006; 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 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.

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 entity's ability to continue to adopt the going concern basis of accounting included:

- Reviewing bank statements to monitor the cash position of the group post year end
- Obtaining an understanding of significant expected cash outflows in the forthcoming 12-month period from the date of signing these financial statements including any cash requirements the group may have to provide to its investee companies
- Assessing significant post year events that have a material effect on the financial statements

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 ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted this statement is not a guarantee as to the company's ability to continue as a going concern.

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

Our audit approach

Overview

Key audit matters

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

- Revenue recognition
- Inventory provisioning
- Carrying value of investments/ intangibles and recoverability of intercompany loans
- Carrying value of the retirement benefit obligation and disclosures of retirement benefit obligations

These are explained in more detail below.

Key audit matters

Key audit matter	How our audit addressed the key audit matter
Revenue recognition Each component of the Group has a specific specialisation and focuses its sales on its target market. A significant proportion of the Group's sales comes from the lift market. The majority of the revenue is for goods transferred at a point in time. The Group has no material sources of revenue relating to the sale of services. The Group has 3 main revenue sources: lift components, transport and keypad sales. The Group had a total turnover of £64,403,000 for the year to 30 September 2024 (2023: £57,962,000). There is a risk that revenue is incomplete and/or not recognised in the correct period and/or at the correct amount.	We reviewed recognition of revenue in based on IFRS 15, Revenue from Contracts with Customers, for all material revenue streams. We performed substantive tests on a sample basis for items across the group to check for understatement of revenue. We reviewed controls in place around the revenue cycle. In addition, we performed cut-off tests to confirm that items were recorded in the appropriate period. We also considered whether the Group had any material contract assets and liabilities. We reviewed post year end credit notes to check if there was any material post year end adjustment that related to the period. In addition, we reviewed the provision for expected credit losses and warranty provisions.
Inventory provisioning The Group held £7,966,000 (2023: £8,337,000) of inventory as at 30 September 2024. There are key assumptions that drive the inventory provision including the ability to sell older inventory and the realisable value that will be achieved on sale. A provision for items looking to be sold off at below cost and a provision for aged items which there is a concern may ultimately be sold at below cost. The Group provides against 30% of the stock value where an item has no significant movement in the year; and, provides 100% against stock which has not moved during the period.	We attended the year end stocktakes and tested sheet to floor and vice versa to agree stock counts. We compared a sample of inventory items at the reporting date to the purchase cost and compared this with sales made around the reporting period or after the year end. For samples which were components, we traced the item to the bill of materials for the finished good and compared the total sales price to the total purchase cost. We checked the application of the methodology used to calculate the inventory provision and reviewed for consistency with that applied in the prior year. We reconciled the inventory values used in the provision to the general ledger. We also reviewed calculations and challenged management as to whether the policy was appropriately applied.
Investments/Intangibles carrying value The Company has investments of £16,840,000 (2023: £15,352,000). And the Group had Goodwill and Intangible assets of £9,461,000 (2023: £9,905,000). The Company has amounts due from Group companies of £2,120,000 (2023: £592,000). Management have performed impairment reviews and have exercised judgement as to the recovery of these investments and amounts due. In the year, Dewhurst Group PLC acquired the remaining 25% shareholding in P&R Liftcars Pty Ltd ("P&R"). Accordingly, an increase of £1,488,000 of investment in the Parent Company's accounts was recognised. In the Group accounts, a reduction of £767,000 to Non-Controlling Interest ("NCI") was recognised, such that no NCI balance pertaining to P&R remains. A movement in equity of £721,000, being the difference between the amount by which the NCI is adjusted and the increase of investment recognised in the Parent Company accounts, was recognised in the statement of changes in equity with the description of "purchase of subsidiary and business undertaking". Management is satisfied that the accounting of the acquisition is in accordance with IFRS 10.	We reviewed the carrying value of the investments and intangible assets and the loans to fellow subsidiaries. The review considered the current position of the subsidiaries, the future outlook and forecasts prepared by management. We reviewed the subsidiary accounts and forecasts and have assessed the financial position of each subsidiary. We have also discussed the budgets and forecasts as part of the going concern review and to consider whether we believed any investment was impaired. We considered the loans held by Group entities and their ability to service those loans. We assessed the impairment reviews performed by management. The Group is expected to remain cash generative and profitable based on current trading trends. We have assessed and understood the methodology and assumptions used by the Directors in their analysis. We performed sensitivity analysis on the forecasts to check that the values arrived at could be supported by a range of performance outcomes that could be expected from the Company. • We have performed the following audit procedures: • Obtained the sale and purchase agreement and other relevant documents relating to the acquisition • Verified the consideration paid and the full control gained over P&R via the acquisition • Assessed management's application of IFRS 10 • Ensured that appropriate disclosures have been made and movements and balances have been presented suitably
Carrying value of the retirement benefit obligation and disclosures of retirement benefit obligations There is a risk that the retirement benefit asset amounting to £2,965,000 (2023: deficit of £2,112,000) and before deferred tax adjustment, has been incorrectly stated. Management are required to ensure that all retirement benefit obligations are appropriately disclosed.	Procedures were designed to ensure that the calculations used were reasonable and that they were properly extracted from the report prepared by the actuary and presented in the consolidated financial statements. We obtained and reviewed the actuarial reports that were prepared by management's specialist to ensure that these are compliant with IAS 19 and related criteria; We have used our own independent specialist to assess and provide an opinion in respect of the key assumptions and models that have been considered by the actuary in order to determine the present value of the defined benefit surplus reported at the end of the reporting period; We have enquired from management, where required, to document and obtain further insight in terms of the key assumptions disclosed by the actuary; and we have reviewed the actuary reports in line with the figures, details and information disclosed in financial statements to ensure that there are no discrepancies

Our application of materiality

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

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Company financial statements
Overall materiality	£645,000 (30 September 2023: £580,000).	£391,000 (30 September 2023: £341,000).
How we determined it	A benchmark of 1% of Turnover (round to thousands) was used to determine the materiality for the Group (2023: 1% of Turnover).	A benchmark of 1% of gross assets (2023: 1% of net assets)
Rationale for benchmark applied	We believe that turnover is a primary measure used by shareholders in assessing the performance of the Group and is an appropriate and accepted auditing benchmark.	We consider an asset based measure best reflects the nature of the Company which acts as a parent holding company for the Group's investments.
Performance materiality	75% of overall materiality.	75% of overall materiality.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between £3,000 and £391,000.

We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above £32,250 being 5% of Group financial materiality as a whole, as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

The Group financial statements are a consolidation of 15 reporting units, comprising the Group's operating businesses of which 14 components are trading subsidiaries. Each subsidiary has its own accounting records and controls and each reports to the head office finance team in the UK.

Of the 14 trading subsidiaries, we identified six which were considered to be significant components for the purposes of the Group financial statements, and which, in our view, required a full audit of their complete financial information in order to ensure that sufficient audit evidence was obtained. The Group audit team performed the statutory audit of the parent and the three trading UK subsidiaries, with full-scope Group instructions issued to the other three subsidiaries overseas.

In addition to the significant components, three trading entities and one property company overseas were subject to local audits undertaken by component auditors and certain agreed upon procedures were performed on 4 subsidiaries where non-statutory audits in local jurisdictions were also not required. These works were planned and conducted such that the audit work was complete prior to completion of the Group financial statements. For non-significant components not audited by Gravita Audit Limited, component auditors were operating under our instruction on a limited scope basis.

For all subsidiaries which are subject to full-scope audits and had component Auditors, the Group audit team was in contact, at each stage of the audit, in line with detailed instructions issued and through planning calls and regular written communication with the component Auditors. Specifically, for all component teams, the Group team discussed in detail the planned audit approach at the component level and following the Group audit team review, discussed the detailed reported findings of the audit with each component team.

The remaining trading subsidiaries were not subject to full-scope audits. Specific audit procedures on certain balances and transactions were performed, based upon component materiality. This focused on revenue recognition, inventory valuation, debtor recoverability and existence and completeness of related parties.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' Report.

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

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

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 27, 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We identified the laws and regulations applicable to the group through discussions with directors and other management:
  - The Companies Act 2006 and IFRS in respect of the preparation and presentation of the financial statements and;
  - AIM regulations and Market Abuse Regulations
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including taxation legislation, data protection, anti-bribery, employment, environmental, health and safety legislation and anti-money laundering regulations.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 of the financial statements were indicative of potential bias;
- Investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion. Our audit procedures are designed to detect material misstatements. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statement is located on the Financial Reporting Council's website at: www.frc.ork.uk/auditorsresponsibilities

This description forms part of our auditor's report.

Other matters which we are required to address

The audit has been designed to detect all material irregularities, including fraud. We believe our tests are sufficient in this regard. The engagement team has remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.

Our audit opinion is consistent with the additional Report to the Audit committee.

Use of this 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.

Jan Charlesworth
(Senior Statutory Auditor)

For and on behalf of
Gravita Audit Limited
Chartered Accountants
& Statutory Auditor
Aldgate Tower
2 Leman Street
London
E1 8FA

12 December 2024

Notice is hereby given that the one hundredth and fifth Annual General Meeting of Dewhurst Group plc will be held at its registered office, Unit 9 Hampton Business Park, Hampton Road West, Feltham, TW13 6DB on 18 February 2025 at 11.00 am. The meeting will be held in order to consider and, if thought fit, pass resolutions 1 to 6 as ordinary resolutions.

Ordinary Resolutions

1 To receive and adopt the statement of accounts for the year ended 30 September 2024 and the Reports of the Directors and Auditor thereon.

2 To declare and approve a final dividend on the Ordinary and 'A' non-voting ordinary shares to Shareholders on the register of members on 17 January 2025.

3 To re-elect as a Director Mr J Dewhurst, who retires by rotation under the Articles of Association.

4 To re-elect as a Director Mr J Sinclair, who retires by rotation under the Articles of Association.

5 To re-appoint Gravita Audit Ltd as Auditor at a fee to be agreed by the Directors.

6 As special business to consider and, if thought fit, pass the following ordinary resolution: that the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of up to an aggregate of 496,380 Ordinary shares and 663,828 'A' non-voting ordinary shares of 10p each (representing 15% of the issued share capital) in the Company at a price per share (exclusive of expenses) of not less than 10p and not more than 105% of the average of the middle market quotations for such Ordinary and 'A' non-voting ordinary shares, as derived from the Stock Exchange Daily Official List, for the ten dealing days immediately preceding the day of the purchase; such authority to expire at the conclusion of the Annual General Meeting to be held in 2026 save that the Company may purchase shares at any later date where such purchase is pursuant to any contract made by the Company before the expiry of this authority.

7 To transact any other ordinary business of the Company.

By order of the Board

Jared Sinclair
Secretary

31 December 2024

Notes

1 All Shareholders who wish to attend and vote at the meeting must be entered on the Company's register of members no later than 11.00 am on 16 February 2025 (being 48 hours prior to the time fixed for the meeting) or, in the case of an adjournment, as at 48 hours prior to the time of the adjourned meeting. Changes to entries on the register after that time will be disregarded in determining the rights of any person to attend or vote at the meeting. 'A' non-voting ordinary shares do not carry the right to attend or vote at meetings of the Company.

2 Shareholders entitled to attend and vote at the meeting may appoint a proxy or proxies to attend, vote and speak on their behalf. A proxy need not be a member of the Company. Investors who hold their shares through a nominee may wish to attend the meeting as a proxy, or to arrange for someone else to do so for them, in which case they should discuss this with their nominee or stockbroker. Shareholders are invited to complete and return the enclosed Proxy Form. Completion of the Proxy Form will not prevent a Shareholder from attending and voting at the meeting if subsequently he/she finds that he/she is able to do so. To be valid, completed Proxy Forms must be received by the Company Secretary at the registered office of the Company, Dewhurst Group plc, Unit 9 Hampton Business Park, Hampton Road West, Feltham, TW13 6DB or the scanned Proxy Form emailed to cosec@dewhurst-group.com by no later than 48 hours before the time appointed for the holding of the meeting, or, in the case of an adjournment, as at 48 hours prior to the time of the adjourned meeting.

3 Representatives of Shareholders which are corporations attending the meeting should produce evidence of their appointment by an instrument executed in accordance with Section 44 of the Companies Act 2006 or signed on behalf of the corporation by a duly authorised officer or agent and in accordance with article 71 of the Company's Articles of Association.

4 The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those holders of Ordinary Shares registered in the register of members of the Company at 11.00 am on 16 February 2025 (being 48 hours prior to the time fixed for the meeting) shall be entitled to attend and vote at the Annual General Meeting in respect of such number of shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

5 A copy of the Company's current Articles of Association are on its website but will also be available for inspection during usual business hours on any weekday (Saturdays, Sundays and Public Holidays excluded) at the registered office of the Company until the date of the Annual General Meeting and at the place of the meeting for 15 minutes prior to and until the termination of the meeting.

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Other Overseas Representation

The Group maintains overseas representation in major countries throughout the world

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Solicitors
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Secretary & registered office
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