

Animalcare Group plc
("Animalcare" or the "Group" or the "Company")

Final Results for the year ended 31 December 2025

6 May 2026. Animalcare Group plc (AIM: ANCR), the international animal health business, announces its unaudited preliminary results for the year ended 31 December 2025 ("FY25").

Financial Highlights (All figures reported at actual exchange rates (AER) unless otherwise stated)

- As outlined in the Company's trading update announced on 22 January 2026, revenue increased 20.0% to £89.1m (FY24: £74.2m)
- Group revenue growth reflects the significant contribution from Randlab, underpinned by like-for-like organic growth of 1.7% (0.7% at CER), with revenue growth across all three product categories
- Underlying* EBITDA increased 52.6% to £17.7m (FY24: £11.6m); underlying EBITDA margins (before taking into account R&D expenditure of £0.7m) improved by 500bps to 20.6%
- Underlying profit after tax from continuing operations of £10.9m (FY24: £6.7m); reported profit after tax of £5.1m (FY24: £18.5m)
- Underlying continuing basic EPS increased by 44.0% to 15.7 pence (FY24: 10.9 pence); reported basic EPS of 7.3 pence (FY24: 30.3 pence, reflecting the gains on disposal of Identicare and STEM)
- Cash conversion rate of 79.7% (FY24: 103.1%), in line with guidance of c.80.0%
- Net debt at 31 December 2025 of £9.1m excluding lease liabilities (FY24: £9.0m); leverage at 0.7 times underlying EBITDA
- Following the announcement on 16 April 2026 of a recommended acquisition of Animalcare, the Board proposes no final dividend for the year ended 31 December 2025
- Since the period end, trading has continued in line with management expectations

* The Group presents a number of non-GAAP Alternative Performance Measures (APMs) which exclude non-underlying items. APMs are calculated in line with the Group's accounting policies and therefore may not be directly comparable with other companies.

Strategic and Operational Highlights

Flagship brands continuing to deliver strong double-digit growth, fuelled by new indications

- Double digit growth in novel products Daxocox (+23%) and dental range comprising Plaqtiv+ (+42%) and Orozyme (+30%)
- Expansion of the Daxocox range, including launch of a new peri-operative pain indication in Europe; approval granted in Japan

Expanded presence in AsiaPac, with Randlab's strong performance ahead of initial expectations

- Randlab delivered like-for-like organic growth of c.12.0% at CER and successfully integrated
- 25% strategic equity investment in InVetro, an Australian Companion Animal business

Building our new product pipeline

- R&D investment increased to 4.5% of revenue (FY24: 2.8%), reflecting accelerated activity across the new product pipeline
- Acquisition of the VHH NGF antibody programme and related assets, supporting the expansion of the pain portfolio
- Added a novel biological treatment for Equine Sweet Itch to the pipeline, developed through a licence agreement with 272Bio
- Pipeline delivery capability strengthened with the appointment of Dr Hafid Benchaoui as Chief Strategy and Science Officer in November 2025

Recommended offer by CCP Paw 2 Limited

On 16 April 2026, Animalcare’s Board announced it had agreed the terms of a recommended acquisition by CCP Paw 2 Limited, an indirect subsidiary of funds managed by Charterhouse Capital Partners LLP.

Animalcare’s Chief Executive Officer, Jenny Winter, commented: *“2025 was a year of strategic execution and financial delivery, as we continue to build a more scalable and growth-oriented business. Our flagship brands experienced good momentum, supported by new product launches and commercial excellence and we strengthened our international footprint and team through the acquisition of Randlab and strategic investment in InVetro.”*

Enquiries

Animalcare Group Plc

Jenny Winter, Chief Executive Officer
Chris Brewster, Chief Financial Officer
Media/investor relations

+44 (0)1904 487 687

communications@animalcaregroup.com

Stifel (Nominated Advisor & Joint Broker)

Ben Maddison, Francis North, Jason Grossman, Ben Good

+44 (0)20 7710 7600

Panmure Liberum (Joint Broker)

Corporate Finance - Emma Earl/Freddy Crossley
Corporate Banking - Rupert Dearden

+44 (0)20 7886 2500

Alma Strategic Communications

Caroline Forde, Kinvara Verdon, Rose Docherty

+44 (0)20 3405 0205

animalcare@almastrategic.com

About Animalcare

Animalcare Group plc is a UK AIM-listed international veterinary sales and marketing organisation. Animalcare operates in seven European countries as well as Australia, New Zealand and the UAE and exports to approximately 40 countries in Europe and worldwide. The Group is focused on bringing new and innovative products to market through its own development pipeline, partnerships and via acquisition.

For more information about Animalcare, please visit www.animalcaregroup.com

Recommended offer by CCP Paw 2 Limited

On 16 April 2026, Animalcare’s Board announced it had agreed the terms of a recommended acquisition by CCP Paw 2 Limited, an indirect subsidiary of funds managed by Charterhouse Capital Partners LLP (“Charterhouse”).

For the full announcement, please visit <https://www.animalcaregroup.com/investors/recommended-offer-by-ccp-paw-2-limited/>

Cautionary statement regarding forward looking information

Where this announcement (including information incorporated by reference in this announcement) contains "forward-looking statements", they are based on the current expectations and assumptions, and speak only as of the date they are made. Such statements and forecasts involve risk and uncertainty because they are based on current expectations and assumptions but relate to events and depend upon circumstances in the future; you should not place reliance on them.

Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "expects", "is expected", "is subject to", "budget", "estimates", "forecasts", "intends", "anticipates", "sees", "believes", "aims", "confident", "will have", "will be", "will ensure", "likely", "foresee" or the negative of these terms or other similar terms are intended to identify such forward-looking statements. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by forward-looking statements and forecasts. Forward-looking statements and forecasts are based on the Directors' current view and information known to them at the date of this statement. The Directors do not make any undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

The Group cautions investors that a number of factors, known and unknown, could cause actual results to differ materially from those expressed or implied in any forward-looking statement. Neither the Group, nor any of its Directors, officers or employees, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Undue reliance should not be placed on these forward-looking statements. Animalcare expressly disclaim any obligation or undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required to do so by applicable law or regulation.

Chair's Statement

2025 saw the Company take further strides in laying a solid foundation for sustainable growth.

A particular highlight has been the increase in expertise across our expanding team. Our Group culture and capabilities have greatly benefited from the integration and collaboration with new colleagues from Randlab and the addition of the InVetro team. A key focus has been investing in our people through training and development, enhancing our execution abilities.

The Group's sustained strategic execution delivered a positive financial performance, with strong revenue and underlying EBITDA growth, improved margins and strong cash generation, which combined with disciplined capital allocation, has maintained our balance sheet strength.

Of note in the period was the successful integration of Randlab following its acquisition at the start of the year, delivering significant contributions to both revenue and underlying EBITDA in line with our ambitions for the business. The acquisition has reinforced Animalcare's strong position in the high-growth Equine market, with Equine now representing 24% of Group revenues compared to 10% in 2024, while enhancing the Group's cash generation. The Board continued to assess further opportunities for inorganic growth, with the 25% strategic equity investment completed in June in InVetro Pty Ltd, an Australia-based Companion Animal business, further evidence of this, strengthening the Group's footprint in this region.

Meanwhile, the Group saw continued double-digit growth in our flagship brands, including Daxocox, Plaqtiv+ and Orozyme demonstrating the value of a differentiated product portfolio – and the importance of its development.

With much of the growth in global animal health markets coming from new, differentiated products, notably biologics, the Group increased its annual R&D investment to 4.5% in 2025, up from 2.8% in 2024. The Group's new product development pipeline now comprises six key projects progressing through various development stages, encompassing life cycle management projects to extend the utility and reach of existing brands alongside new products with transformative potential. A key development in the year, which strengthened the R&D pipeline, was the acquisition of the VHH NGF antibody programme and related assets, advanced in collaboration with 272Bio, which also provides an opportunity to expand the programme into other species and indications. Additionally, the Group entered a licence agreement with 272Bio for the development of a treatment for Sweet Itch, a common allergic skin condition with a significant unmet need in the Equine market.

Recommended Acquisition of Animalcare Group plc

On 16 April 2026, post period end, and following a comprehensive review supported by our advisers, the Animalcare Directors unanimously recommended the acquisition of the Group by a subsidiary of funds managed by Charterhouse Capital Partners LLP to shareholders (the “Acquisition”).

As Chair, my priority is to ensure that Animalcare shareholders have the opportunity to realise fair value for their investment. As stated in the announcement on 16 April, the Board remains confident in the Group’s standalone prospects and committed to the ambitious targets set at the March 2026 capital markets event, but recognises delivering these ambitions would require a sustained period of investment and execution over a number of years, against a backdrop of increasing macroeconomic uncertainty.

Having evaluated the Acquisition against the Group’s growth strategy, the Board concluded unanimously that the Acquisition is in the best interests of Animalcare and Animalcare shareholders as a whole, and represents a superior outcome for stakeholders than remaining an independent AIM-listed entity and that the cash offer of 336 pence per share provides a premium to recent share trading and reflects Animalcare’s future growth prospects.

On behalf of the Board, I want to recognise the hard work of the entire Animalcare team, whose commitment and shared vision have made the achievements of recent years possible.

Ed Torr

Independent Non-Executive Chair

6 May 2026

Chief Executive Officer’s Statement

Continued positive trading performance

2025 has demonstrated the strength within the business, providing a strong springboard for growth acceleration in future years.

Group revenue increased 20.0% at AER to £89.1m, underlying EBITDA increased 52.6% to £17.7m, and the Group maintained high levels of cash generation, with leverage at 0.7x underlying EBITDA.

A standout of the year was the strong performance by Randlab, the Australian Equine business we acquired in early 2025 ahead of our initial expectations. We have been delighted to welcome Bruce and his team to the Group.

In Companion Animals, flagship brands, such as Daxocox and Plaqtiv+, delivered double-digit growth, fuelled by the launch of the Peri-Operative Pain indication in Europe, while the Production Animals’ portfolio also contributed positively due to strong customer relationships. Equine performed very strongly, benefiting from the significant contribution from Randlab.

Our commercial team has continued to bring operational improvements and enhancements to the way in which we take our brands to market, demonstrated by the growth in our German operations. This is a model we will be taking to other regions in the year ahead, as we modestly increase our investment into sales and marketing to support further growth, particularly in our dental health ranges.

Over the last five years, we have made significant strategic progress. We have deliberately evolved from a business with fragmented portfolios, limited scale and focus, high levels of ‘distribution’ products, limited M&A capacity and only one asset in the development pipeline, to a growing business with strong foundations to execute on our strategic priorities:

- Increasing the quality and sustainability of our portfolio
- Building competitive capacity and capability in our commercial teams
- Strengthening our supply chain
- Seeking more M&A opportunities

- Building new product-development pipeline capability, external partnerships and increasing investment from an historical average of around 2.0% to 4.5% in 2025

Organic growth

Building and nurturing a focused portfolio of attractive, profitable brands that offer sustainable revenues and strong margins is at the heart of our long-term strategy. In recent years, we have re-engineered our product lineup to place greater emphasis on brands that we can commercialise across all our markets. Combined with ongoing investment in sales and marketing excellence, this gives us important synergies that are hard to access from smaller, more local, products.

The value of that approach is evident in the continuing enthusiastic customer response to brands such as Daxocox and Plaqtiv+. Sales of Daxocox, our long-acting NSAID for the treatment of osteoarthritic pain, grew by 23% in 2025, while revenues generated by the Plaqtiv+ dental range were up 42%. Each of our product categories delivered growth over the 12 months. Companion Animals returned to normal growth, as expected. Production Animals returned to more normal demand patterns for the full year, following an exceptional first half, and Equine benefited from enhanced control over Danilon.

Looking ahead, we have identified an opportunity to accelerate growth in our key non-prescription brands, over and above the double-digit growth already being achieved, through opening up a new retail channel, providing us with access to the remaining 70% of buyers who do not purchase directly from a vet. Our focus in 2026 will be on achieving initial contracts with new digital stores, supported by investing in digital marketing capabilities and activities, alongside key account management, drawing on the expertise of our team, who have delivered digital retail growth in past roles.

Another initiative for the year ahead will be further refinement of our supply chain management. With the business having grown through acquisition in the past, we have already achieved a significant reduction in our portfolio complexity. We believe that through the further simplification of our supply chain we can increase resilience, increase revenue growth through availability of product and increase our EBITDA margin through strong relationships.

Inorganic growth

Animalcare is committed to pursuing value-creating external opportunities that have the potential to grow our business through M&A, in-licensing and partnerships. We have a healthy pipeline at various stages of assessment, undergoing our disciplined assessment process.

In early 2025, we achieved a significant milestone with the acquisition of Randlab, the Australia-based Equine health company. The integration of Randlab into the Group is progressing well and, in some cases, ahead of expectations, with the objective to preserve the absolute focus on the Equine market and entrepreneurial operating environment.

The progress and performance in the year are testament to the leadership team brought in to oversee the business and their strong collaboration with the highly experienced local team as well as their new Animalcare colleagues. Through working together, opportunities were identified to grow the business, enabling the acceleration of investment plans within Australia and into new markets to scale commercially, including the UAE, while, at the same time, nurturing the local entrepreneurial culture that defines Randlab and makes it a trusted choice with its loyal customer base. This expansion is supported by the key hires made in 2025 in the commercial team, which included a new Export Manager and additional sales roles in the Gulf Co-operation Countries, New Zealand and New South Wales.

We have continued to build scale internationally, notably via the 25% strategic equity investment in the Australian Companion Animal business, InVetro Pty Ltd, in June 2025, expanding our presence in the growing Asia-Pacific veterinary market.

Developing new products

Central to the Group's growth strategy is building a balanced pipeline of new products, to replicate and expand the success of our novel products, Daxocox and Plaqtiv+, and meet the needs of the animal health market. R&D activities and investment have accelerated across a range of opportunities (notably Sweet Itch, VHH NGF and E-6132), which the Board believes has the potential to drive transformative growth in the medium to long term. We were delighted to appoint Dr Hafid Benchaoui as Chief Strategy and Science Officer (CSSO), to strengthen the development of our new

product pipeline. He will lead R&D at both a strategic and technical level and join the Senior Executive Team. Previously Head of Global Research and Development (R&D) at ECO Animal Health, Hafid brings extensive international animal health experience to the role.

In total, the Group now has six major projects in the pipeline at different stages with large market opportunities (in excess of c.£100m) and unmet need. These programmes have been selected due to their strong fit with the Group's strengths, expertise and commercial relationships across the Equine and Companion Animal markets. All are the Company's own IP, other than Sweet Itch which is in-licensed.

On 22 August 2025, the Group announced the acquisition of the VHH NGF antibody programme and related assets for a net cash consideration of €0.7m, which had previously been licensed from Orthros Medical in March 2022. This provides Animalcare full ownership and control of the intellectual property and associated assets, enabling independent development working alongside 272Bio and commercialisation of the technology to support the expansion of the Group's pain portfolio. The Group is advancing the lead Equine asset, with promising early results.

The Group has also entered into a licence agreement with 272Bio to develop a novel biological treatment for a common Equine skin condition (Sweet Itch), which affects an estimated c.8% of horses globally. The deal structure includes an initial commitment of c.£2.0m to fund preclinical research, which will be expensed over the next 18–24 months as we work towards achieving proof of concept.

Life cycle management activities of key brands are ongoing, expanding their market reach. In late July, Daxocox received European Union approval for use in a peri-operative setting, adding a new indication for the long-acting NSAID, enabling broader market access and reinforcing the Group's growth ambitions for the Daxocox franchise. Meanwhile, the Group continues to seek regulatory approval for the use of Daxocox in new territories, with approval granted in Japan, as well as exploring the opportunity to launch in the US within the next few years.

Summary

Our expanding global presence, strong brands and attractive product lineup provide a solid platform as the Group entered 2026. I would like to thank colleagues across Animalcare for their continued dedication as we pursue our growth strategy, and to the Board members for their guidance and support.

Jennifer Winter
Chief Executive Officer
6 May 2026

Chief Financial Officer's Statement

Financial Review

2025 has been a strong year featuring significant revenue and EBITDA growth, while maintaining the Group's highly cash-generative profile and strong balance sheet. With leverage at 0.7X underlying EBITDA, this performance gives us the platform to accelerate our strategic priorities and deploy capital in a targeted, value-accretive way.

Underlying and Statutory Results

To provide comparability across reporting periods, the Group presents its results on both an underlying and statutory (IFRS) basis. The Directors believe that presenting our financial results on an underlying basis, which excludes non-underlying items, provides more useful and relevant information of business performance to stakeholders. IFRS results include these items to provide the statutory results.

All figures are reported at actual exchange rates (AER) unless otherwise stated. Commentary will include references to constant exchange rates (CER) to identify the impact of foreign exchange movements. A reconciliation between underlying and statutory results is provided at the end of this financial review.

Overview of underlying financial results

The financial year has been marked by strong execution and strategic progress. The acquisition of Randlab has proved transformational, accelerating our growth and enhancing profitability and operating leverage. With our growing international footprint, continued growth in our leading brands and an increasingly attractive product portfolio and pipeline, we are confident in our ability to build on this momentum into 2026.

	2025 £'m	2024 £'m	% Change at AER
Revenue	89.1	74.2	20.0%
Gross profit	52.4	41.2	27.2%
Gross margin %	58.8%	55.6%	3.2%
Underlying EBITDA	17.7	11.6	52.6%
Basic underlying continuing EPS (p)	15.7p	10.9p	44.0%

Revenue – Randlab acquisition accelerates growth

Group revenue increased by 20.0% (20.1% at CER) to £89.1m, reflecting the marked beneficial effect of the successful integration of Randlab, underpinned by like-for-like organic growth of 1.7% at AER (0.7% at CER) with all three product category revenues increasing versus prior year in trading conditions, which were varied across our end markets.

Revenue performance by product category is shown in the table below:

	2025 £'m	2024 £'m	% Change at AER
Companion Animals	50.3	49.8	1.0%
Production Animals	17.7	17.0	4.0%
Equine (including acquisition of Randlab)	21.1	7.4	185.1%
Total	89.1	74.2	20.0%

Companion Animals

Revenue in Companion Animals increased by 1.0% to £50.3m, reflecting sustained and strong momentum across several of our flagship brands, including continued double-digit growth in Daxocox (+23%) and our dental range, with Orozyme (+30%) and Plaqtiv+ (+42%) performing particularly well. This solid performance was underpinned by ongoing focus and investment in sales and marketing excellence.

Growth in the category was tempered by two factors outside of our control: reduced Conofite sales, which, as reported at the half-year stage, resulted from the unexpected regulatory monitoring of topically applied antibiotics in Spain,

and the cessation of distribution arrangements across a number of older, lower-margin brands. Taken together, these factors resulted in a c.8–9% sales impact. Notwithstanding this, our Companion Animals business delivered overall growth, underscoring the resilience and strength of our core portfolio and the robustness of demand for our key brands.

Production Animals

Production Animal revenue growth returned to more typical demand patterns, increasing by 4.0% to £17.7m during a period marked by changes within our distribution partner supply base and end markets. This follows a strong FY24, which saw sales rise by 7.8%. Growth was primarily supported by several larger-selling brands, including two owned brands within our Top 10 products.

Equine

Revenue within Equine increased by 185.1% to £21.1m, comprising revenue from the existing portfolio of £7.5m and acquired revenue from Randlab of £13.6m. Randlab delivered very strong like-for-like organic growth of, approximately, 12.0% at CER (c.6.0% at AER), above management expectations at CER set at the time of the acquisition on 3 January 2025. This strong performance was principally driven by significant growth and expansion of export market sales alongside growth within the core portfolio in Australia and New Zealand, including Ulcershield, which is now the Group's fifth-largest brand. Within the existing Animalcare portfolio, continued growth in Danilon (up 7.4%) helped to offset a decline in the Equine fluids range, which was affected by market changes and competition.

Underlying EBITDA and underlying earnings per share

Accelerating growth through R&D investment

The Group is committed to expanding and enhancing our product development pipeline. With this in mind, we are targeting investment of c.5% of revenue per annum to support future growth through an increased proportion of innovative products within the portfolio. As we move into a period of pipeline expansion and, with this, a step-up of investment in innovation to support our medium-to-long-term growth ambitions, we expect an increasing proportion of all overall R&D expenditure to be expensed in the income statement.

To aid understanding on the performance of our core operations, underlying EBITDA before R&D expenditure is used to reflect the contribution from our commercial operations prior to the Group's investment in R&D and is the basis on which cash conversion is calculated, as described later in this review.

	2025	2024	
	£'m	£'m	% Change at AER
Underlying EBITDA (reported)	17.7	11.6	52.6%
Research and development expenditure – expensed in the year	0.7	–	–
Underlying EBITDA before R&D expenditure	18.4	11.6	58.6%
Underlying EBITDA margin %	20.6%	15.6%	5.0%

The Group's underlying EBITDA before R&D expenditure increased by 58.6% to £18.4m (2024: £11.6m). This growth was primarily driven by Randlab's significant contribution to EBITDA of £6.4m, underpinned by its high gross margins, further enhancing the Group's overall profitability and leading to a 500bps improvement in underlying EBITDA margin to 20.6%.

Gross margins improved by 320bps to 58.8%, again predominantly reflecting the benefits of the acquired Randlab Equine portfolio, which delivered gross margins of 72.9%, in line with expectations after taking into account reclassification of certain costs from operating expenses to cost of goods to align with Group accounting policies. Excluding Randlab, like-for-like gross margins moderately improved versus the prior year to 56.3% (2024: 55.6%) with a positive sales mix largely offsetting input cost inflation (COGS). The Group's targeted pricing strategies mitigated a proportion of cost increases while maintaining competitiveness across key brands and geographies.

Underlying overheads, defined as gross profit less underlying EBITDA before R&D expenditure, increased to £34.0m (2024: £29.7m), of which £3.4m represents additional operating costs associated with Randlab. As we have progressed with our integration and engagement with the local management team, our confidence in the growth opportunity has been underpinned, leading to accelerated investment in our commercial infrastructure within Australia and the UAE. The balance of £0.9m principally encompasses organic investment in people costs alongside disciplined control of our overall SG&A costs.

Basic underlying continuing EPS increased by 44.0% to 15.7 pence (2024: 10.9 pence) primarily driven by the strong profit contribution from Randlab and higher net finance income largely resulting from unrealised foreign currency translation exchange gains, partially offset by a c.2.0p dilutive impact of the equity raise completed in December 2024. The underlying effective tax rate increased to 24% (2024: 18.9%), principally reflecting the shift in the Group profit mix towards higher tax jurisdictions, notably in relation to Randlab, partly mitigated by recognition of tax losses.

Overview of reported financial results

Reported Group profit after tax for the year (after accounting for the non-underlying items and discontinued operations shown in the table and discussed below) was £5.1m (2024: £18.5m), with reported earnings per share at 7.3 pence (2024: 30.3 pence per share).

	2025 Underlying results £'m	Amortisation and impairment of intangibles £'m	Acquisition, restructuring, integration and other costs £'m	2025 Reported results £'m	2024 Reported results £'m
Continuing Operations					
Revenue	89.1	–	–	89.1	74.2
Gross profit	52.4	–	(1.0)	51.4	41.2
Selling, general and administrative expenses	(37.7)	(5.6)	–	(43.3)	(36.7)
Research and development expenses	(0.7)	–	–	(0.7)	–
Net other operating (expense) / income	–	–	(1.2)	(1.2)	2.6
Impairment losses	–	(0.1)	–	(0.1)	–
Operating profit / (loss)	14.0	(5.7)	(2.2)	6.1	7.1
Net finance income / (expense)	0.3	–	–	0.3	(1.3)
Profit / (loss) before tax	14.3	(5.7)	(2.2)	6.4	5.8
Taxation	(3.4)	1.5	0.6	(1.3)	(1.0)
Profit / (loss) for the year	10.9	(4.2)	(1.6)	5.1	4.8
Profit from discontinued operations	–	–	–	–	13.7
Total profit / (loss) for the year	10.9	(4.2)	(1.6)	5.1	18.5
Basic earnings per share (p)	15.7p	–	–	7.3p	30.3p

Non-underlying items totalling £7.9m (2024: net income of £11.2m) relating to profit before tax have been incurred in the year, as further described in note 4. In summary, the principal items in 2025 are as follows:

- Amortisation and impairment of acquisition-related intangibles of £5.7m (2024: £4.0m) reflecting the ongoing non-cash charges associated with the Group's acquired intangible asset base, largely in relation to the reverse acquisition of Animalcare Group plc and the acquisition of Randlab
- Restructuring costs of £0.6m relating to targeted organisational changes designed to streamline operations and enhance efficiency across key parts of the business
- Acquisition and integration costs of £1.9m, the majority of which relates to the Group's acquisition of Randlab, completed on 3 January 2025, including a £1.1m non-cash charge within cost of sales due to the reversal of a fair value uplift on acquired inventories.

Strong cash flow and balance sheet position

Operating cash flow and cash conversion

The Group continues to generate strong operating cash flows demonstrating the highly cash-generative qualities of our business. Underlying cash conversion was 79.7%, in line with our guidance.

As noted earlier, the Group assesses operating cash flow relative to Underlying EBITDA before R&D expenditure. This reflects the Group's decision to treat R&D as a growth investment rather than a core trading cost. In prior periods, cash conversion was calculated against Underlying EBITDA after R&D; the methodology has changed in 2025 to align with the Group's capital allocation framework as shown below:

	2025 £'m	2024 £'m
Underlying EBITDA – continuing operations	18.4	11.6
Underlying EBITDA – discontinued operations	–	0.2
Total Underlying EBITDA	18.4	11.8
Change in net working capital	(1.5)	(0.7)
Taxation	(3.2)	(0.8)
Non-cash and other adjusting items	(1.2)	1.1
Net cash flow from operations before R&D expenditure	12.5	11.4
Non-underlying cash items	2.2	0.8
Underlying net cash flow from operations	14.7	12.2
Underlying cash conversion %	79.7%	103.1%

Underlying net cash flow generated from our operations increased to £14.7m (2024: £12.2m). The net working capital outflow of £1.5m was primarily driven by a £2.1m decrease in payables, partially offset by a £1.0m reduction in inventories. These movements reflect trading and inventory purchasing patterns towards the year end. Cash taxes significantly increased compared to 2024, reflecting Randlab tax payments of £1.4m and a £1.0m increase in like-for-like cash taxes. The rise in tax outflows was mainly attributable to the geographic distribution of profits and a higher level of Animalcare balancing tax payments relating to previous years.

Net debt bridge

	£'m
Net debt 1 January 2025¹	(9.0)
Net cash flow from operations ²	12.8
Net capital expenditure	(4.2)
Payment of lease liabilities	(1.3)
Adjusted free cash flow	7.3
Net interest paid	(1.0)
Repayment of loans	0.3
Acquisitions (including M&A fees)	(0.8)
Purchase of equity investments	(1.4)
Dividends	(3.6)
Share issue costs	(0.1)
FX on cash and borrowings	(0.8)
Net debt at 31 December 2025³	(9.1)

¹ Excluding IFRS 16 lease liabilities.

² Excluding non-underlying M&A expenses

³ Prior to accounting for IFRS 16 leases.

Net capital expenditure of £4.3m (2024: £2.5m) largely comprised of investment in our product development pipeline with the balance of expenditure relating chiefly to our IT business systems and infrastructure.

The Group continued to advance its R&D pipeline of new products that address significant market opportunities and unmet needs within the veterinary sector. Total investment increased to £4.0m (2024: £2.1m) across the five key projects progressing through various stages within our pipeline, analysed as follows:

	2025	2024
	£'m	£'m
Research and development expenditure – expensed in the year	0.7	–
Research and development expenditure – capitalised as intangible assets	3.3	2.1
Total expenditure	4.0	2.1
% of revenue	4.5%	2.8%

Total investment in our VHH NGF antibody programme was £1.9m, comprising:

- Gross cash consideration of £0.9m relating to the acquisition of the VHH NGF antibody programme and related assets in August 2025
- R&D expenditure and an up-front licence payment to access and develop a half-life extension technology for Equine biologics totalling £1.0m

The balance of investment in our pipeline of £2.1m primarily related to Sweet Itch, E-6132 and life cycle management activities across key brands, notably Daxocox.

The Group delivered strong free cash generation before Randlab acquisition costs and after accounting for lease costs of £7.3m (2024: £7.9m, including £0.4m Identicare contribution). Net debt ended the year, pre IFRS 16 leases, at £9.1m (2024: £9.0m). Net debt, including IFRS 16 lease liabilities, was £12.3m (2024: £11.5m), representing a net debt: underlying EBITDA leverage ratio of 0.7 times.

Borrowing facilities

As at 31 December 2025, the Group had total credit facilities of €54.0m, provided by a syndicate of four banks, with all facilities set to mature on 31 March 2029. These facilities include a committed €44.0m revolving credit facility (RCF) and a €10.0m acquisition line, which is restricted to acquisition purposes and cannot be used for operational funding.

The loans carry a variable, EURIBOR-based interest rate with an applicable margin of either 1.26% or 1.50%. The RCF features bullet repayment at maturity in March 2029, while the acquisition line is amortised through quarterly payments, also concluding in March 2029.

In early 2025, the Group finalised credit documentation with the remaining two of the four syndicate banks, bringing the total acquisition facility to the €10m committed in 2024. This completion ensures an equal allocation of the total credit facility across all four syndicate banks, with the maturity date for all facilities remaining at 31 March 2029. The Group centrally manages its banking arrangements through a cross-currency cash-pooling system, whereby funds are swept daily from various bank accounts into central accounts. This approach optimises the Group's overall net interest payable position.

The Group's credit facilities are subject to the following financial covenants, which are monitored and maintained at all times:

- Net debt to underlying EBITDA ratio of no more than 3.5x
- Underlying EBITDA to interest ratio of at least 4.0x
- Solvency ratio (total assets less goodwill/total equity less goodwill) of more than 25%

At 31 December 2025, net debt (excluding IFRS 16 lease liabilities) was £9.1m (2024: £9.0m). Including net cash balances, total on headroom on the revolving credit facility (RCF) was £36.1m as at 31 December 2025.

As at 31 December 2025, and throughout the financial year, the Group was in full compliance with all covenant requirements, maintaining significant headroom across all three measures.

Going concern

Going concern is addressed in detail in note 3 to these preliminary unaudited financial statements.

Summary

The Group delivered a resilient trading performance in 2025, with strong execution across our core portfolio and material momentum from the Randlab acquisition. Randlab has performed ahead of expectations, contributing significantly to revenue growth in Equine and reinforcing our strategy of increasing exposure to higher growth, higher margin categories. We continue to see increasing commercial traction as we expand Randlab's reach across our geographies and integrate our portfolio into our broader commercial platform.

The Group ends 2025 in a position of strength with Animalcare in a more resilient, more scalable and more growth-focused business. The addition of Randlab has elevated our Equine leadership position and provides a platform for further international expansion, while our investment in InVetro offers a valuable entry point into the Australian Companion Animal market.

Chris Brewster
Chief Financial Officer
6 May 2026

Consolidated income statement

Year ended 31 December 2025

(unaudited)

	Notes	For the year ended					
		Underlying	Non- Underlying (Note 4)	Total	Underlying	Non- Underlying (Note 4)	Total
		2025 £'000	2025 £'000	2025 £'000	2024 £'000	2024 £'000	2024 £'000
Revenue	5	89,107	–	89,107	74,228	–	74,228
Cost of sales		(36,680)	(1,051)	(37,731)	(32,984)	–	(32,984)
Gross profit		52,427	(1,051)	51,376	41,244	–	41,244
Research and development expenses		(651)	–	(651)	–	–	–
Selling and marketing expenses		(14,510)	(2,141)	(16,651)	(12,458)	–	(12,458)
General and administrative expenses		(23,252)	(3,383)	(26,635)	(20,319)	(3,965)	(24,284)
Net other operating (expenses) / income		4	(1,253)	(1,249)	30	2,546	2,576
Impairment losses		–	(116)	(116)	–	(23)	(23)
Operating profit / (loss)	5	14,018	(7,944)	6,074	8,497	(1,442)	7,055
Finance expenses		(2,421)	–	(2,421)	(1,520)	(988)	(2,508)
Finance income		2,686	–	2,686	1,205	–	1,205
Finance income / (cost) net		265	–	265	(315)	(988)	(1,303)
Share of net gain from associate / joint venture accounted for using the equity method		4	–	4	31	–	31
Profit / (loss) before tax		14,287	(7,944)	6,343	8,213	(2,430)	5,783
Income tax (expense) / income	8	(3,421)	2,156	(1,265)	(1,554)	588	(966)
Net profit / (loss) for the period from continuing operations		10,866	(5,788)	5,078	6,659	(1,842)	4,817
Profit for the period from discontinued operations	7	–	–	–	48	13,629	13,677
Profit / (loss) for the period		10,866	(5,788)	5,078	6,707	11,787	18,494

Earnings per share for profit attributable to the ordinary equity holders of the Company:

Total profit for the period

Basic earnings per share	9	15.7p	7.3p	11.0p	30.3p
Diluted earnings per share	9	15.6p	7.3p	10.9p	29.9p

Continuing underlying profit for the period

Basic earnings per share	9	15.7p	7.3p	10.9p	7.9p
Diluted earnings per share	9	15.6p	7.3p	10.8p	7.8p

In order to aid understanding of underlying business performance, the Directors have presented underlying results before the effect of exceptional and other items. These exceptional and other items are categorised as 'non-underlying' and are analysed in detail in note 4 to these financial statements. The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income
Year ended 31 December 2025
(unaudited)

	For the year ended	
	2025	2024
	£'000	£'000
Profit for the period	5,078	18,494
Other comprehensive expense		
Exchange differences on monetary items, net investment in foreign operations*	(1,751)	–
Exchange differences on translation of foreign operations*	1,576	(528)
Other comprehensive expense, net of tax	(175)	(528)
Total comprehensive income for the year, net of tax	4,903	17,966
Total comprehensive income attributable to:		
The owners of the parent	4,903	17,966
Total continuing other comprehensive income for the period, net of tax	4,903	4,289
Total discontinued other comprehensive income for the period, net of tax	–	13,677
	4,903	17,966

* May be reclassified subsequently to profit and loss

Consolidated statement of financial position

Year ended 31 December 2025

(unaudited)

		As at 31 December	
	Notes	2025 £'000	2024 £'000
Assets			
Non-current assets			
Goodwill	10	74,161	39,360
Intangible assets	11	42,271	16,597
Property, plant and equipment		1,168	305
Right-of-use-assets	14	3,053	2,316
Investments in associates	12	1,493	–
Deferred tax assets	8	1,648	2,192
Other financial assets		82	82
Total non-current assets		123,876	60,852
Current assets			
Inventories		13,270	11,754
Trade receivables		15,974	13,501
Current tax receivables	8	1,043	694
Other current assets		1,028	60,297
Cash and cash equivalents		2,913	11,715
Total current assets		34,228	97,961
Total assets		158,104	158,813
Liabilities			
Current liabilities			
Borrowings	13	(2,117)	(976)
Lease liabilities	14	(1,204)	(841)
Trade payables		(12,010)	(12,908)
Current tax liabilities	8	(896)	(623)
Accrued charges		(86)	(47)
Other current liabilities		(4,887)	(5,213)
Total current liabilities		(21,200)	(20,608)
Non-current liabilities			
Borrowings	13	(9,863)	(19,754)
Lease liabilities	14	(2,024)	(1,594)
Deferred tax liabilities	8	(10,303)	(3,395)
Provisions		(174)	(150)
Total non-current liabilities		(22,364)	(24,893)
Total liabilities		(43,564)	(45,501)
Net assets		114,540	113,312
Equity			
Share capital		13,809	13,795
Share premium		149,992	149,992
Reverse acquisition reserve		(56,762)	(56,762)
Accumulated profit		5,586	4,197
Other reserves		1,915	2,090
Equity attributable to the owners of the parent		114,540	113,312
Total equity		114,540	113,312

Consolidated statement of changes in equity

Year ended 31 December 2025

(unaudited)

	Attributable to the owners of the parent					
	Share capital	Share premium	Reverse acquisition reserve	Accumulated profits	Other reserve	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2025	13,795	149,992	(56,762)	4,197	2,090	113,312
Profit for the period	-	-	-	5,078	-	5,078
Other comprehensive expense	-	-	-	-	(175)	(175)
Total comprehensive income	-	-	-	5,078	(175)	4,903
Dividends paid	-	-	-	(3,587)	-	(3,587)
Exercise of share options	14	-	-	-	-	14
Share-based remuneration	-	-	-	(102)	-	(102)
At 31 December 2025	13,809	149,992	(56,762)	5,586	1,915	114,540

	Attributable to the owners of the parent					
	Share capital	Share premium	Reverse acquisition reserve	Accumulated losses	Other reserve	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2024	12,022	132,798	(56,762)	(12,781)	2,618	77,895
Profit for the period	-	-	-	18,494	-	18,494
Other comprehensive expense	-	-	-	-	(528)	(528)
Total comprehensive income	-	-	-	18,494	(528)	17,966
Dividends paid	-	-	-	(3,019)	-	(3,019)
Exercise of share options	53	-	-	-	-	53
Capital increase (net of costs)	1,720	17,194	-	-	-	18,914
Share-based payments	-	-	-	1,503	-	1,503
At 31 December 2024	13,795	149,992	(56,762)	4,197	2,090	113,312

Reverse acquisition reserve

Reverse acquisition reserve represents the reserve that was created upon the reverse acquisition of Animalcare Group plc.

Other reserve

Other reserve relates to currency translation differences. These exchange differences arise on the translation of subsidiaries with a functional currency other than sterling. The increase in the charge through other comprehensive income compared to the prior period reflects exchange differences arising from monetary items that form part of the Group's net investment in a foreign operation.

Consolidated cash flow statement

Year ended 31 December 2025

(unaudited)

		For the year ended 31	
		December	
		2025	2024
		£'000	£'000
	Notes		
Operating activities			
Profit before tax from continued operations		6,343	5,783
Profit before tax from discontinued operations		–	13,685
Profit before tax		6,343	19,468
<i>Non-cash and operational adjustments</i>			
Share in net profit of associate / joint venture	12	(4)	(31)
Depreciation of property, plant and equipment		1,500	1,138
Amortisation of intangible assets	11	7,736	6,043
Impairment of intangible assets	11	116	23
Share-based payment expense		214	678
Gain on disposal of intangible assets		(361)	(430)
Non-cash movement in provisions		446	488
Gain on sale of discontinued operation		–	(13,723)
Movement allowance for bad debt and inventories		730	1,193
Finance income		(1,461)	(426)
Finance expense		2,422	230
Impact of foreign currencies		(1,226)	1,552
Gain from sale of joint venture and release of associated liabilities		–	(3,375)
Loss / (gain) from IFRS 16 lease modification		10	(1)
Other		7	(3)
Movements in working capital			
(Increase) / decrease in trade receivables		(334)	1,008
Decrease / (increase) in inventories		1,029	(3,465)
(Decrease) / increase in payables		(2,164)	1,762
Income tax paid		(3,189)	(777)
Net cash flow from operating activities		11,814	11,352
Investing activities			
Purchase of property, plant and equipment		(221)	(208)
Purchase of intangible assets	11	(4,031)	(2,802)
Proceeds from the sale of tangible / intangible assets		15	505
Proceeds from the sale of joint venture		–	3,780
Loans repaid / (given)		303	(300)
Proceeds from sale of subsidiary, net of cash disposed		–	24,522
Transaction costs from sale of subsidiary		–	(634)
Advanced payments to acquire subsidiaries		–	(59,712)
Purchase of subsidiaries net of cash acquired	6	135	–
Purchase of equity accounted investee	12	(1,440)	–
Interest income		–	989
Net cash flow used in investing activities		(5,239)	(33,860)

Consolidated cash flow statement (continued)

Year ended 31 December 2025

(unaudited)

		For the year ended 31 December	
	Notes	2025 £'000	2024 £'000
Financing activities			
(Repayments) / proceeds from loans and borrowings		(9,651)	17,812
Repayment of IFRS 16 lease liability	14	(1,325)	(976)
Exercise of share options		14	53
Receipts from issue of share capital		-	20,000
Share issue costs		(130)	(956)
Dividends paid		(3,587)	(3,019)
Interest paid		(898)	(408)
Other finance expense		(61)	(386)
Net cash flow used in financing activities		(15,638)	32,120
Net (decrease) / increase of cash and cash equivalents		(9,063)	9,612
Cash and cash equivalents at beginning of year		11,715	4,642
Exchange rate differences on cash and cash equivalents	13	261	(2,539)
Cash and cash equivalents at end of year		2,913	11,715

Reconciliation of net cash flow to movement in net debt

Net (decrease) / increase in cash and cash equivalents in the year		(9,063)	9,612
Cash flow from decrease / (increase) in debt financing		9,651	(17,812)
Foreign exchange differences on cash and borrowings	13	(640)	(2,524)
Movement in net debt during the year		(52)	(10,724)
Net debt at the start of the year		(11,450)	(1,234)
Movement in lease liabilities during the year	14	(793)	508
Net debt at the end of the year		(12,295)	(11,450)

Notes to the consolidated financial statements (unaudited)

1. Financial information

The unaudited financial information set out above does not constitute the Company's statutory accounts for the years ended 31 December 2025 and 31 December 2024. Statutory accounts for the year ended 31 December 2024 have been delivered to the registrar of companies, the Company's auditor, Grant Thornton UK LLP, reported on those accounts; their report was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under s498 (2) or (3) of the Companies Act 2006. The statutory financial statements for the year ended 31 December 2025 have not been finalised but this preliminary announcement has been prepared by the Directors based on the results and position which they expect will be reflected in those statutory accounts. Accordingly, the financial information for 2025 is presented unaudited in the preliminary announcement.

2. Basis of preparation

The accounting policies applied in this financial information have been aligned with those in the financial statements. The financial statements have been prepared in accordance with UK-adopted international accounting standards ("IFRS") and the applicable legal requirements of the Companies Act 2006, except for the revaluation of certain financial instruments. They have also been prepared in accordance with the requirements of the AIM Rules.

3. Summary of significant accounting policies

Going concern

The Directors have prepared cash flow forecasts covering a period to December 2027, being at least twelve months from the date of approval of these financial statements (the going concern assessment period). These forecasts indicate that the Group will have sufficient funds and liquidity to meet its obligations as they fall due, in particular when taking into account the potential impact of “severe but plausible” downside scenarios to factor in a range of downside revenue estimates, higher than expected inflation across our cost base and higher level of investment in our R&D portfolio, with corresponding mitigating actions. The Group also conducted a reverse stress test assessment to evaluate the performance decline necessary to breach its banking covenants. The required decline was found to be so severe that it was considered implausible, as it would necessitate a significant reduction in both gross margin and cash conversion to breach the Group's tightest covenant. The output from these scenarios shows that the Group expects to comply with its banking covenants associated with the current committed facilities throughout the going concern assessment period. Refer to note 13 for further details of the Group's borrowing facilities and covenant arrangements.

Subsequent to the reporting date, on 16 April 2026, the Group announced a recommended acquisition (the “Acquisition”) of Animalcare Group plc by CCP Paw 2 Limited, a wholly-owned indirect subsidiary of funds managed by Charterhouse Capital Partners LLP (“Charterhouse”). Completion of the transaction remains subject to customary conditions, including shareholder approval and court sanction, and therefore there is uncertainty at the date of approval of these financial statements as to whether, and when, the transaction will complete.

The Directors have considered Charterhouse's stated intentions for the Group, but acknowledge that decisions as to the future of the Group will be outside of their control.

The Acquisition, therefore, gives rise to a material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. Notwithstanding this, these financial statements have been prepared on a going concern basis and therefore do not contain the adjustments that would result if the Group was unable to continue as a going concern. The Directors do not expect this to impact the continued operation of the Group in the 12 months from the date of approval of these financial statements.

In the event that the acquisition does not complete, the Group would continue to operate as normal, relying on its existing funding arrangements and the successful execution of its business plan. Notwithstanding the uncertainty set out above, and for the reasons set out above, the Directors are satisfied that it is appropriate to prepare the Group financial statements on a going concern basis.

4. Non-underlying expenses / (income)

	For the year ended 31 December	
	2025	2024
	£'000	£'000
Amortisation and impairment of acquisition related intangibles		
Classified within selling and marketing expenses	2,141	–
Classified within general and administrative expenses*	3,383	3,965
Impairment losses	116	23
Total amortisation and impairment of acquisition-related intangibles	5,640	3,988
Acquisition and integration costs		
Classified within cost of sales	1,051	–
Classified within net other operating (expense) / income	820	–
Total acquisition and integration costs	1,871	–
Restructuring costs	602	166
Gain on sale of joint venture and release of associated liabilities	–	(3,375)
Gain on disposal of intangible assets	(361)	(430)
Expenses related to M&A and business development activities	–	739
Other non-underlying items	192	354
Foreign currency translation on acquisition prepayment	–	988
Total non-underlying items before taxes from continuing operations	7,944	2,430
Tax impact	(2,156)	(588)
Total non-underlying items after taxes from continuing operations	5,788	1,842
Other non-underlying items from discontinued operations	–	94
Gain on disposal of discontinued operation, net of tax	–	(13,723)
Total non-underlying items after taxes	5,788	(11,787)

*The Group is now incurring research costs that are expensed directly to the income statement. In order to provide more clarity on this overhead investment, and to allow clear reconciliation to the Group's alternative performance measure of Underlying EBITDA pre-R&D (note 5) certain reclassifications have been made to the Consolidated Income Statement, and hence this note. Amortisation has been reclassified to Sales and Marketing and General and Administrative expenses as appropriate, with the reclassification applied consistently to both the current and prior year to ensure comparability.

Unless explicitly stated otherwise in the table above, costs have been presented within 'Net other operating (expenses) / income' in the Consolidated Income Statement.

The following table shows the breakdown of non-underlying items from continuing operations before taxes by category for 2025 and 2024:

	For the year ended 31 December	
	2025	2024
	£'000	£'000
Classified within cost of sales	1,051	–
Classified within selling and marketing expenses	2,141	–
Classified within general and administrative expenses	3,383	3,965
Classified within net other operating expense / (income)	1,253	(2,546)
Impairment losses	116	23
Classified within finance expenses	–	988
Total non-underlying items before taxes	7,944	2,430

Non-underlying items before taxes from continuing operations totalling £7,944k (2024: £2,430k) principally comprise:

- The amortisation and impairment of acquisition-related intangible charge totalling £5,640k (2024: £3,988k) largely relates to the historic Esteve acquisition of £371k (2024: £1,125), the reverse acquisition of Animalcare Group plc of £2,648k (2024: £2,840) and the acquisition of Randlab Group of £2,505k (2024: £nil). It also includes £116k of impairment (2024: £23k).

- Restructuring costs of £602k (2024: £166k) primarily relates to an organisational restructuring program in Germany.
- Acquisition and integration costs amounted to £1,871k, the majority of which relates to the Group's acquisition of Randlab, completed on 3 January 2025 (note 6). This transaction has resulted in acquisition and integration costs of £1,771k, including £1,051k of non-underlying cost of sales due to the reversal of a fair value uplift on acquired inventories, £131k of acquisition costs and £589k post-acquisition and integration costs. Additionally, on 13 June 2025, the Group acquired a 25% equity interest in InVetro Pty Ltd, incurring costs of £85k (note 12).

The Group's prior year non-underlying items are presented below:

- Foreign currency translation of £988k arose from a hedging arrangement entered into to support the acquisition of shares in Randlab Australia Pty Ltd.
- Expenses of £739k relating to M&A and business development activities were primarily associated with the acquisition of shares in Randlab Australia Pty Ltd.
- On 12 April 2024, the Group sold its 33.34% minority interest in STEM Animalcare Health Inc. for US\$4.7m (£3.8m), generating a total gain of £3,375k. This comprised a £2,654k profit on disposal and £721k arising from the termination of a capital contribution obligation and the release of future milestone commitments.
- On 28 February 2024, the Group disposed of its subsidiary Identicare Limited, resulting in a gain on disposal of £13,723k.
- Additional non-underlying items within discontinued operations related to share-based payment arrangements linked to growth shares in the disposed subsidiary, where the fair value of the plan was tied to subsidiary valuation rather than trading activity.

5. Segment information – from continuing operations

The Animalcare Europe segment is active in the development and sale of innovative veterinary pharmaceutical products across Europe and via the European International Partners network. The Randlab segment is engaged in the development and distribution of veterinary pharmaceuticals and nutritional supplements tailored to the equine market. In addition, the segment provides professional support services to equine veterinarians across Australia, New Zealand, the Middle East, and selected international markets.

The measurement principles used by the Group in preparing this segment reporting are also the basis for segment performance assessment. The Senior Executive Team of the Group acts as the Chief Operating Decision Maker. The Chief Operating Decision Maker monitors performance using key performance indicators of the Group's revenue, gross margin, Underlying EBITDA excluding R&D, Underlying EBITDA and EBITDA. EBITDA is defined by the Group as net profit plus finance expenses, less financial income, plus income taxes and deferred taxes, plus depreciation, amortisation and impairment and is an alternative performance measure. Underlying EBITDA equals EBITDA plus non-underlying items and is an alternative performance measure. EBITDA and underlying EBITDA are reconciled to statutory measures below.

The following table summarises the segment reporting from continuing operations for 2025 and 2024. As management's internal reporting structure is principally revenue and profit-based, the reporting information does not include assets and liabilities by segment and is as such not presented per segment.

Following the July 2024 IFRIC agenda decision the Group has presented the material cost of sales per segment within the table below.

	For the year ended 31 December			For the year ended 31 December		
	2025	2025	2025	2024	2024	2024
	Randlab	Animalcare Europe *	Total	Randlab	Animalcare Europe *	Total
From continuing operations	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	13,614	75,493	89,107	–	74,228	74,228
Cost of sales	(4,743)	(32,988)	(37,731)	–	(32,984)	(32,984)
Gross Margin	8,871	42,505	51,376	–	41,244	41,244
Gross Margin %**	65.2%	56.3%	57.7%	–	55.6%	55.6%
Segment underlying EBITDA (excl. R&D)	6,474	11,907	18,381	–	11,556	11,556
Segment underlying EBITDA % (excl. R&D)	47.6%	15.8%	20.6%	–	15.6%	15.6%
Segment underlying EBITDA	6,435	11,295	17,730	–	11,556	11,556
Segment underlying EBITDA %	47.3%	15.0%	19.9%	–	15.6%	15.6%
Segment EBITDA	4,866	10,560	15,426	–	14,102	14,102
Segment EBITDA %	35.7%	14.0%	17.3%	–	19.0%	19.0%

* Including International Partners

**The Randlab gross margin disclosed above includes a £1,051k purchase price allocation (PPA) adjustment relating to the fair value uplift of acquired inventory. Excluding this adjustment, the 2025 underlying gross margin is 72.9% for the Randlab segment and 58.8% for the Group overall.

The underlying and segment EBITDA is reconciled with the consolidated net profit of the year as follows:

	For the year ended 31 December			For the year ended 31 December		
	2025	2025	2025	2024	2024	2024
	Randlab	Animalcare Europe *	Total	Randlab	Animalcare Europe *	Total
From continuing operations	£'000	£'000	£'000	£'000	£'000	£'000
Underlying EBITDA (excl. R&D)	6,474	11,907	18,381	–	11,556	11,556
Research and development expenses	(39)	(612)	(651)	–	–	–
Underlying EBITDA	6,435	11,295	17,730	–	11,556	11,556
Non-recurring expenses (excl. amortisation and impairment)	(1,569)	(735)	(2,304)	–	2,546	2,546
Segment EBITDA	4,866	10,560	15,426	–	14,102	14,102
Depreciation, amortisation and impairment	(2,821)	(6,531)	(9,352)	–	(7,047)	(7,047)
Operating profit	2,045	4,029	6,074	–	7,055	7,055
Finance expenses	(18)	(2,403)	(2,421)	–	(2,508)	(2,508)
Finance income	–	2,686	2,686	–	1,205	1,205
Share in net result of associates / joint ventures	4	–	4	–	31	31
Income taxes	(1,572)	(1,275)	(2,847)	–	(1,800)	(1,800)
Deferred taxes	1,277	305	1,582	–	834	834
Net profit	1,736	3,342	5,078	–	4,817	4,817

* Including International Partners

6. Business combination

On 3 January 2025, the Group completed an acquisition of Randlab. The acquisition was executed through a newly incorporated Australian entity, Animalcare Australia Pty Ltd, which acquired the entire issued share capital of each Randlab Australia Pty Ltd (and its wholly owned subsidiary, Randlab (New Zealand) Ltd), Randlab Pty Ltd and Randlab Middle East Veterinary Medicines Trading LLC (together "Randlab"). The acquisition delivers against our strategic goals of expanding our geographic reach, acquiring products and brands that enhance our existing portfolio and building our new product pipeline.

The transaction has been accounted for using the acquisition method and the consolidated financial statements include the results of Randlab for the twelve-month period from the acquisition date.

The fair values of the identifiable assets and liabilities of Randlab as at the date of acquisition were:

	Fair value recognised on acquisition £'000
Assets	
Non-current assets	
Intangible assets	29,302
Property, plant & equipment	816
Deferred tax assets	130
Total non-current assets	30,248
Current assets	
Inventories	3,810
Trade receivables	1,915
Other current assets	39
Cash and cash equivalents	369
Total Current assets	6,133
Total assets	36,381
Liabilities	
Current liabilities	
Trade payables	(331)
Tax payables	(338)
Other current liabilities	(593)
Total current liabilities	(1,262)
Non-current liabilities	
Provisions	(69)
Deferred tax liabilities	(9,113)
Total non-current liabilities	(9,182)
Total Liabilities	(10,444)
Total identifiable net assets at fair value	25,937
Goodwill arising on acquisition (note 10)	34,263
Consideration transferred	60,200

Analysis of cash flows on acquisition:

	Cash flow on acquisition
	£'000
Net cash acquired with the subsidiary	(369)
Completion payment	234
Current period cash inflow	(135)
Advanced consideration on 31 December 2024	59,712
Net cash flow on acquisition	59,577

All cashflows on acquisition are included in cashflow used in investing activities.

The cash flow associated with the acquisition comprised an initial payment of AUD\$121m (£59,712k) which was paid in advance on 31 December 2024, followed by a normalised working capital settlement of AUD\$487k (£234k) on 15 May 2025. The total cash outflow, net of £369k cash acquired, amounted to £59,577k.

As part of the Group's acquisition accounting, a Purchase Price Allocation (PPA) exercise was undertaken to determine the fair value of identifiable assets and liabilities at the acquisition date. Adjustments to carrying amounts were made across several areas to align with fair value measurements in accordance with IFRS 3 Business Combinations.

The disclosures below outline the valuation methodologies applied and key assumptions used in determining these fair values.

The acquisition date fair value of the intangible assets amounts to £29,302k. The assets comprise of brand names, registrations and customer relationships. The fair value reflects market participant assumptions regarding future cash flows, useful life, and contributory asset charges. The difference between the fair value and carrying amount arises from an updated assessment of the revenue generating potential and the application of market-observed discount rates.

The acquisition date fair value of freehold land and property is £593k. This amount forms part of the total recognised Property, Plant and Equipment, which reflects a broader portfolio of acquired physical assets. The valuation of the land and property is based on prevailing market comparables and incorporates assumptions around unrestricted use. The difference between the fair value and the previous carrying amount arises from revaluation to market terms.

The acquisition date fair value of the inventory amounts to £3,810k. This includes finished goods and raw materials. The fair value was determined using the estimated selling price in the ordinary course of business less costs of completion and sale. The uplift from the carrying value (£1,051k) reflects adjustments for obsolescence and alignment with market-based recovery estimates. The release of the uplift is included in cost of sales and included in non-underlying acquisition and integration costs (note 4).

From the date of acquisition, Randlab has contributed £13,614k of revenue and £1,736k to the net profit from the continuing operations of the Group.

The goodwill recognised has been allocated to the Randlab cash generating unit and is primarily attributed to the expected synergies and other benefits from combining the assets and activities of Randlab with those of the Group (note 10). The goodwill is not deductible for income tax purposes.

Transaction and integration costs within the current period of £1,771k have been expensed and are included in non-underlying other operating expenses (note 4) in the consolidated income statement and are part of operating cash flows in the consolidated cash flow statement.

7. Discontinued operations

On 28 February 2024, the Group sold its entire interest in its majority stake in its subsidiary Identicare Ltd. The Group recognised a gain in relation to the sale of £13,723k, which was based on total consideration (net of associated costs and cash disposed) of £23,888k, cash disposed of £340k and a net asset value of £10,505k. For further details, please refer to the Group's financial statements for the year ended 31 December 2024.

8. Income tax expense – from continuing operations

Current tax receivables and current tax liabilities

Current tax receivables £1,043k (2024: £694k) and current tax liabilities £896k (2024: £623k) solely relate to income taxes.

Income tax expense

The following table shows the breakdown of the tax expense for 2025 and 2024:

	For the year ended 31	
	December	
	2025	2024
	£'000	£'000
Current tax charge	(2,968)	(1,525)
Tax adjustments in respect of previous years	121	(275)
Total current tax charge	(2,847)	(1,800)
Deferred tax - origination and reversal of temporary differences	1,673	438
Deferred tax - adjustments in respect of previous years	(91)	396
Total deferred tax credit	1,582	834
Total tax expense for the year	(1,265)	(966)

The total tax expense can be reconciled to the accounting profit as follows:

	For the year ended	
	2025	2024
	£'000	£'000
Profit before tax	6,343	5,783
Share of net gain in associate / joint venture	(4)	(31)
Profit before tax, excl. share in net gain of associate / joint venture	6,339	5,752
Tax at 25.0%	(1,585)	(1,438)
Effect of:		
Overseas tax rates	(26)	16
Non-deductible expenses	(245)	(285)
Income not subject to tax - gain on sale of joint venture	–	844
Use of tax losses previously not recognised	54	–
Recognition of tax losses previously not recognised	605	–
Tax adjustments in respect of previous year	30	121
Non-recognition of deferred tax on current year losses	–	(481)
Derecognition of formerly recognised deferred tax assets	–	(49)
Deferred taxes on share-based payments	(9)	251
Other	(89)	55
Income tax expense as reported in the consolidated income statement	(1,265)	(966)

The tax credit of £2,156k (2024: £588k) shown within "Non-underlying items" on the face of the consolidated income statement, which forms part of the overall tax charge of £1,265k (2024: £966k), relates to the items in note 4.

The tax rates used for the 2025 and 2024 reconciliation above are the corporate tax rates of 25.0% (Belgium), 19.0% (the Netherlands), 30.7% (Germany), 25.0% (Spain), 25.0% (Italy), 21.0% (Portugal), 25.0% (the United Kingdom), 30.0% (Australia), 9.0% (United Arab Emirates) and 28.0% (New Zealand). These taxes are payable by corporate entities in the above-mentioned countries on taxable profits under tax law in that jurisdiction.

Deferred taxes at the balance sheet date have been measured using the enacted tax rates.

Deferred tax

(a) Recognised deferred tax assets and liabilities

	Assets		Liabilities		Total	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Goodwill	-	-	(1,749)	(1,550)	(1,749)	(1,550)
Intangible assets	-	214	(9,512)	(2,129)	(9,512)	(1,915)
Property, plant and equipment including right-of-use assets	-	-	(722)	(511)	(722)	(511)
Financial fixed assets	-	1	-	-	-	1
Inventory	121	-	-	(24)	121	(24)
Trade and other receivables / (payables)	-	129	(608)	-	(608)	129
Lease liabilities	577	461	-	-	577	461
Share-based payments	275	488	-	-	275	488
Accruals and deferred income	343	189	-	-	343	189
Tax losses carried forward	2,620	1,529	-	-	2,620	1,529
Netting by tax entity	(2,288)	(819)	2,288	819	-	-
Total	1,648	2,192	(10,303)	(3,395)	(8,655)	(1,203)

The table above presents deferred tax assets and liabilities on a gross basis prior to allowable offsetting within tax jurisdictions as presented on the face of the Consolidated statement of financial position.

(b) Movements during the year

Movement of deferred taxes during 2025:

	Balance as at 1 January 2025 £'000	Recognised in income £'000	Recognised in reserves £'000	Acquisition of subsidiary £'000	Foreign exchange adjustments £'000	Balance as at 31 December 2025 £'000
Goodwill	(1,550)	(119)	-	-	(80)	(1,749)
Intangible assets	(1,915)	1,196	-	(8,802)	9	(9,512)
Property, plant and equipment including right-of-use assets	(511)	(184)	-	-	(27)	(722)
Financial fixed assets	1	(1)	-	-	-	-
Inventory	(24)	373	-	(197)	(31)	121
Trade and other receivables / (payables)	129	(770)	-	-	33	(608)
Accruals and deferred income	189	325	(194)	-	23	343
Lease liabilities	461	25	67	-	24	577
Share-based payments	488	(213)	-	-	-	275
Tax losses carry forward and other tax benefits	1,529	950	63	-	78	2,620
Net deferred tax	(1,203)	1,582	(64)	(8,999)	29	(8,655)

Movement of deferred taxes during 2024:

	Balance at 1 January 2024 £'000	Recognised in income £'000	Recognised in reserves £'000	Disposal of subsidiary £'000	Foreign exchange adjustments £'000	Balance at 31 December 2024 £'000
Goodwill	(1,444)	(171)	-	-	65	(1,550)
Intangible assets	(2,525)	626	-	-	(16)	(1,915)
Property, plant and equipment including right- of-use assets	(645)	66	-	40	28	(511)
Financial fixed assets	1	(1)	-	-	1	1
Inventory	(54)	26	-	-	4	(24)
Trade and other receivables / (payables)	30	95	-	-	4	129
Accruals and deferred income	132	63	-	-	(6)	189
Lease liabilities	580	(94)	-	-	(25)	461
Share-based payments	-	251	237	-	-	488
Tax losses carry forward and other tax benefits	1,636	(27)	-	-	(80)	1,529
Net deferred tax	(2,289)	834	237	40	(25)	(1,203)

Tax losses

The Group has unused tax losses, tax credits and notional interest deduction available in an amount of £13,052k for 2025 (2024: £10,680k). The tax losses carry forward indefinitely, as there is no expiration date prescribed for their utilisation.

Deferred tax assets have been recognised on available tax losses carried forward for all legal entities, resulting in amounts recognised of £2,620k (2024: £1,529k). This was based on management's estimate that sufficient positive taxable profits will be generated in the near future for the related legal entities with fiscal losses. The deferred tax asset is not expected to be recovered within the next 12 months and is anticipated to be fully recovered thereafter.

The total unrecognised tax losses as at 31 December 2025 were £2,568k (2024: £4,961k).

9. Earnings per share

Basic earnings per share amounts are calculated by dividing the net profit for the period attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period, adjusted for the effects of dilutive instruments.

The following income and share data was used in the earnings per share computations:

Profit for the period

	As at 31 December			
	2025	2024	2025	2024
	Underlying £'000	Underlying £'000	Total £'000	Total £'000
Net profit	10,866	6,707	5,078	18,494
Net profit attributable to ordinary equity holders of the parent adjusted for the effect of dilution	10,866	6,707	5,078	18,494
Net continuing profit	10,866	6,659	5,078	4,817
Net continuing profit attributable to ordinary equity holders of the parent adjusted for the effect of dilution	10,866	6,659	5,078	4,817

Average number of shares (basic and diluted)

	For the year ended 31 December			
	2025	2024	2025	2024
	Underlying Number	Underlying Number	Total Number	Total Number
Weighted average number of ordinary shares for basic earnings per share	69,250,726	61,110,644	69,250,726	61,110,644
Dilutive potential ordinary shares	197,152	666,052	197,152	666,052
Weighted average number of ordinary shares adjusted for effect of dilution	69,447,878	61,776,696	69,447,878	61,776,696

Basic earnings per share

	As at 31 December			
	2025 Underlying Pence	2024 Underlying Pence	2025 Total Pence	2024 Total Pence
From total operations attributable to the ordinary equity holders of the company	15.7	11.0	7.3	30.3
Total basic earnings per share attributable to the ordinary equity holders of the company	15.7	11.0	7.3	30.3
From continuing operations attributable to the ordinary equity holders of the company	15.7	10.9	7.3	7.9
Total continuing basic earnings per share attributable to the ordinary equity holders of the company	15.7	10.9	7.3	7.9

Diluted earnings per share

	As at 31 December			
	2025 Underlying Pence	2024 Underlying Pence	2025 Total Pence	2024 Total Pence
From total operations attributable to the ordinary equity holders of the company	15.6	10.9	7.3	29.9
Total diluted earnings per share attributable to the ordinary equity holders of the company	15.6	10.9	7.3	29.9
From continuing operations attributable to the ordinary equity holders of the company	15.6	10.8	7.3	7.8
Total continuing diluted earnings per share attributable to the ordinary equity holders of the company	15.6	10.8	7.3	7.8

10. Goodwill

On acquisition, goodwill acquired in a business combination is allocated to the cash-generating units (“CGUs”) that are expected to benefit from that business combination. This CGU corresponds to the nature of the business. The goodwill has been allocated to CGU as follows:

	As at 31 December	
	2025 £'000	2024 £'000
CGU: Animalcare Europe	39,840	39,360
CGU: Randlab	34,321	–
Total	74,161	39,360

The changes in the carrying value of the goodwill can be presented as follows for the years 2025 and 2024:

	Total £'000
As at 1 January 2024	50,656
Disposal of Identicare Limited - see note 7	(10,855)
Currency translation	(441)
As at 31 December 2024	39,360
As at 1 January 2025	39,360
Acquisition of Randlab - see note 6	34,263
Currency translation	538
As at 31 December 2025	74,161

Goodwill allocated to the Animalcare Europe cash-generating unit (CGU), which included Identicare Limited, arises from past business combinations. To determine the portion of this goodwill to be disposed of with the sale of Identicare Limited in the prior year, the transaction value was calculated as a percentage of the Group's total market capitalisation at the time of disposal.

Goodwill allocated to the Randlab cash-generating unit (CGU) arises from the business combination disclosed in note 6.

11. Intangible assets

The changes in the carrying value of the intangible assets can be presented as follows for the years 2025 and 2024:

	R&D assets £'000	Patents, distribution rights, licenses & registrations £'000	Product portfolios, product development costs & brand names £'000	Capitalised software £'000	Intangible assets under construction £'000	Customer relationships £'000	Total £'000
Acquisition value / cost							
As at 1 January 2024	10,904	18,779	41,500	4,983	203	–	76,369
Additions	812	59	788	589	554	–	2,802
Disposals	(74)	–	–	(3)	–	–	(77)
Disposal of Identicare	–	–	–	(1,554)	(198)	–	(1,752)
Transfers	(1,756)	58	2,115	130	(547)	–	–
Currency translation	(215)	(653)	(848)	(174)	(12)	–	(1,902)
As at 31 December 2024	9,671	18,243	43,555	3,971	–	–	75,440
At 1 January 2025	9,671	18,243	43,555	3,971	–	–	75,440
Additions	491	1,434	896	712	498	–	4,031
Assets acquired through business combinations	–	3,794	3,567	–	–	22,477	29,838
Disposals	(29)	1	–	–	–	–	(28)
Transfers	(230)	20	557	151	(498)	–	–
Currency translation	236	661	902	221	–	(369)	1,651
As at 31 December 2025	10,139	24,153	49,477	5,055	–	22,108	110,932
Accumulated amortisation							
As at 1 January 2024	(5,629)	(17,187)	(29,135)	(3,834)	–	–	(55,785)
Amortisation	(876)	(870)	(3,402)	(895)	–	–	(6,043)
Disposal of Identicare	–	–	–	1,362	–	–	1,362
Impairments	(23)	–	–	–	–	–	(23)
Currency translation	163	629	715	139	–	–	1,646
As at 31 December 2024	(6,365)	(17,428)	(31,822)	(3,228)	–	–	(58,843)
At 1 January 2025	(6,365)	(17,428)	(31,822)	(3,228)	–	–	(58,843)
Amortisation	(862)	(741)	(3,573)	(762)	–	(1,798)	(7,736)
Impairments	(4)	(29)	(83)	–	–	–	(116)
Currency translation	(195)	(714)	(825)	(188)	–	(44)	(1,966)
As at 31 December 2025	(7,426)	(18,912)	(36,303)	(4,178)	–	(1,842)	(68,661)
Net carrying value							
As at 31 December 2025	2,713	5,241	13,174	877	–	20,266	42,271
As at 31 December 2024	3,306	815	11,733	743	–	–	16,597

R&D assets relate to acquired development projects as part of the Esteve business combination in 2015, the reverse acquisition of Animalcare Group plc in 2017 and external and internal R&D costs for which the capitalisation criteria are met. Patents, distribution rights, licenses & registrations include amounts paid for exclusive distribution rights as well as distribution rights acquired as part of the Esteve business combination in 2015 and the reverse acquisition of Animalcare Group plc in 2017.

Product portfolios, product development costs and brand names relate to amounts paid for acquired brands as well as external and internal product development costs capitalised on the development projects in the pipeline for which the capitalisation criteria are met.

The transfers of intangible assets under construction involves the allocation of internally generated assets to various R&D projects, including those relating to patents, distribution rights, licenses, as well as product portfolios and development costs.

Transfers from R&D assets to product portfolios, product development costs & brand names occur when an R&D project advances to a stage where it is ready for commercialisation. Subsequently, the transferred value of these assets initiates depreciation in accordance with their remaining useful life.

12. Investments in associates

The Group carried an investment in a joint venture (STEM Animal Health Inc.) which was accounted for using the equity method up to 12 April 2024 when the interest in the joint venture was sold.

On 13 June 2025 the Group announced that it had acquired a 25% strategic equity stake in InVetro Pty Ltd (“InVetro”), an Australian-based Companion Animal health business. The Group acquired its 25% share, via its 100% subsidiary Animalcare Australia Pty Ltd, for a cash consideration of AUD\$3m (GBP£1.4m), which was payable at the point of completion. Based on the existing voting rights (25%) and other contractual arrangements, the Group does not have control over the investee as defined under IFRS 10 Consolidated Financial Statements but is considered to hold significant influence in accordance with IAS 28 Investments in Associates and Joint Ventures.

Name of entity	Place of business / country of incorporation	% of ownership interest		Nature of relationship	Measurement method	Carrying amount	
		2025	2024			2025 £'000	2024 £'000
InVetro Pty Ltd	Australia	25.00%	–	Associate	Equity method	1,493	–

The tables below provide summarised financial information for the interest in InVetro Pty Ltd. which is material to the Group. The information disclosed reflects the amounts presented in the financial statements of InVetro Pty Ltd and not Animalcare's share of those amounts.

As part of Animalcare's 25% investment in InVetro Animal Health Pty Ltd, the Group entered into put and call option arrangements that allow the parties to transact additional shares between 1 July 2029 and 30 June 2030. These options are classified as derivatives in accordance with IFRS 9 Financial Instruments and are measured at fair value through profit or loss. Based on current projections, exercise of the options is not currently expected to generate an economic benefit for either party, resulting in a fair value of nil at 31 December 2025.

	As at 31 December 2025 £'000	As at 31 December 2024 £'000
Non-current assets	124	–
Current assets	1,496	–
Total assets	1,620	–
Non-current liabilities	–	–
Current liabilities	30	–
Total liabilities	30	–
Net assets	1,590	–

The table below shows the Animalcare Group share at 25%:

	As at 31 December 2025	As at 31 December 2024
	£'000	£'000
Net assets	398	–
Goodwill	1,095	–
Investment value in associate	1,493	–

Summarised statement of comprehensive income:

	For the year ended 31 December 2025	For the year ended 31 December 2024
	£'000	£'000
Sales	566	636
Operating expenses	(552)	(533)
Financial result, net	–	38
Net gain for the year	14	141

	For the year ended 31 December 2025	For the year ended 31 December 2024
	£'000	£'000
Group share in net gain	4	47
Depreciation on fair value adjustments on intangible fixed assets	–	(16)
Total Group share in net gain for the year	4	31
Other comprehensive expense	–	(25)
Group share in total comprehensive income	4	6

Reconciliation of the aforementioned financial information with the net carrying amount of the investment in the consolidated financial statements:

	As at 31 December 2025	As at 31 December 2024
	£'000	£'000
As at 1 January	–	1,119
Acquisition in equity accounted investee InVetro Pty Ltd.	1,440	–
Group share of net gain	4	31
Foreign currency translation differences	49	(25)
Sale of joint venture STEM Animal Health Inc.	–	(1,125)
As at 31 December	1,493	–

13. Borrowings

The loans and borrowings include the following:

	Interest rate	Maturity	As at 31 December	
			2025 £'000	2024 £'000
Revolving credit facilities	Euribor +1.26%	March 2029	5,235	16,584
Acquisition loan	Euribor +1.50%	March 2029	6,745	4,146
Lease liabilities	See note 14		3,228	2,435
Total loans and borrowings			15,208	23,165
Of which				
Non-current borrowings			9,863	19,754
Non-current lease liabilities			2,024	1,594
Current borrowings			2,117	976
Current lease liabilities			1,204	841

Borrowing facilities

As of 31 December 2025, the Group had total credit facilities of €54.0m, provided by a syndicate of four banks, with all facilities set to mature on 31 March 2029. These facilities include a committed €44.0m revolving credit facility (RCF) and a €10.0m acquisition line, which is restricted to acquisition purposes and cannot be used for operational funding.

The loans carry a variable, EURIBOR-based interest rate with an applicable margin of either 1.26% or 1.50%. The RCF features bullet repayment at maturity in March 2029, while the acquisition line is amortised through quarterly payments, also concluding in March 2029.

The Group centrally manages its banking arrangements through a cross-currency cash pooling system, whereby funds are swept daily from various bank accounts into central accounts. This approach optimises the Group's overall net finance expense.

The Group's credit facilities are subject to the following financial covenants, which are monitored and maintained on a monthly basis:

- Net debt to underlying EBITDA ratio of no more than 3.5x
- Underlying EBITDA to interest ratio of at least 4.0x
- Solvency ratio (total assets less goodwill/total equity less goodwill) of more than 25%

At 31 December 2025, net debt (excluding IFRS 16 lease liabilities) was £9.1m (2024: £9.0m). Including net cash balances, total on headroom on the revolving credit facility (RCF) was £36.1m as at 31 December 2025.

As at 31 December 2025, and throughout the financial year, the Group was in full compliance with all covenant requirements, maintaining significant headroom across all three measures.

Net debt reconciliation

	For the year ended 31 December	
	2025 £'000	2024 £'000
Cash and cash equivalents	2,913	11,715
Borrowings	(11,980)	(20,730)
Lease liabilities	(3,228)	(2,435)
Total	(12,295)	(11,450)

Liabilities from financing
activities

Other assets

	Borrowings £'000	Leases £'000	Cash £'000	Total £'000
Net debt as at 1 January 2024	(2,933)	(2,943)	4,642	(1,234)
Financing cash flows	(17,812)	1,090	9,612	(7,110)
New leases and modifications	–	(874)	–	(874)
Foreign exchange adjustments	–	109	(2,539)	(2,430)
Disposal of Identicare Limited	–	297	–	297
Interest expense	15	(114)	–	(99)
Net debt as at 31 December 2024	(20,730)	(2,435)	11,715	(11,450)
Financing cash flows	9,651	1,507	(9,063)	2,095
New leases and modifications	–	(1,226)	–	(1,226)
Foreign exchange adjustments	(821)	(80)	261	(640)
Changes due to business combinations	–	(812)	–	(812)
Interest expense	(80)	(182)	–	(262)
Net debt as at 31 December 2025	(11,980)	(3,228)	2,913	(12,295)

14. IFRS 16 Leases

The balance sheet shows the following amounts relating to leases as at 31 December 2025:

	As at 31 December	
	2025 £'000	2024 £'000
Buildings	1,538	1,237
Vehicles	1,312	1,074
Other	203	5
Total right-of-use assets	3,053	2,316
Current lease liabilities	1,204	841
Non-current lease liabilities	2,024	1,594
Total lease liabilities	3,228	2,435

Below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Land and buildings	Vehicles	Other	Total
	£'000	£'000	£'000	£'000
Acquisition value / cost				
As at 1 January 2024	2,367	2,518	19	4,904
Additions	178	594	3	775
Disposals	(97)	(519)	–	(616)
Disposal of Identicare Limited	(351)	–	(7)	(358)
Currency translation	(90)	(116)	(1)	(207)
Contract modifications	63	29	–	92
As at 31 December 2024	2,070	2,506	14	4,590
Additions	–	884	200	1,084
Acquired assets through business combinations	812	–	–	812
Disposals	–	(691)	–	(691)
Currency translation	88	125	10	223
Contract modifications	37	(166)	48	(81)
As at 31 December 2025	3,007	2,658	272	5,937
Accumulated depreciation				
As at 1 January 2024	(782)	(1,298)	(5)	(2,085)
Depreciation charge for the year	(294)	(730)	(4)	(1,028)
Disposals	97	519	–	616
Disposal of Identicare Limited	111	–	–	111
Contract modifications	–	8	–	8
Currency translation	35	69	–	104
As at 31 December 2024	(833)	(1,432)	(9)	(2,274)
Depreciation charge for the year	(573)	(733)	(59)	(1,365)
Disposals	–	648	–	648
Contract modifications	(9)	244	–	235
Currency translation	(54)	(73)	(1)	(128)
As at 31 December 2025	(1,469)	(1,346)	(69)	(2,884)
Net book value				
At 31 December 2024	1,237	1,074	5	2,316
At 31 December 2025	1,538	1,312	203	3,053

Below are the values for the movements in lease liability:

	Lease liability
	£'000
As at 1 January 2025	2,435
Additions	1,084
Change due to business combination	812
Interest expense	182
Payments	(1,507)
Modifications	142
Currency translation adjustment	80
As at 31 December 2025	3,228

Lease liability
£'000

At 1 January 2024	2,943
Additions	775
Disposal of Identicare Limited	(297)
Interest expense	114
Payments	(1,090)
Modifications	99
Currency translation adjustment	(109)
At 31 December 2024	2,435

The following amounts are recognised in the income statement:

	For the year ended 31	
	December	
	2025	2024
	£'000	£'000
Depreciation expense of right-of-use assets	(1,365)	(1,028)
Interest expense on lease liabilities	(182)	(114)
Gain on IFRS 16 modification	(10)	1
Expense relating to short-term leases and low-value assets	(262)	(182)
Total amount recognised in the income statement	(1,819)	(1,323)

Cash-flows relating to leases are presented as follows:

- Cash payments for the principal portion of the lease liabilities as cash flows from financing activities;
- Cash payments for the interest portion consistent with presentation of interest payments chosen by the Group; and
- Short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities as cash flows from operating activities. In the current and prior year, the cashflow for these items equalled the charge to the income statement.

15. Subsequent events

On 16 April 2026, subsequent to the reporting date, Animalcare Group plc announced that it had reached agreement on the terms of a recommended cash offer by CCP Paw 2 Limited, a wholly-owned indirect subsidiary of funds managed by Charterhouse Capital Partners LLP, to acquire the entire issued and to be issued share capital of the Company. Further details are set out in the scheme document expected to be published during May 2026.

The announcement constitutes a non-adjusting event after the reporting period for the purposes of IAS 10 – Events after the Reporting Period, and accordingly no adjustments have been made to the financial statements in respect of this.

16. Annual report

This unaudited preliminary financial information is not being sent to shareholders. A further announcement will be made when the Annual Report and Accounts for the year ended 31 December 2025 will be made available on the Company's website and copies sent to shareholders.

Further copies will be available to download on the Company's website at: www.animalcaregroup.com and will also be available from the Company's registered office address: Moorside, Monks Cross, York, YO32 9LB, United Kingdom.