



**Built on three
principles, focused on
one sustainable future**

Introducing our 2025 Annual Report

Who we are

Animalcare Group plc is an international, development-focused sales and marketing organisation driven by a collective belief that healthy animals can have a hugely beneficial effect on their owners and wider society.

Listed on the UK's AIM market, Animalcare operates in ten countries across Europe and Asia Pacific, and exports to approximately 45 countries in Europe and worldwide. The Group is focused on growing its business through its chosen categories of Companion Animals, Production Animals and Equine over the long term, bringing new and innovative animal health products to market through its own development pipeline, partnerships and via acquisition.

Cautionary statement regarding forward looking information

Where this Annual Report 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.

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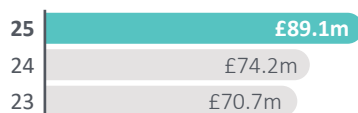
Financial highlights

Revenues for the period increased by 20.0% (20.1% at CER) to £89.1m, reflecting the significant contribution from the acquisition of Randlab, underpinned by like-for-like organic growth of 1.7% at AER (0.7% at CER). Revenues from all three product categories increased versus the prior year in varied trading conditions across end markets with underlying EBITDA margins, before taking into account R&D expenditure, improving by 500bps to 20.6%.

Underlying cash conversion of 79.7% was in line with guidance and demonstrates the highly cash generative qualities of the business. Net debt was £9.1m excluding lease liabilities (2024: £9.0m), with leverage at 0.7 times underlying EBITDA.

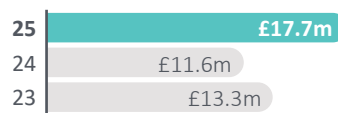
£89.1m ↑ 20.0%

REVENUE



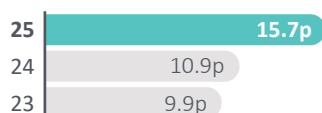
£17.7m ↑ 52.6%

CONTINUING UNDERLYING EBITDA¹



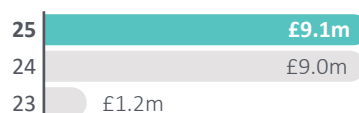
15.7p ↑ 44.0%

CONTINUING UNDERLYING EPS¹



£9.1m ↑ 0.6%

NET DEBT¹



¹ Alternative Performance Measures (APMs) are reconciled to reported results in the Chief Financial Officer's review and within the notes to the consolidated financial statements. 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, Daxocox and Plaqtiv+ delivered strong double-digit momentum, of 23% and 42% respectively, fuelled by new indication launches and improved sales processes
- Expanded presence in Asia Pacific, with the successful integration of Australian Equine business, Randlab, which delivered strong like-for-like organic growth of c12% at CER
- Further strengthened Asia Pacific footprint with a 25% strategic equity investment in InVetro, an Australian Companion Animal business
- R&D investment increased to 4.5% of revenue in FY25 (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 was strengthened with the appointment of Dr Hafid Benchaoui as Chief Strategy and Science Officer in November 2025

Strategic Report

STRATEGIC REPORT

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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.

ED TORR
Independent Non-Executive Chair

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. 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.

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

13 May 2026



Business at a Glance

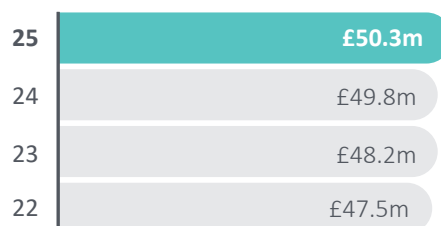
Animalcare is an AIM-listed international veterinary pharmaceutical sales and marketing organisation focused on bringing new and innovative products to market through our own development pipeline, partnerships and via acquisition. Animalcare operates in all three segments of the animal health market.

OUR THREE PRODUCT CATEGORIES

Companion Animals

Overview

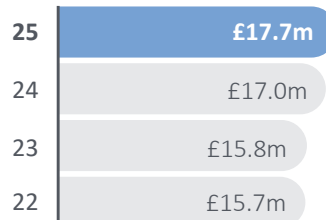
- Focused on dogs, cats and other small animals
- Largest part of the Group with revenues generated from all European business units (owned and International Partners)
- Current and future growth expected to be underpinned by Daxocox and Plaqtiv+ franchises together with new product launches and the creation of a direct-to-retail channel
- Historically the largest contributor to profits from a gross-margin perspective



Production Animals

Overview

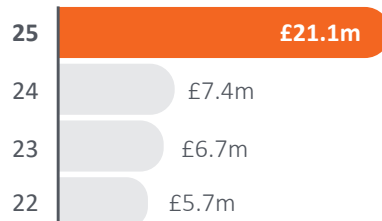
- Focused on livestock, including cattle, pigs, sheep and poultry
- Revenues chiefly generated by our well-established Southern European operations and International Partners
- Profitable and cash-generative portfolio comprised of owned/long-term licensed brands (e.g. Dinalgen) and those sourced from distribution partners



Equine

Overview

- Serving the unique health needs of horses, including racing horses and general Equine care
- Strengthened presence and expansion opportunities with the acquisition of Randlab
- Danilon is a strong product within our existing European portfolio
- Fastest-growing market



OUR OPERATIONS AND NETWORK PARTNERS

Animalcare operates in ten countries across Europe and Asia Pacific, accounting for 87% of Group revenue. The split of Operations revenue by country is shown below.

In addition, the Group exports to approximately 45 countries in Europe and worldwide, accounting for the remaining 13% of Group revenue.

c.30%

OF OUR EMPLOYEES ARE TRAINED VETS,
MORE THAN MOST OF OUR COMPETITORS

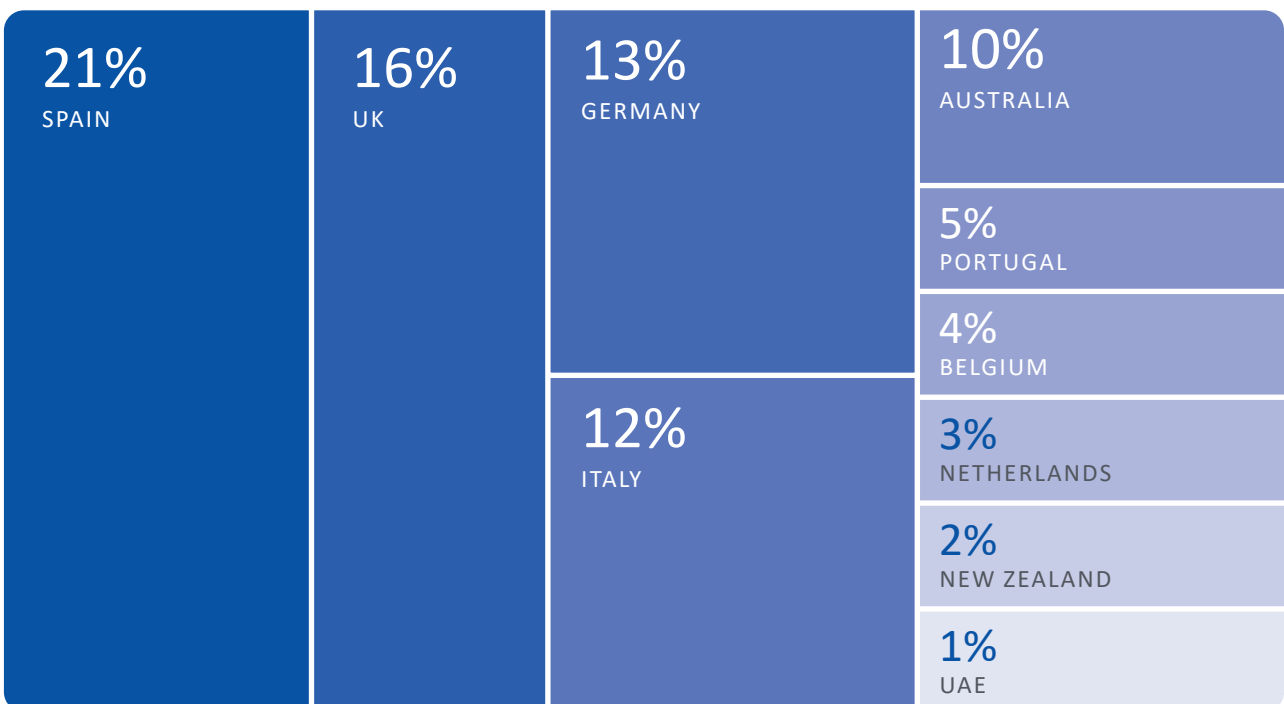
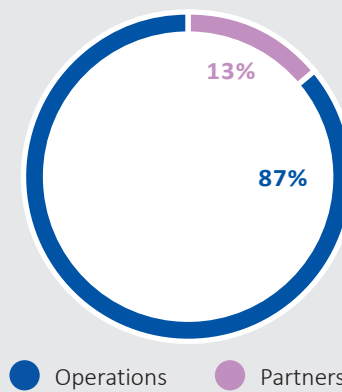
>50%

OF OUR PEOPLE WORK IN
CUSTOMER-FACING ROLES

220

EMPLOYEES AROUND THE WORLD

**GEOGRAPHIC REVENUE SPLIT
(OPERATIONS VS PARTNERS)**



Building a Sustainable Portfolio

Our evolving portfolio

Evolving our portfolio is central to Animalcare's strategic transformation and long-term success. We have progressed from a fragmented, distribution-reliant business to one with a focused portfolio of proprietary, high-margin brands across all our markets. This evolution is supported by strategic acquisitions and new pipeline development. R&D activities and investment have accelerated across a range of opportunities, creating innovative treatments that address unmet veterinary needs and have a transformative potential.

TOP 10 PRODUCTS REPRESENT 40% OF TOTAL SALES

1. Orozyme

Enzymatic toothpaste for dental care in cats and dogs

£6.5m REVENUE

7% TOTAL SALES



2. Danilon

Oral treatment for pain in horses

£4.9m REVENUE

6% TOTAL SALES



3. Dinalgen

Injectable treatment for pain in cattle, pigs and horses

£4.4m REVENUE

5% TOTAL SALES



4. Aquapharm

Dehydration treatment for cats, dogs, cattle, goats, horses, pigs, rabbits and sheep

£4.2m REVENUE

5% TOTAL SALES



5. Ulcershield

Treatment and prevention of gastric ulcers in horses

£3.7m REVENUE

4% TOTAL SALES



How we want our portfolio to continue to evolve

From a “distribution”-based business to having the majority of IP either owned, or built on, long-term license, which reduces risk and provides greater sustainability.

From generic to more novel and differentiated products, replicating the success of Daxocox and Plaqtiv+ and enabling life cycle management through new indications and market expansion.

OWN BRAND SALES
ACCOUNT FOR

70%
OF TOTAL REVENUE

NOVEL OR
DIFFERENTIATED
PRODUCTS ACCOUNT FOR

25%
OF TOTAL REVENUE

6. Daxocox

Treatment of osteoarthritis pain and inflammation in dogs

£3.2m REVENUE

4% TOTAL SALES



7. Plaqtiv+

Biofilm-based dental care for cats and dogs

£2.5m REVENUE

3% TOTAL SALES



8. Thiamacare

Treatment for hyperthyroidism in cats

£2.2m REVENUE

2% TOTAL SALES



9. Hemo

Injectable nutritional solution for horses

£2.1m REVENUE

2% TOTAL SALES



10. Cosequin

Complementary feed for dogs and cats to strengthen and protect joints

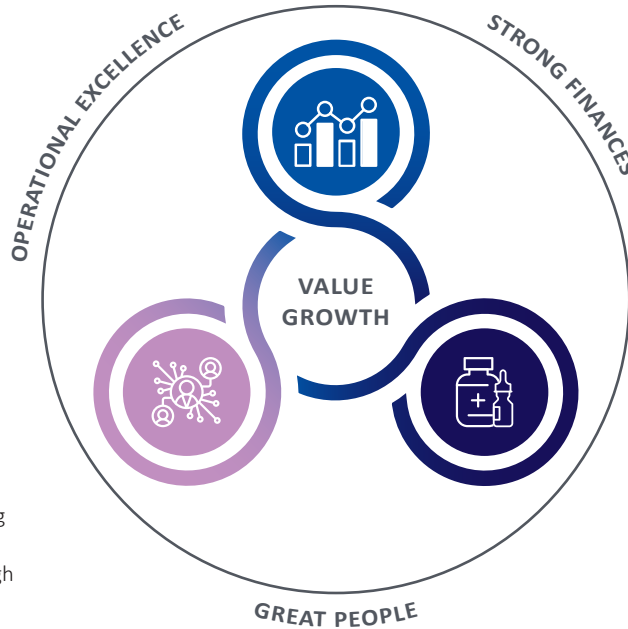
£1.8m REVENUE

2% TOTAL SALES



Our Strategy

Scaling the business through targeted investment in growth areas of the animal health market, including acquisitions, underpinned by a balance of ambition, discipline and our strong foundations – great people, operational excellence and financial firepower.



Inorganic Growth

Pursuing external opportunities that accelerate revenue growth with accretive margins, expanding geographic reach and scale, and strengthening the pipeline through late-stage in-licensing.

Organic Growth

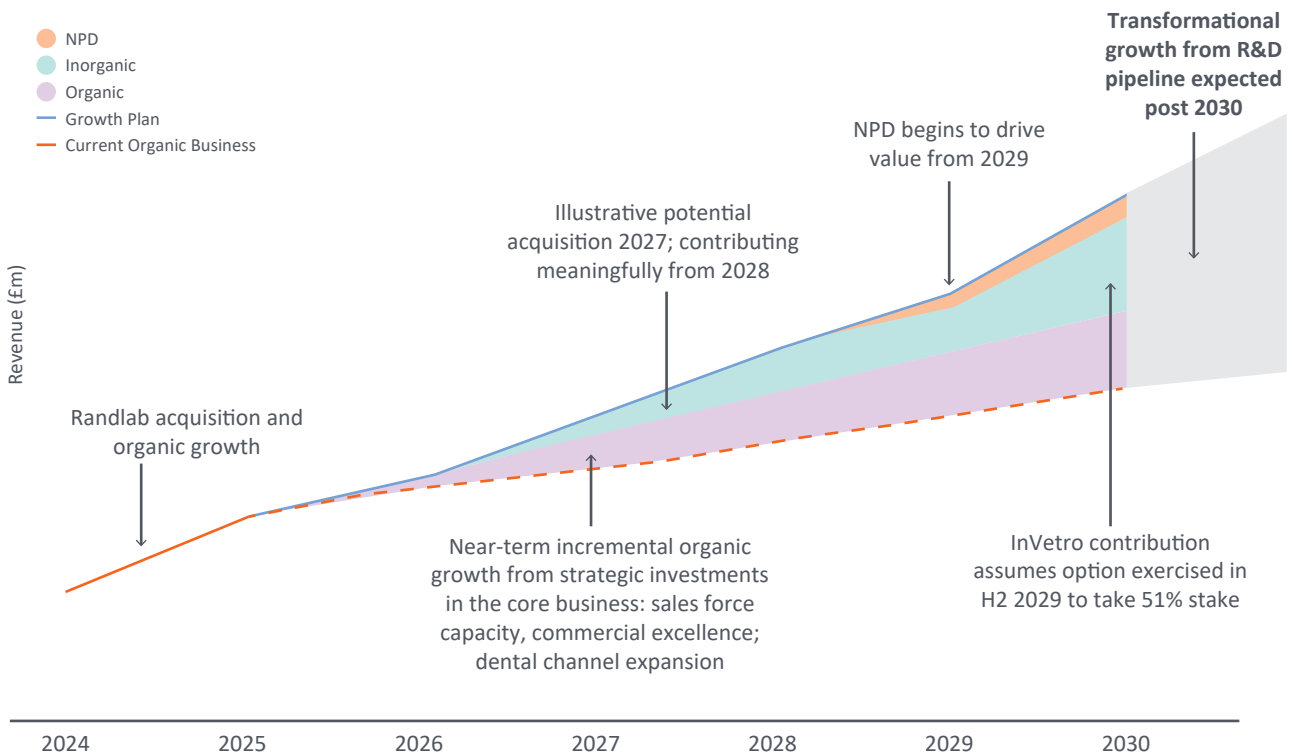
Developing and nurturing a high-quality portfolio diversified across species and geographies to deliver strong and resilient growth.

New Product Development

Building a balanced pipeline while increasing innovation that will generate a flow of new products that meet the needs of our dynamic markets is a key contributor to sustainable organic growth.

Our strong foundations and size-of-market opportunity mean now is the time to accelerate investment, increasing our growth rate and expanding our margins. Modest levels of targeted investment within our three growth pillars (organic, inorganic and R&D) will allow us to increase market share and deliver sustainable, long-term growth.

HOW WILL THIS CONTRIBUTE TO VALUE GROWTH?





Organic Growth

Key initiatives

- Commercial focus on brands with the greatest opportunity for long-term growth and higher margins
- Continue to build capabilities in our commercial teams to drive effectiveness and focus on the needs of our customers

FY25 Progress

- Improved quality of portfolio, with own brands now 70% of the sales mix
- Double-digit growth in the Group's flagship brands, with Daxocox growing by 23% and Plaqtiv+ growing by 42%
- Operational improvements made by the commercial team in how we take brands to market, as evident in the strong growth in Daxocox and Plaqtiv+ in Germany

Areas of strategic investment to support growth:

- Commercial excellence: build a high-performing commercial organisation through investment into capability, capacity and sales team onboarding
- Retail channel: Capitalise on our rights to channels in Europe for Plaqtiv+ and globally for Orozyme and other over-the-counter (OTC) products, by building our digital capability and establishing a retail channel, expanding our focus more broadly than the 30% of the non-prescription dental product market currently targeted
- Manufacturing strategy: Optimise the supply base to unlock significant increased manufacturing capacity and reduced cost of goods

LINKS TO RISKS



LINKS TO KPIS



Inorganic Growth

Key initiatives

- Seek opportunities that deliver near-term revenue and EBITDA growth that also:
 - Expand our geographic footprint
 - Develop a high-quality product offering diversity across species
 - Build scale in our existing markets
- Identify opportunities to build the pipeline for future, mid-stage products requiring minimal clinical and regulatory resource, which deliver revenue in excess of our largest current brands

FY25 Progress

- Acquired and successfully integrated of Randlab, providing opportunities for further expansion
- Acquired a 25% equity stake in InVetro, an Australian Companion Animal business, expanding the Group's portfolio and presence in Asia-Pacific

Areas of strategic investment to support growth:

- We have the capacity to execute a deal in 2026 of up to £25m, and we have a list of targets that meet our criteria
- For the right asset, we would also consider an equity raise, as we did for Randlab
- We have the option to increase our investment in InVetro to 51% in 2029, significantly growing our presence in Companion Animals in Australia

LINKS TO RISKS



LINKS TO KPIS



New Product Development

Key initiatives

- Identify opportunities to build our existing portfolio through new indications and formulations
- Work with partners to access products that offer significant longer-term revenue opportunities through licensing and partnerships

FY25 Progress

- Continued to invest in building a balanced pipeline of new products
- Six major projects in the pipeline with estimated peak year sales (PYS) in excess of £15m each
- Took full ownership and control of the intellectual property of the VHH NGF antibody programme and related assets, supporting the expansion of the Group's pain portfolio
- Entered into a license agreement with 272Bio to develop a novel biological treatment for a common equine skin condition, Sweet Itch

Areas of strategic investment to support growth:

- Building a balanced pipeline of products expected to launch between 2029-2032, delivering growth in the medium term and significant PYS expected five years after launch

LINKS TO RISKS



LINKS TO KPIS



RISKS

- | | |
|--|--|
| A Market and economic risk | G Foreign exchange translation risk |
| B Competitor risk | H Supply chain risk |
| C Portfolio risk | I IT systems and cybersecurity risk |
| D Product development and launch risk | J Regulatory risk |
| E Acquisition risk | K People risk |
| F Financing/Treasury risk | |

KPIs

- | | |
|--|---|
| 1 Revenue growth | 4 Underlying EBITDA margin |
| 2 Underlying cash conversion | 5 New product revenue |
| 3 Basic underlying earnings per share (EPS) | 6 Net debt to underlying EBITDA leverage |

With Animalcare's backing, **Randlab** can **transform** how the **global equine** veterinary market is served.



Animalcare's approach to integration has allowed Randlab to grow and thrive.

BRUCE BELL
General Manager, Randlab

Q What was your experience of joining the Animalcare family?

The best part was that there were no surprises, because important relationships and clarity on expectations were firmly in place at the close of the transaction. This is not always the case with acquisition and integration. Randlab has been very warmly welcomed into the Animalcare family with the deliberate "light touch" approach to integration to preserve Randlab's entrepreneurial culture respected by all.

Q How has this "light touch" approach to integration helped your team maintain momentum?

Local management has led the process to ensure that the customer and employee experience is essentially unchanged. Senior leaders from Animalcare, including Jenny Winter, Chris Brewster and Martin Gore, have visited Australia and New Zealand multiple times for key events and to engage and build relationships with the Randlab team, putting a human face to Animalcare and dispelling any concerns. Together, this approach has allowed the business to grow and thrive by ensuring the unique Randlab culture has continued under new ownership.

Q How is Randlab's on-the-ground veterinary experience helping identify new product opportunities?

Randlab's salespeople have a unique opportunity to develop deep relationships with the veterinary community through facilitating Gastroscope days, which involve working with vets and support staff for at least several hours in each practice to check for ulcers in their clients' horses. More than 30,000 horses have been scoped under this initiative, which underpins our success in Gastric Ulcer medications. This has led to insightful conversations around unmet or poorly met needs and, from these conversations, Randlab now has four innovation projects in active development.

Q Do vets and specialists in Australia and New Zealand operate differently from those in Europe? What insights from these markets could help shape Animalcare’s global strategy?

In our experience, apart from climatic differences, Equine practice is relatively similar between countries in developed markets. Because the Equine product category is relatively small but highly fragmented, it makes sense to target the Equine practitioner, as they treat horses regardless of breed or discipline. For that reason, the Randlab ethos of “provide Equine veterinarians wherever they practice with a comprehensive range of prescription products for their everyday practice, and be the people closest to the Equine vets” could serve as a potential foundation for the geographical expansion of the Equine franchise in the Group.

Equine franchise

- Potential to build a significant Equine franchise and accelerate revenue growth
- Launch existing Animalcare products through the Randlab network and vice versa
- Assess opportunities to increase Randlab’s new product development and extend to include Europe
- Apply Randlab’s strengths to advance key Equine projects, including VHH and Sweet Itch
- Enhance future Equine partnering opportunities
- Enhance global brand recognition and equity

BRUCE BELL
General Manager, Randlab

13 May 2026

Successful integration

- **Experienced management team embedding well:** With multiple major acquisition and integration experiences in previous multinational Animal Health Companies, Randlab’s leadership team was well placed to manage the transition from what was an entrepreneurial approach to being part of an international plc. Critical relationships were established early with the Senior Executives of Animalcare, which enabled Randlab to effect the transition while providing a seamless customer and employee experience. Bruce Bell has also joined Animalcare’s Senior Executive Team
- **Planned day-to-day integration complete:** The focus for integration has been first and foremost to ensure that the customer and employee experience is essentially unchanged, and that the strong Randlab brand is maintained. Secondly, the back office integration has been successfully completed, primarily focusing on Finance and reporting as well as IT integration, to ensure accurate reporting, improved security against cyber threats and user experience

Investing for the future

Commercial team expanded to maximise opportunities:

- **Highly experienced Export Manager recruited:** Export is recognised as a significant growth opportunity, in both currently served regions and new regions with significant Equine veterinarian populations across Asia and Europe. Benefits of the hire are already coming through
- **Additional sales role in New Zealand:** Built on the significant growth already seen in New Zealand, resulting in a doubling of Randlab’s sales in the region, ahead of expectations, as well as increased capacity to focus on innovation and the addition of meaningful products to the Group
- **Additional sales role in New South Wales (NSW) Australia:** Divided oversight of the territory and appointed an additional sales head. This investment will enhance our sales efforts, enable better servicing of customers, increase the number of Gastroscopy days, and drive sales growth and brand value for Randlab

A YEAR OF STRATEGIC DELIVERY

Germany: Outperforming through commercial excellence

- Commercial excellence delivers accelerated growth and margins, as well as improved productivity and return on investment, enables better resilience and ensures the foundations are laid to scale effectively
- We have developed a scalable, repeatable and insight-driven process to improve commercial excellence across the Group, focused on process, capability and tools
- Our commercial excellence model is most fully embedded in Germany, which is translating into strong commercial performance, highlighting the effectiveness of the team's strategic initiatives and execution discipline:
 - Daxocox has shown significant momentum, with 2025 sales up 35% versus 2024 compared to year-on-year growth of 11% from 2023 to 2024
 - Plaqtiv+ also continues to grow strongly, with 2025 sales up 21% versus 2024 compared to year-on-year growth of 9% from 2023 to 2024
- There are proven activities that deliver commercial excellence, as seen in Germany, which are being rolled out across geographies. These activities are all measured by KPIs to track progress and include:
 - Defining what competence looks like in critical roles
 - Improving our sales process through our Customer Engagement Methodology
 - Investing in strengthening the capability of our sales leaders and their teams
 - Leveraging improved data and analytics to enable smarter decision making

A YEAR OF STRATEGIC DELIVERY

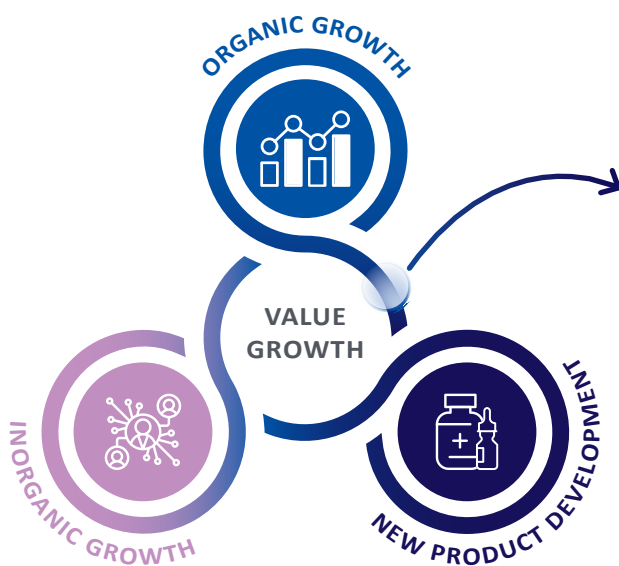
InVetro: Strategic rationale

- The Group has a robust process to identify and assess opportunities, using clear criteria such as consideration of geographic expansion, portfolio or brand growth, pipeline and NPD development and financial performance
 - In June 2025, Animalcare acquired a 25% strategic equity stake in InVetro, an Australia-based Companion Animal health business for AUD\$3m, fully aligned with the Group's M&A requirements and growth ambitions. The agreement includes a call option for Animalcare to increase its holding in InVetro to 51% in 2029
- Our strategic rationale is clear:
- The investment expands Animalcare's presence in the growing Asia-Pacific veterinary market, building on its acquisition of Randlab completed on 3 January 2025
 - There is a low overlap between InVetro and Animalcare's existing portfolio, providing an opportunity for Animalcare to expand the reach of its existing portfolio into Australia and Asia-Pacific, as well as bring InVetro's new product development to Europe as this progresses
 - There is the potential for synergies in bringing products to new geographic markets
 - InVetro has a strong and capable team as well as clear growth plans for long-term value creation



Maximising our dental franchise

A new channel for a new phase of growth



Having a retail channel enhances our organic growth pillar, adding a scalable mechanism to support brand uptake, deepen customer engagement and drive long-term performance. It complements our NPD and inorganic pillars by extending the commercial runway of both existing and future innovations.

This marks Animalcare’s first major expansion into a non-veterinary sales channel, and represents a significant evolution in how we bring products to customers. Built with industry experts and a proven operating model, it will enable us to broaden the reach of key brands, especially in dental health, and accelerate organic growth through new routes to market.

European market size

- Oral care projected to reach €758bn by 2028
- 8 out of 10 dogs and cats have dental issues
- Only 10% receiving treatment

€3bn

EURO

7%

GROWTH

Our focus today – vet clinics

- Animalcare heartland
- Will remain our core
- Vet recommendation key
- Vet relationships critical to our business

€1bn

EURO

4–5%

GROWTH

Growth area online

- 40% market consolidated into <20 retailers
- Utilise our existing distribution and supply infrastructure
- Opportunity for brand halo across all market segments

€1bn

EURO

9–11%

GROWTH

Growth area physical retail

- Selectively partner with omnichannel retailers, where it makes sense

€1bn

EURO

3–4%

GROWTH

Our focus currently is on vet clinics which represents approximately 30% of the market. This business will remain at our heartland, as vet recommendations are key to the success of our brands. However, by building our own retail channel we will capitalise upon our initial success through partners and utilise our existing rights to improve repeat business and grow our market share.

Anchored in our **organic growth** strategic pillar, empowered by our **new product development** strategic pillar



New route to market

Capitalising on our existing rights

We already have the rights to all channels in Europe for Plaqtiv+ and global rights for Orozyme and other OTC products.



Maximising the opportunity

Growing our limited presence in a major market

Currently, our presence in retail pet channels is small, fragmented and does not maximise the opportunity. By expanding our focus, we increase the section of the non-prescription dental market we are targeting from 30%, currently, to the whole channel.



Lever for organic growth

Strengthening key brands

This will support the growth of our Dental franchise and provide an opportunity for brand halo across all market segments.

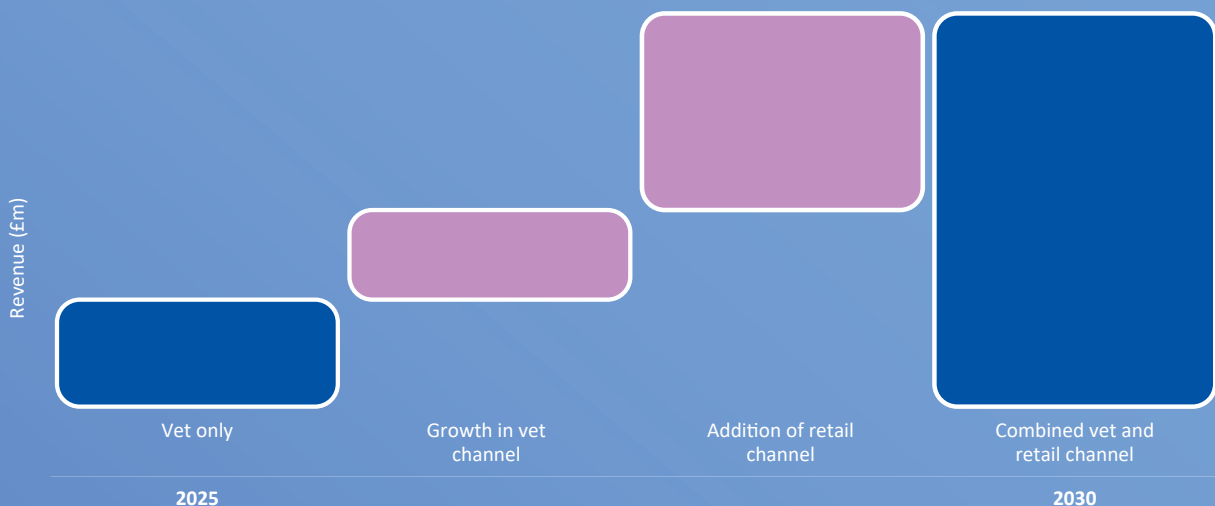


The time is right

For the business and the market

The multi-channel dental strategy is forecast to deliver significant revenue by 2030.

REVENUE GROWTH OVER THE NEXT FIVE YEARS



Our Transformative R&D Programmes



The programmes in our pipeline have been selected due to their strong fit with the Group's strengths, expertise and commercial relationships across the Equine and Companion Animal markets.

HAFID BENCHAQUI
Chief Strategy and Science Officer

Developing our own R&D pipeline with the potential to deliver transformational growth

Animalcare is on an ambitious growth trajectory with a credible capability to discover, develop, register and commercialise novel therapeutics for animal health. To drive this growth, we plan to increase our investment to build a balanced pipeline of new products that can replicate and expand the success of novel products such as Daxocox and Plaqtiv+, which achieved 23% and 42% growth, respectively, in 2025.

Q How does R&D investment support Animalcare's growth trajectory and broader strategy?

R&D is a core pillar of Animalcare's growth strategy of:

- Building a pipeline of proprietary innovations both organically and partnered R&D
- Developing products through in-licensing, co-development with external partners and acquisitions
- Building on existing brands through geographic expansion, claim extensions and our new omnichannel strategy. It is essential to building our own pipeline of novel products that meet an unmet need in animal health and have the potential to be transformative and drive organic growth. Programmes currently in our pipeline have been selected due to their strong fit with the Group's strengths, expertise and commercial relationships across the Equine and Companion Animal markets

Q How do you manage the costs and risks involved?

We have a lean and flexible operating model by outsourcing execution to partners while retaining technical leadership. Only 25% of capital is spent on fixed costs, with 75% being invested directly into funding the pipeline projects.

We also have a robust governance process in place, overseeing "from idea to launch" (FIL), to ensure the Group tightly manages costs and risks. This includes involvement and oversight from across the senior leadership team, robust financial analysis and regular portfolio reviews to ensure our portfolio remains balanced.

Q How do you see Animalcare's pipeline evolving over the next five years? When would you expect to see the commercial benefits?

We typically target common disease pathways across our Companion Animal, Production Animal and Equine markets, so one discovery can lead to multiple products across the animal product groups. This built-in efficiency means we achieve more with less.

The Group currently has six major projects in the pipeline at different stages, with another under review via the FIL process, each with large market opportunities in excess of c.£100m and estimated Peak Year Sales of at least £15m, which is considerably larger than the Group's current largest products.

Q What opportunity are you most excited about?

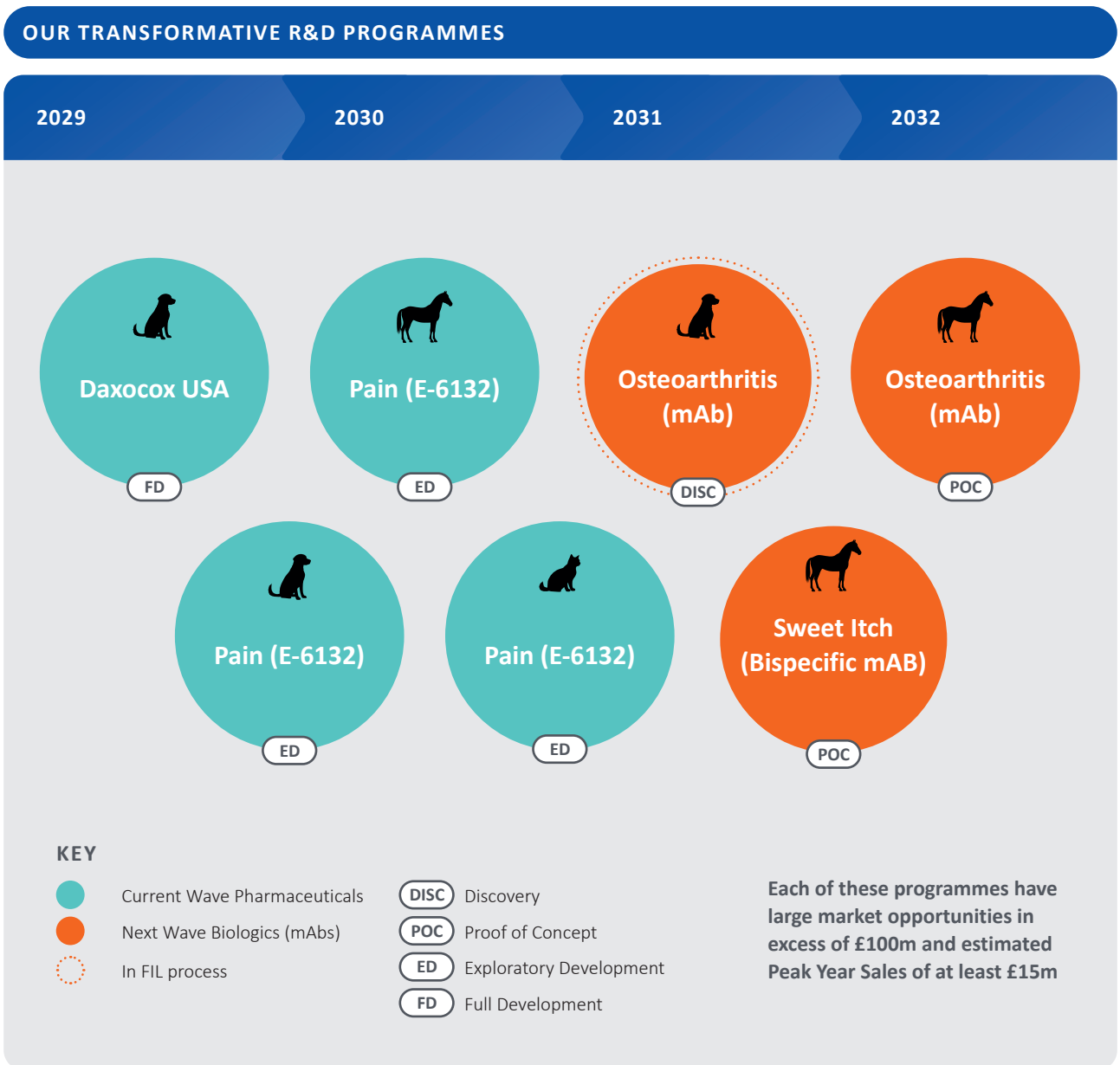
Animalcare acquired the VHH NGF (nerve growth factor) programme and related assets in August 2025, giving us full ownership and control of the intellectual property and associated assets, enabling independent development and commercialisation of the technology across a range of indications and species.

The market for VHH assets is large and growing, expecting to reach \$1.5bn by 2033. VHH antibodies feature significant therapeutic advantages over other types of antibody. They are small, relatively easy to engineer, have high specificity and can be quickly cleared from the system thereby promising a good safety profile.

Animalcare already has a product pertaining to horses based on VHH technology, and we are now leveraging our existing knowledge base to develop this product for dogs, thereby maximising the value of the technology.

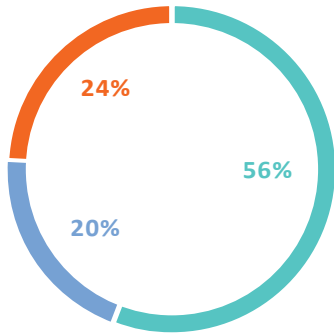
HAFID BENCHAOU
Chief Strategy and Science Officer

13 May 2026



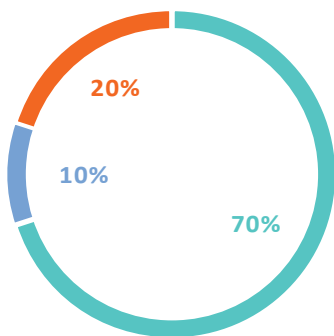
Our Global Reach

2025 REVENUE BY PRODUCT CATEGORY



- Companion
- Production
- Equine

2030 REVENUE OPPORTUNITIES BY PRODUCT CATEGORY



- Companion
- Production
- Equine

Collaboration across markets, leadership across the Group

Animalcare operates in 10 countries across Europe and Asia-Pacific and exports to, approximately, 45 countries in Europe and worldwide.





KEY



Current operating regions



Current major export markets



Key future target markets

Our Marketplace



Q How does Animalcare currently take its products to market, and how is that evolving?

Most of our products are prescription only and are sold to the pet owner by the veterinarian. However, with the increase in online sales and with pet owners feeling squeezed by the cost-of-living crisis, there has been a significant rise in non-pharmaceutical over-the-counter (OTC) products being sold in the retail channel and online as pet owners think twice before seeing a vet. While the vet is still our primary route-to-market and focus, we have responded by investing more in our OTC range and assets, especially in dental and dermatology. An example of this is how, as part of the STEM Animal Health divestment in 2024, we gained the rights to sell Plaqtiv+ in all channels in Europe and the UK, not just the veterinary channel.

Q How do local partnerships and distribution networks support the rollout of newly licensed products in key territories?

Animalcare has its own sales and marketing teams in 10 countries and works with strategic partners in territories where we don't have our own teams. For most of our products, we work with local animal health companies who understand their local market; however, for our major brands, for example Daxocox, we partner with multi-national animal health companies who have a wide reach and the ability to register, launch, support and grow our brands across the globe.

Q Where do regulatory environments meaningfully influence speed-to-market or product mix?

New novel pharmaceuticals can take up to 10 years, on average, to create a suitable dossier and then to register in Europe or the US. Generics developments can be shorter (two-to-three years), but still incur a significant cost. OTC products need no, or very limited, registration compared to pharmaceuticals and can, therefore, be launched in a much shorter time frame and with much less cost.

Q What regions or categories do you expect to drive the next phase of growth for Animalcare?

In the short term, Europe and Australia will continue to be the main growth drivers, building on growing current brands, the expansion of dental products into the retail sector and the expanding geographic footprint in Europe and the Middle East. In the medium to long term, with the extension of the Daxocox franchise globally, including in the US, and the launch of the VHH and E-6132 developments in the 2030s, the Americas and Asia will become strong regions of growth for Animalcare.

Q What macroeconomic trends are you seeing and how is Animalcare responding?

The global animal health market is forecast to have a CAGR growth just over 4% between 2025 and 2030. Primary growth factors include increased spending on animal health, rising prevalence of zoonoses (infectious diseases that can be transmitted from animals to humans), greater uptake of pet insurance, pet humanisation, and rapid AI integration in diagnostics and product development. The Companion Animal sector is expected to see the fastest growth, driven by cultural trends in pet ownership and consumer willingness to invest in premium care.

Animalcare is responding by increasing investment in innovation, especially in therapeutics for Companion Animals and Equine. This is supported by targeted M&A activity and developing partnerships, especially in the APAC region (the fastest-growing region in animal healthcare).

Q Which product categories have the strongest long-term growth profile?

Dermatologic diseases with innovative treatments like monoclonal antibodies (mAbs) and targeted therapies, such as JAK inhibitors, are driving high growth. In Pain Management, a rising awareness of pain in ageing pets and Equine and the need for long-term treatments for conditions like osteoarthritis, continue to grow the category. Dental disease is the most common health issue in dogs, with around 80% of dogs showing some sign of dental disease by the age of two. However, less than 10% of dog owners in the UK brush their dog's teeth, highlighting the potential for strong growth in the preventative dental disease market.

Q How is Animalcare positioned relative to competitors in these product categories?

Animalcare launched the first, and only, once-weekly treatment for osteoarthritis in 2021 and in 2025, acquired the VHH NGF programme and related assets from Orthros Medical. This current programme is researching the effectiveness of VHH antibodies in the treatment of pain caused by osteoarthritis in horses and dogs. The dental market is fragmented with only a couple of competitors sharing the broad range of products Animalcare can offer the pet owner. We are investing in our dental portfolio to offer a wider range of products and to a wider audience through investment in the non-veterinary channel.

Q Which strengths (portfolio, expertise, partnerships) matter most to the success of Animalcare?

They are all highly important. We are increasing our R&D spend over the next few years to bring to market novel new products in key areas, including Pain Management and Equine. In order to ensure the success of these new products, we are building a strong R&D team to develop them, a strong commercial team to launch them and strong key strategic partners globally who share our passion for these products to successfully market them in countries where we don't have our own teams.

MARTIN GORE

Director, Strategic Alliances and Acquisitions

13 May 2026



PRODUCT CATEGORY-SPECIFIC MARKET TRENDS



Companion Animals

Key therapeutic areas

Pain control, anaesthesia and analgesia, antibiotics, fluid therapy, dermatology and dental welfare

Products

64% of our Companion Animal products are Prescription Only Medicines (POMs) prescribed by veterinarians. Depending on the country, POMs can be dispensed by veterinarians, pharmacists or authorised online suppliers. Supporting this range, we have a number of non-prescription OTC brands in areas including dental, microbiome support, dermatology and nutritional supplements. OTC products do not need to be prescribed by veterinarians, allowing other vet practice members such as nurses and receptionists, as well as the non-veterinary retail channel to sell directly to pet owners.



Equine

Key therapeutic areas

Gastric ulcers, pain management, joints, reproduction

Products

Over 97% of our Equine products are POMs that are prescribed by veterinarians who work at "mixed" vet practices (a combination of Companion Animal, and or Production Animal and Equine) or increasingly, and especially in Australia, stand-alone dedicated Equine veterinary practices.



Production Animals

Key therapeutic areas

Antibiotics, pain management, anthelmintics

Products

98% of our Production Animal products are POMs that are prescribed by veterinarians. The remaining 2% are OTC products supporting the POM business. Our Production Animal business is mainly focused on Southern European countries (Spain, Portugal and Italy) and with our international partners.

Market trends and opportunities

The global Companion Animal market is forecast to grow at a CAGR of approximately c.6% between 2025 and 2030 (Stonehaven Analytics). The main driver for this growth is the increase in pet ownership, driven by several factors including demographic changes, rising income and the COVID-19 pandemic. Additionally, advances in veterinary medicines and diagnostics, improved management of complex conditions by veterinarians and increases in pet insurance have all contributed to animals living longer and increased expenditure. The “humanisation” of pets, especially among younger pet owners, and pet owners’ compassion for their animals also contributes to the strong growth in the market.

Our response

The Companion Animal sector is the main area of focus for Animalcare. Our strategy has been to develop and launch novel and innovative products into this market, such as Daxocox and Plaqtiv+, while investing in longer-term R&D programmes in key therapeutic areas.

Market trends and opportunities

The Equine market can be split between food producing, wild and Companion Animal. This can then be divided into racing, competition and leisure. High-value racing and competition horses receive treatment when needed and at any cost. The leisure market can be more variable. Due to its smaller size compared to the Companion Animal market, fewer animal health companies are active in this product category and it has seen less innovation.

Our response

We focus on the Companion Animal Equine market and have identified Equine as an attractive market for a company of our size. The Randlab acquisition in early 2025 has given us a strong platform to grow our Equine business and develop new products. In 2025, we partnered with 272Bio to develop novel VHH antibody-based treatments in Equine pain management and dermatology, and we are investigating the use of the Daxocox metabolite E-6132 in Equine pain management.

Market trends and opportunities

The global demand for protein continues to increase and is the key driver for growth in Production Animals. The global “one-health” initiative, the integrated, unifying approach that aims to sustainably balance and optimise the health of people, animals and ecosystems has brought an increased focus on animal welfare, pain control and antimicrobial resistance and the need to manage the use of antibiotics in animals, especially in Production Animals.

Our response

Over the last few years, we have reshaped our Production Animal portfolio, moving away from antibiotics and focusing more on pain relief and anthelmintics. Today, our leading Production Animal brand is a Ketoprofen 15% non-steroidal anti-inflammatory drug (NSAID) indicated for the reduction of inflammation, pain and fever.

Business Model

Our business model centres on the development, supply and marketing of pharmaceutical and non-prescription products to the veterinary profession, underpinned by our strong foundations, which enable us to execute our strategy.

We harness our key resources...



...to deliver high-value solutions that generate sustainable growth...

OUR KEY RESOURCES

TALENTED TEAM WITH A COLLABORATIVE CULTURE

Having the right people, capabilities and engagement across the organisation is fundamental to delivering our strategy and the long-term success of the Group. We seek to create an environment in which our colleagues feel valued and empowered to be the best version of themselves at work.

DEPTH OF INDUSTRY KNOWLEDGE

We have extensive knowledge of the Companion Animal, Production Animal and Equine markets in which we operate and the regulations that govern them.

STRONG CUSTOMER RELATIONSHIPS

The relationships with the individual vets and veterinary groups that represent our core customers are key. Our sales force has extensive experience and knowledge of their markets and products.

STRATEGIC PARTNERSHIPS

The Group has developed a series of critical partnerships that help us strengthen our pipeline, commercialise innovative products, and establish research and manufacturing capabilities and capacity.

BALANCED PORTFOLIO

Animalcare operates a portfolio of increasing quality and sustainability, comprising, approximately, 160 brands.

OUR KEY ACTIVITIES AND ENABLERS



1. Develop and commercialise prescription and over-the-counter animal pharmaceutical products.
2. Manufacture to high quality standards through a network of contract manufacturing partners.
3. Manage a sustainable international supply chain, including specialist veterinary wholesalers and distributors.
4. Outside our direct geographic operations, we partner with companies to commercialise products.
5. Sell products to veterinary practices and veterinary groups through our own highly skilled sales force. Animalcare is also building out its own retail channel to sell directly to pet owners.

UNDERPINNED BY OUR STRONG FOUNDATIONS

FINANCIAL STRENGTH

Our solid financial platform enables us to increase investment and leverage our stronger base to deliver future growth and value to our shareholders.

OPERATIONAL EXCELLENCE

Mature business and veterinary pharmaceutical processes and capabilities to exploit sustainable growth opportunities.

ATTRACTIVE MARKETPLACE

Operating in an attractive marketplace with clear growth drivers across the Companion Animal, Production Animal and Equine markets.

We are driven by our values, helping to create an environment in which our colleagues feel empowered to be the best version of themselves at work.



ONE TEAM



PASSION



...while meeting the evolved needs of our stakeholders

VALUE CREATED FOR STAKEHOLDERS

EMPLOYEES

Our people benefit from the ability to improve their skills and work in a challenging, innovation-driven and forward-thinking organisation.

CUSTOMERS

Animalcare seeks to provide a choice of innovative and trusted products to support veterinary professionals and other customer stakeholders. Our agile business model and close customer relationships help ensure we are aligned with the changing needs of our markets.

SHAREHOLDERS

Through the execution of our growth strategy, we aim to consistently deliver strong and resilient financial performance for our shareholders, generating attractive returns over the long term.

KEEPERS OF ANIMALS AND SOCIETY

Our veterinary products help maintain or improve the health and wellbeing of animals across our markets. This brings huge benefits to owners and wider society.

SUPPLIERS

The Group does not own manufacturing facilities, so it works with third-party manufacturers to supply finished products. We engage with these suppliers to develop and maintain trusting long-term relationships, creating mutual value.

PARTNERS

Our partnerships are wide ranging in scope and help ensure the success and effective operation of our business. We create value through long-term collaborations on mutually agreed terms.



INTEGRITY



TAKING OWNERSHIP



HAVE FUN

Where innovation, growth and scale...

Proven management team supported by highly skilled people

Team strengthened in 2025 through the integration of Randlab and recruitment of additional leaders across our operations

c.30%

OF EMPLOYEES ARE TRAINED VETS, MORE THAN MOST COMPETITORS

Competitive strength with clear routes to a growing, global market

Strong relationships with partners, vet and veterinary groups, supporting opportunities in a growing global market

c.\$43bn

MARKET VALUE IN 2025

Modest increase in R&D investment will transform our opportunity

Target R&D investment of c.5% of revenues in 2026

Exciting New Product Development pipeline supporting long-term growth

Increasing number of novel product launches – six significant assets expected to launch in the medium term



...converge for a sustainable future.

Increasingly attractive and diversified product portfolio

Achieving double-digit growth in the Group's flagship brands

70%

INCREASED OWN BRANDS TO 70% OF SALES MIX

New initiatives in place to accelerate our organic growth

New retail channel launching in 2026, providing access to the growing retail market for OTC treatments

Increased investment into commercial capabilities to drive a significant sales uplift

Firepower to execute further M&A

Highly cash generative with strong balance retained c.£20m of firepower post acquisition of Randlab

Proactively assess a range of opportunities to accelerate growth



2025 was a year of strategic execution and financial delivery, as we continue to build a more scalable and growth-oriented business.



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.

JENNIFER WINTER
Chief Executive Officer

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.

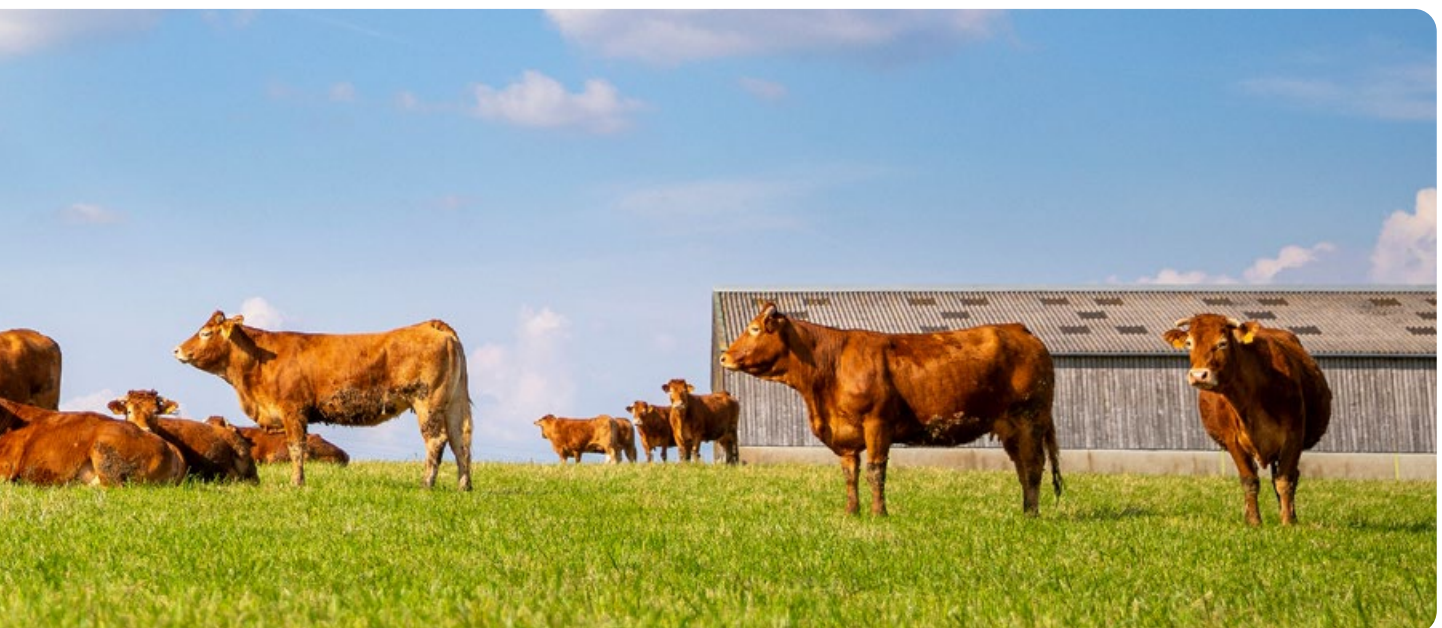
Summary

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

13 May 2026





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 EBITDA, this performance gives us the platform to accelerate our strategic priorities and deploy capital in a targeted, value-accretive way.

CHRIS BREWSTER
Chief Financial Officer

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 £'m	2024 £'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 £33.0m (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.

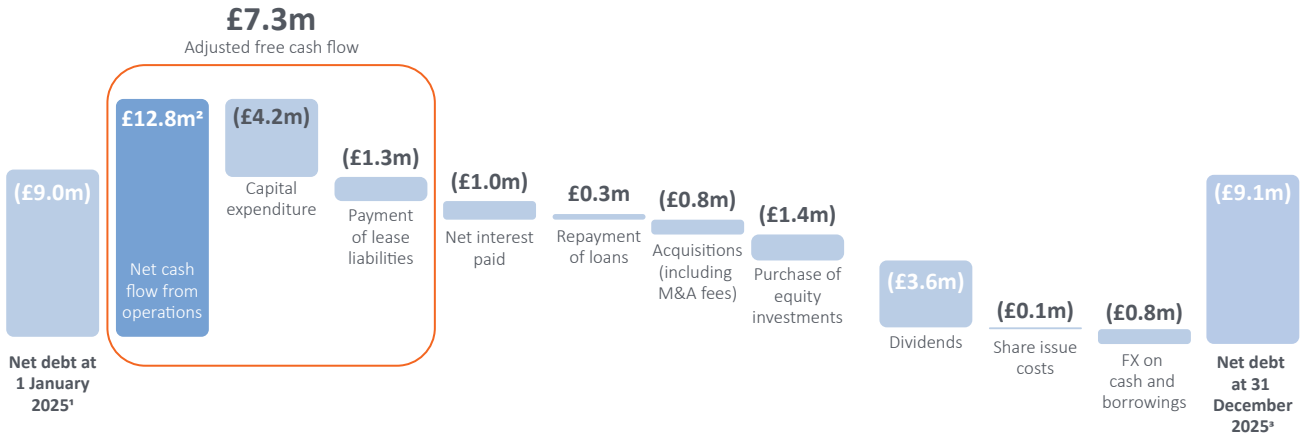
As noted earlier, the Group assesses operating cash flow relative to Underlying EBITDA before R&D expenditure. This reflects the Group's decision to treat R&D as a growth investment rather than a core trading cost. In prior periods, cash conversion was calculated against Underlying EBITDA after R&D; 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



- 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 £'m	2024 £'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 2 of the 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 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

13 May 2026



Key Performance Indicators

FINANCIAL KPIS

Organic revenue growth



Definition:

Revenue growth: including new products versus prior year, excluding the impact of acquisitions and disposals

Why we measure this:

Organic revenue growth is an important barometer of the Group's success in delivering its strategy and is a key component of growing our profits and cash flow

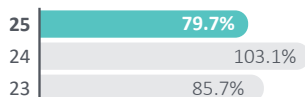
Commentary on performance:

Revenue for the year excluding Randlab was £75.5m (2024: £74.2m), an increase of 1.7% at AER (0.7% at CER)

Links to Strategy:



Underlying cash conversion



Definition:

Cash generated from operations as a percentage of underlying EBITDA before R&D expenses

Why we measure this:

Our quality of earnings is reflected in our ability to turn underlying EBITDA before R&D expenses into cash, an important enabler of capital allocation and investment in our innovation pipeline

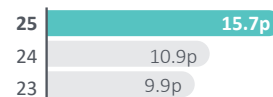
Commentary on performance:

The Group continued to generate strong operating cash flows with underlying cash conversion in 2025 in line with guidance, reflecting the acquisition of Randlab

Links to Strategy:



Basic underlying earnings per share



Definition:

Underlying continuing profit after tax divided by the weighted average number of shares

Why we measure this:

Underlying continuing EPS is a key indicator of our performance and the return we generate for our stakeholders

Commentary on performance:

Basic underlying continuing EPS increased by 44% primarily driven by the strong profit contribution from Randlab

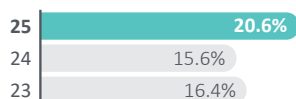
Links to Strategy:



STRATEGIC PRIORITIES

- Organic growth
- Inorganic growth
- New product development

Underlying EBITDA margin



Definition:

Continuing underlying EBITDA before R&D expenses¹ as a percentage of sales

Why we measure this:

This is a measure of the operating efficiency of the Group with focus on translation of sales growth to profit

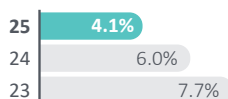
Commentary on performance:

Underlying EBITDA margin improved by 500bps to 20.6% primarily driven by Randlab's significant contribution to EBITDA underpinned by its high gross margins

Links to Strategy:



New product revenue



Definition:

Revenue from new products launched in the last three financial years (including territory expansion) as a percentage of revenue

Why we measure this:

New product revenue (as defined above) was 4.1% in 2025, of which c.90% related to Companion Animal products

Commentary on performance:

New product revenue (as defined above) was 4.1% in 2025, of which c.90% related to Companion Animal products.

Links to Strategy:



Net debt to underlying EBITDA leverage



Definition:

Leverage is net debt (total debt including IFRS 16 liabilities less cash balances) divided by underlying EBITDA

Why we measure this:

We seek to maintain a strong balance sheet with a maximum leverage target of two times underlying EBITDA to allow capacity for investment in future growth

Commentary on performance:

Net debt of £12.3m, including IFRS 16 leases, represents leverage of 0.7 times underlying EBITDA against a banking covenant of 3.5 times and target gearing of <2.0x EBITDA

Links to Strategy:



¹ R&D expenses are excluded from underlying EBITDA margin as the Group considers them a strategic investment activity for future growth.

Our Engagement with Stakeholders

Our key stakeholders and how we engage with them

Animalcare considers its key stakeholders to be the Group's employees, customers, suppliers, partners, shareholders and the communities and environment in which we operate.



Our people

Why we engage

Having the right people, capabilities and engagement is fundamental to delivering our strategy. Our objective is to create a high-performing business driven by a skilled, unified and committed team.

Stakeholder interests

- Career development
- Reward and recognition
- Engagement
- Training and development
- Wellbeing
- Health and safety

How we engage

We seek to engage with our employees on a continual basis to help reinforce the Group's culture. Inspired by an employee suggestion is a peer-driven initiative that honours individuals who go above and beyond. Employees are compensated through incentives related to performance targets, while individual and team development programmes create an environment that fosters learning and growth. Recognising the importance of mental and physical health, we provide a tailored programme to support wellbeing.



Customers

Why we engage

As the veterinary market continues to evolve, understanding the needs of our customers is crucial. We continue to work closely with veterinary professionals and other commercial stakeholders to ensure we are aligned with their changing needs.

Stakeholder interests

- Safety, quality and reliability
- Product availability and effectiveness
- Competitiveness
- Our availability and responsiveness
- Customer relationships
- Compliance
- Range of products

How we engage

Regular meetings with veterinary practices and larger veterinary groups help us understand the changing needs of our customers as well as providing a platform for commercial contract negotiations. Product launch and training events keep customers abreast of innovative new treatments. We also provide information about our business through a range of digital channels and participate in industry forums and events to engage with a range of customer types.



Suppliers

Why we engage

As the Group does not own any manufacturing facilities, it relies extensively on a large base of third-party manufacturers for supply of finished products, whether our own brands or those sold on behalf of other companies via distribution arrangements. We need to maintain trusting relationships with suppliers and partners for mutual benefit and to ensure they are meeting our standards and conducting business ethically.

Stakeholder interests

- Quality management
- Cost-efficiency
- Long-term relationships
- Responsible procurement, trust and ethics

How we engage

Under the umbrella of the Group's key partner management programme, we meet with specialist veterinary wholesalers and distributors as well as key suppliers that between them represent, approximately, 70% of purchasing spend. We carry out quality management reviews and facilitate supplier forums and networking meetings.



Partners

Why we engage

A central aim of our Group strategy is to bring innovation to our customers through new products. With this in mind, we engage with existing and potential partners who possess technologies that promise to complement our R&D pipeline or existing portfolio. Examples include the VHH NGF research programme targeting osteoarthritis in canine and horse animal models.

Stakeholder interests

- R&D capability
- Animal health regulatory experience
- Track record of commercialising new products
- Attractive returns on successful market penetration
- Long-term trusting relationships

How we engage

Key members of the Animalcare team assess the potential of pipeline and portfolio partners.

We apply a range of methods to identify these opportunities, including industry networks, investor conferences and through links with the financial community. Once partnerships have been struck, we regularly engage through platforms that support collaboration and coordination.



Shareholders

Why we engage

Trust from our shareholders is key to delivering our strategy as access to capital will be important to the long-term success of our business. We ensure that we provide fair, balanced and understandable information to shareholders, potential investors and investment analysts and work to ensure that they have a clear understanding of our strategy and performance.

Stakeholder interests

- Financial performance
- Governance and transparency
- Operating and financial information
- Confidence and trust in the Group's leadership team
- Total shareholder returns

How we engage

The Group provides regular updates to the market in line with AIM requirements and encourages an ongoing dialogue through investor roadshows, meetings and presentations as well as consulting on relevant topics. In 2025, Animalcare extended its suite of engagement tools to address the specific interests of individual retail investors. The dedicated investor section of the Group's website provides valuable information for existing shareholders and potential investors.



Community and environment

Why we engage

Animalcare is committed to being a responsible member of our community and considers the environmental impact of our operations.

Stakeholder interests

- Sustainability
- Animal welfare
- Community

How we engage

We aim to conduct our business in a sustainable way, in line with the expectations of the communities in which we live and work. Active membership of animal and health trade associations provides the Group with an important voice on key industry topics and we support local and national charitable partnerships, including through employee-matched fundraising. Our annual Animalcare Day is a celebration of unity, teamwork and shared values, fostering employee engagement through meaningful community impact. In 2025, we organised country-level initiatives to support animal welfare and environmental sustainability.

Our Stakeholders

Section 172(1) of the Companies Act 2006 requires Directors to act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its stakeholders as a whole and, in doing so, consider (among other matters):

- The likely consequence of any decision in the long term
- The interests of the Company's employees
- The need to foster the Company's business relationships with suppliers, customers and others
- The impact of the Company's operations on the community and the environment
- The desirability of the Company maintaining a reputation for high standards of business conduct
- The need to act fairly between shareholders of the Company. This section forms the Directors' statement under section 414CZA of The Companies Act 2006

Key Board discussions and decisions

The Board is ultimately responsible for the direction, management, performance and long-term sustainable success of the Company. It sets the Group's strategy and objectives, taking into account the interests of all its stakeholders. A good understanding of the Company's stakeholders enables the Board to factor the potential impact of strategic decisions on each stakeholder group into Boardroom discussions. Consequently, Board decisions are made with reference to the Company's key stakeholders: its investors, employees, customers, suppliers, the community in which it operates and the environment.

The Board considers the following to be the principal decisions and considerations it has made during the year to 31 December 2025. The Board considers principal decisions to be those decisions that entail significant long-term implications and consequences for the Company and its stakeholders. In all the decisions listed, the Board considered its stakeholders as set out above.

The acquisition of a minority stake in InVetro Pty Ltd

On 13 June 2025, the Board announced the acquisition of a 25% strategic equity stake in InVetro Pty Ltd (InVetro), an Australian-based Companion Animal health business. The strategic investment expanded Animalcare's presence in the Asia-Pacific veterinary market and built on the acquisition of Randlab.

InVetro is an Australian veterinary pharmaceutical company committed to advancing Companion Animal care. The Board considered that the business is poised for rapid growth over the next five years, underpinned by:

- A portfolio of pharmaceutical marketing authorisations and licences, enabling immediate and near-term revenue generation
- A pipeline of products tailored to the needs of the Australian market
- A highly experienced and proven management team with deep sector expertise

The Board also considered the wider strategic rationale, including:

- Speed to market: Immediate access to a business with regulatory approvals and infrastructure, accelerating Animalcare's entry into Australia with potential to expand across Asia-Pacific
- Local expertise: Leverage of InVetro's established relationships, market knowledge, operational and regulatory capabilities
- Scalable platform: A foundation for future collaboration and product distribution, with potential for increased ownership by Animalcare over time
- Extended bridgehead: Opportunity to expand the reach of the Group's portfolio of existing Companion Animal brands into Australia and other Asia-Pacific markets

The acquisition of the VHH NGF programme and related assets from Orthros Medical

On 22 August 2025, the Board announced the acquisition of the VHH NGF programme and related assets under a licence agreement previously signed with Orthros Medical in March 2022, which was subsequently terminated.

The Board considered the strategic implications of owning the assets, including the fact that the Group's current programme in horses and dogs could be extended across further species and different diseases where NGF has a role.

The Board also considered the value offered by the transaction. It provides the Group with full ownership and control of the intellectual property and associated assets, enabling independent development and commercialisation of the technology across a range of indications and species, furthering the Group's strategy to build a pipeline of innovative products. At the same time, the outstanding significant future potential financial obligations under the license agreement were extinguished, which included development, regulatory and commercial milestones, and royalties due on net sales.

The Board considered the adequacy of the Group's new development partner, 272Bio, a highly experienced and skilled biotherapeutics company specialising in VHH antibody technology.

The agreement to develop innovative treatment for the Equine dermatological condition, Sweet Itch

On 24 September 2025, the Board announced an agreement to develop and commercialise a novel biological treatment for the common equine skin condition, Sweet Itch, in collaboration with 272Bio. The Board considered the strategic rationale for agreement including the following:

- Sweet Itch affects an estimated c.8% of horses globally and there is a significant unmet need and demand for more effective treatments, which, today, largely comprise topical applications
- The annual addressable market is estimated to be worth between €150m and €200m, globally, based on management estimates
- The programme is at an early stage and will initially focus on preclinical research with the aim of achieving proof of concept over the next 18–24 months

The Board also considered the fact that the collaboration leverages the Group's partnership with 272Bio by granting Animalcare access to 272Bio's half-life extension technology and significant experience in antibody development.



Our Principal Risks

Managing our risks

The Board has overall responsibility for the Group’s risk appetite and risk management strategy. In doing so, the objective of the Board is to foster and embed an organisational culture of strong risk management to effectively execute the Group’s strategy.

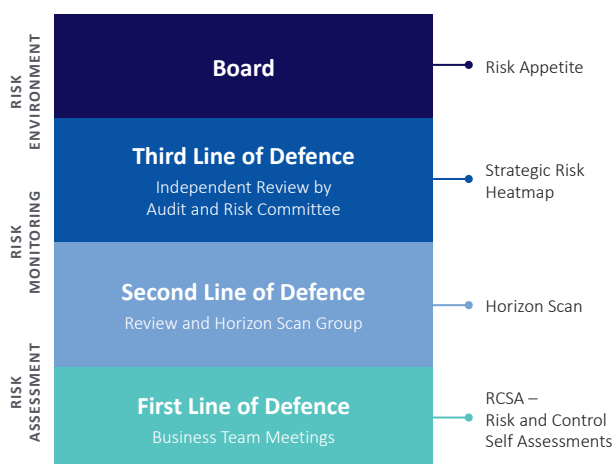
The day-to-day identification, management and mitigation of risk is delegated to the Group’s management, executed through our risk management framework (RMF).

We have continued to develop and refine the RMF to ensure alignment with the strategic objectives of the Group. During 2025, this included embedding an increased focus on enhancing our risk assessment with respect to R&D, as developed in 2024. Leveraging the extensive Board-level expertise and a strengthening of our internal risk management resource, the RMF reflects a capital allocation that includes increased R&D investment.

We believe this continuous improvement strengthens our RMF and our ability to monitor, manage and mitigate the most critical risks inherent in our strategic plan to the benefit of our stakeholders.

Risk management framework

The RMF is based on an industry standard Three Lines of Defence model (3LoD) and includes a detailed risk inventory, key risk metrics and regularly reviewed thresholds. The 3LoD model is combined with an approach to assess, monitor, manage, respond and communicate the Group’s critical risks.



To be effective, risk management relies on the engagement of all parts of the business, which is an integral part of our framework and culture. The RMF has been developed in support of our operating model – being a combination of operating businesses and Group functions, overseen by the Senior Executive Team (SET) who owns the risk management process and is responsible for managing specific Group risks. Within that structure, our operational management teams, as well as Group function heads, are expected to identify, manage and mitigate risks in their part of the business. They manage this process through a consistently applied Risk and Control Self-Assessment (RCSA). This process includes assessing each risk for its impact and likelihood, scored both before and after applying key controls. A standardised risk-scoring methodology and template is used to ensure a consistent approach across the Group. This part of our framework represents the First Line of Defence.

Our Second Line of Defence is executed through a detailed SET-level review, where the outputs of the First Line of Defence are presented, critiqued and challenged. This is combined with a Horizon Scan to create a consolidated risk report, which ensures independent oversight and consistency. The SET is responsible for ensuring the consolidated risk report is mapped against the three pillars of the Group’s strategy in the form of a Strategic Risk Heatmap.

In accordance with our governance practices, oversight of risk management and risk assessment is undertaken by the A&RC, which, operating as our Third Line of Defence, provides updates and reports to the Board, based on the Horizon Scan and Strategic Risk Heatmap, to assist the Board in fulfilling its corporate governance duties and oversees responsibilities in relation to financial reporting, internal control and risk management.

Risk appetite

Risk appetite is reviewed at a Board level as part of a wider assessment of the Group’s risk capacity and risk tolerance. Within the RMF, there is a mechanism to apply a weighting to the risks identified via the 3LoD process to allow for risk appetite. This is reassessed regularly to ensure it reflects the current strategic priorities and requires the Board to formally consider the nature and level of risk that the Group should accept.

In the context of our sector, the Board is clear on those risks that it is more willing to take (e.g. investment in innovative new product development) and those that it is less willing to accept (e.g. regulatory and compliance risks).

Emerging risks

Emerging risks are new risks that are unlikely to impact the Group in the next year but have the potential to evolve over a longer term and could have a significant impact on our ability to achieve our objectives. They may develop into key risks or they may not arise at all. As part of our risk management process, both the Board and the SET are tasked with identifying and assessing our emerging risks. No material emerging risks have been identified in the current financial year.

Sustainability and climate change

As noted, the Board has overall responsibility for ensuring risk is appropriately managed across the Group. This includes risks relating to environmental, social and governance (ESG) matters and climate change.

Principal risks

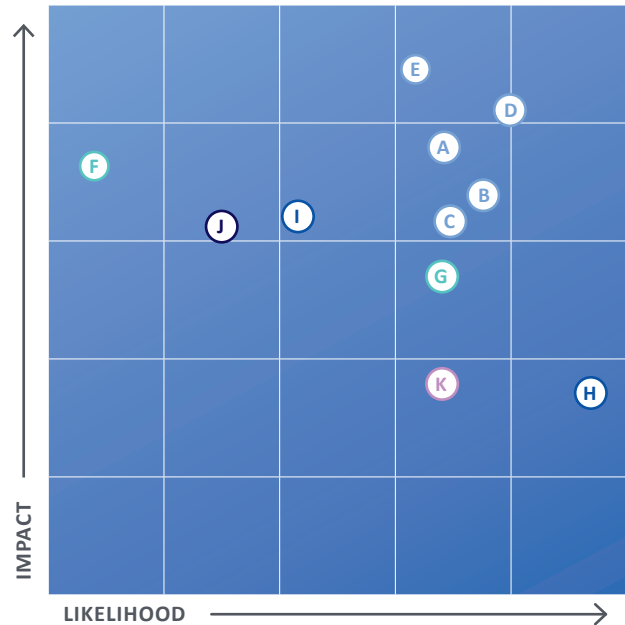
We map all aspects of our risks against five categories that best outline our key challenges: strategic, financial, operational (operations and technology), regulatory compliance and people.

We believe, as illustrated by the risk heat map, that our most significant challenges are strategic in nature. Our strategic plans for the business are based on organic and inorganic growth as we continue to pursue geographical expansion and seek new product opportunities. The current principal strategic and other risks facing the Group have been set out below, along with examples of how we mitigate those risks.

There have been no changes to the Group's principal risks during the year.

Risk heat map

The risk heat map represents the Group's assessment of net risk scores; this comprises inherent risk scores plus the application of the Group's mitigating controls.



- A** Market and economic risk
- B** Competitor risk
- C** Portfolio risk
- D** Product development and launch risk
- E** Acquisition risk
- F** Financing/treasury risk
- G** Foreign exchange translation risk
- H** Supply chain risk
- I** IT systems and cybersecurity risk
- J** Regulatory risk
- K** People risk

Our Principal Risks CONTINUED

A. MARKET AND ECONOMIC RISK

Detailed risk

There is a risk of decline in the market driven by macroeconomic uncertainty.

In certain territories, the veterinary market continues to trend towards consolidation via the growth of corporate customers and buying groups, who are looking for value from the products and services we provide.

Potential impact

Reduction in consumer confidence and spending on veterinary products and services in light of inflationary pressures.

The continuing expansion of corporate customers and buying groups represents an opportunity for sales volume growth, but may result in reduced margins through the leverage of buying power.

Link to strategic objectives 

Trend 

Existing mitigating controls

Veterinary is considered to be an essential service, and our product portfolio largely consists of pharmaceuticals used in the vet practice, which are less prone to pet owner discretionary spending pressure.

We continue to develop and strengthen our relationships with our larger customers, managed through dedicated key account teams to better serve our changing customer base and their evolving requirements, both on a national and a European basis.

B. COMPETITOR RISK

Detailed risk

Launch of competitor products against our key brands, for example, other generic or more innovative products.

Although our product portfolio is broad, our larger and well-established brands operate in a market that continues to be attractive to competitors.

Potential impact

Revenues and gross margins may be adversely affected should competitors launch competing generic or superior (novel) products.

Operating costs may increase to protect market share.

Link to strategic objectives  

Trend 




Existing mitigating controls

We have increased focus on life cycle management strategies for our key brands.




We monitor new product registrations and competitor launches and develop commercial and marketing responses accordingly to mitigate competitor impact.

We are continuing to seek to strengthen our product portfolio through strategic partnerships and we are exploring a number of opportunities, including novel pharmaceuticals.

STRATEGIC PRIORITIES

-  Organic growth
-  Inorganic growth
-  New product development

TREND KEY

-  Risk increasing
-  Risk decreasing
-  No change

C. PORTFOLIO RISK

Detailed risk

Approximately 30% of the Group's revenues are derived from products sourced from our distribution partners, which are heavily driven by the associated contractual terms.

Potential impact

Loss of one or more distribution contracts may reduce overall sales.

Where we are successful in developing and growing the market, the distribution partner may terminate the contract through the geographic expansion of their own footprint or a different route to market, resulting in lost sales.

Distribution may cease due to change of control of the contracting parties.

[Link to strategic objectives](#)



[Trend](#)



Existing mitigating controls

Led by our Director of Strategic Alliances and Acquisitions, the Group continues to explore and secure new distribution opportunities, assessed against a strict set of criteria and in regular consultation with the Board.

Low-quality distribution products remain subject to portfolio optimisation.

Significant existing contracts are reviewed to assess and mitigate, where possible, business continuity risks.

Build and grow our owned and long-term licence product portfolio to reduce reliance on third-party distribution partners.

D. PRODUCT DEVELOPMENT AND LAUNCH RISK

Detailed risk

Failure to successfully register and launch products from our pipeline, including those that we develop through license.

Projects that initially appear promising may be delayed or fail to meet expected clinical or commercial expectations or face delays in regulatory approval.

Potential impact

Significant delay or failure in launching a product from our pipeline could adversely affect our ability to deliver revenue and shareholder expectations.

Failure of a project in the development phase, or where we are unable to recover the costs incurred in developing and launching a product, would result in the impairment of recognised intangible assets.

[Link to strategic objectives](#)



[Trend](#)



Existing mitigating controls

Robust pipeline monitoring processes are in place as part of the Group's From Idea to Launch (FIL) process. This process has regular direct involvement from senior management, including the CEO, CSSO, COO and CFO as well as open dialogue with the Board.

Before more costly pivotal studies are initiated, smaller proof of concept studies are conducted to assess the effects of the drug on target species and for the target indication. Where applicable, the Group ensures the rigorous application of milestone payments.

The risk surrounding the Group's increased investment in innovation is mitigated by the recruitment of an experienced CSSO, a strong R&D team and solid strategic partnerships.

The Group's objective is to create a balanced pipeline in terms of risk and reward and to establish a broader investment approach to launching new products other than from our own pipeline.

In respect of significant new product launches, detailed sales and marketing plans are established and evolved over time, with progress regularly monitored against these plans by our commercial teams.

E. ACQUISITION RISK

Detailed risk

Failure to identify suitable acquisition opportunities and/or the inadequate integration of those acquisitions.

Uncertainty exists around valuing acquisitions, evaluating potential synergies and future performance.

Potential impact

Insufficient or under-performing acquisitions could result in the failure to achieve our growth targets.

Significant acquisitions and integration projects could impact the focus and capacity of resources to achieve our strategic objectives with the underlying operations.

Link to strategic objectives



Trend



Existing mitigating controls

Our CEO, CFO and Director of Strategic Alliances and Acquisitions are focused on updating a comprehensive list of potential targets, which is screened against certain criteria and regularly communicated to the Board.

At the appropriate time, thorough due diligence is performed for all potential acquisitions incorporating commercial, financial and legal considerations.

Our experience with the successful Randlab acquisition helps build expertise for future integrations.

Other risks

Beyond strategic risks, as outlined above, other key risks that are potentially impactful in executing our strategic plan are set out below. It is our perspective that, to achieve success, we need to maintain strong finances and an efficient operation that is compliant with the laws and regulations of each country of business – all of which needs to be supported by the best people with the right skills to execute against our strategic plan.



Financial strength

We carefully track our financial performance against a wide range of financial measures, including capital, liquidity and margin. We also recognise that our results are subject to foreign exchange translation exposure, which is closely monitored and reported. We acknowledge that our future growth is highly dependent on a solid financial platform and strong balance sheet, and have a range of risk assessments associated with both, including:

F. FINANCING / TREASURY RISK

Detailed risk

Debt facilities are committed for a finite period, and we need to plan to renew our facilities before they mature and guard against default. Our loan agreements also contain various covenants with which we must comply.

Potential impact

Investing for growth constrained by lack of access to capital, financial resource and/or reduced profitability.

Link to strategic objectives



Trend



Existing mitigating controls

We continue to focus on maintaining both strong cash conversion and a strong balance sheet with a maximum net debt to EBITDA leverage target of two times, reducing the risk of non-compliance with covenants.

Our existing bank facilities, through a syndicate of four banks with whom we have strong relationships, were successfully renegotiated shortly before our acquisition of Randlab, and will expire on 31 March 2029.

G. FOREIGN EXCHANGE TRANSLATION RISK

Detailed risk

The majority of the Group's revenues are denominated in euros. However, the Group's presentational currency is sterling and, therefore, the reported revenues, profits and net debt levels will be impacted by exchange rates prevailing during the relevant financial period.

Potential impact

There may be variability in our reported results caused by significant fluctuations in the GBP:EUR and GBP:AUD exchange rate.

This may impact our net debt to EBITDA leverage covenant, depending on volatility and timing, as the income statement and balance sheet may be translated at different rates.

Link to strategic objectives



Trend






Existing mitigating controls

We conduct a central review of foreign currency exposures, and we assess possible hedging strategies to mitigate risk via derivatives.




Matching currency flows and financing will limit the covenant exposure.

The Group presents key financial measures on a CER basis to enable shareholders to assess performance with the impact of foreign exchange eliminated.

STRATEGIC PRIORITIES

-  Organic growth
-  Inorganic growth
-  New product development

TREND KEY

-  Risk increasing
-  Risk decreasing
-  No change

Our Principal Risks CONTINUED

Operational performance

The success of our operation relies heavily on both our supply chain and technology platforms; therefore, we highlight below how we manage, monitor and mitigate those risks.

H. SUPPLY CHAIN RISK

Detailed risk

The Group relies solely on a large base of third-party suppliers for finished products and, to a lesser extent, raw materials, whether with our own brands or those sold on behalf of our partners via distribution arrangements. It is not commercially viable to implement a secondary sourcing strategy.

Potential impact

Any disruption, interruption or failure of supply may result in lost sales and damage the Group's reputation with its customers.

Rising inflation costs impacting cost of product and adversely affecting margins.

Manufacturing transfers to resolve longer-term supply issues may require additional regulatory approvals, which could result in additional costs and/or supply delays.

Link to strategic objectives



Trend



Existing mitigating controls

Due to our broad supply base, we have a relatively low dependency on any single supplier.

We monitor the performance of our supplier base and respond promptly where potential issues are identified, whether that be from a quality and/or regulatory perspective. The Group's largest suppliers operate under a programme of regular meetings and audits to manage and support our Contract Manufacturing Organisations (CMOs) to deliver quality products on time and in full to our regulatory specifications.

During 2025, further development and refinements to our structure and processes were undertaken to improve areas such as demand forecasting, supplier performance management and the monitoring of KPIs, particularly around the continuing impact and mitigation of inflation. These improvements will continue into 2026.

STRATEGIC PRIORITIES



Organic growth



Inorganic growth



New product development

TREND KEY



Risk increasing



Risk decreasing



No change

I. IT SYSTEMS AND CYBERSECURITY RISK

Detailed risk

The Group relies heavily on information technology and key systems to support the business.

The risk of cyber attacks that cause system disruption and the potential for data and financial fraud is increasing.

Potential impact

A general outage of our IT systems may cause disruption to, or the prevention of, normal operations and/or additional costs.

Cyber attacks could result in system and business disruption and/or availability of data.

Failure to adequately protect customer (and others') data may result in a breach of GDPR legislation and/or financial fraud.

Link to strategic objectives



Trend



Existing mitigating controls

The Group has maintained focus on mitigating the increasing cyber threat, while continuing to accommodate hybrid working practices, including:

- Continued investment in our cloud-based IT systems and security tools to safeguard the IT infrastructure
- Engagement with security-aware, reliable and certified IT service global providers
- Internal policies surrounding security, user access, change control and the ability to download and install software
- Procuring global cyber insurance, which provides specialist technical and legal support in the event of a cyber incident
- Undertaking regular large-scale security reviews
- Ensuring that all employees undergo mandatory training with sufficient regularity to guard against the proliferation of new and more sophisticated forms of cyber attack

We continuously perform a critical data evaluation to categorise our data and implement appropriate safeguards.



Our Principal Risks CONTINUED

Regulatory compliance

Given that we operate in a highly regulated market; it is evident that the success of our business is dependent on compliance with product regulations in each country of operation; therefore, we highlight below how we manage, monitor and mitigate those risks.

J. REGULATORY RISK

Detailed risk

We operate in a highly regulated animal health environment, which is designed to ensure the safety, efficacy, quality and ethical promotion of pharmaceutical products.

Failure to meet or adhere to regulatory standards could affect our ability to register, manufacture, distribute or promote our products.

Potential impact

Non-compliance with regulatory requirements may result in delays to supply and/or lost sales.

Delays in regulatory reviews and approvals could impact the timing of a product launch and impact sales.

Our regulatory burden, including compliance with the European Medicine Agency's (EMA) Union Product Database and the Veterinary Medicines Directorate (VMD) in the UK, results in continuing regulatory and quality control requirements and associated costs.

Link to strategic objectives



Trend



Existing mitigating controls

The Group Technical and Regulatory team has established systems and procedures to monitor and maintain compliance, which are subject to regular internal and external audits.

Regular dialogue is maintained with relevant authorities in each country to ensure we maintain a thorough understanding of regulatory changes.

We operate a robust Pharmacovigilance (PV) process to report any adverse reactions and product complaints related to the use of our products.



People

To successfully deliver our growth strategy in a highly regulated business, we need to attract and retain a high-calibre and diverse pool of talent; therefore, our people risk is managed, monitored and mitigated as follows:

K. PEOPLE RISK

Detailed risk

Failure to structure and resource the business to deliver our strategic ambitions from both an organic and inorganic growth perspective.

Our growth plans are dependent on our ability to attract, develop and retain high-calibre and experienced talent in key roles.

Potential impact

Failure to structure and resource our business with quality people could result in:

- Loss of expertise
- Potential business disruption
- Reduced growth
- Insufficient or overstretched resources
- High cost of organisational restructuring in certain countries

The rising cost of living and ongoing wage inflation have the ability to impact workforce stability and continuity as well as our profitability.

Link to strategic objectives



Trend



Existing mitigating controls

Our Group People and Culture Director has overall responsibility for setting and overseeing the execution of the Group's people strategy. Alongside fellow SET members, the organisational structure is reviewed as required to confirm that it meets our operational and strategic requirements, with appropriate actions taken where necessary.

Steadfast focus on enhancing overall employee engagement continues to position Animalcare as a "Great Place to Work".

This includes:

- A strong performance management culture supported by our Competency Framework
- Competitive remuneration packages supported by regular benchmarking
- Investment in staff training and development including our "High Challenge High Support" leadership and "Pioneering Professional" programmes
- Group recruitment and onboarding framework
- Wellbeing programme, "We Care", to support mental and physical wellbeing as well as personal development
- Undertaking a Qualtrix employee engagement survey in early 2026 and critically evaluating the results

We continue to use a team of highly skilled contractors to bridge short-term gaps in key resource areas and support key project delivery.

STRATEGIC PRIORITIES

- Organic growth
- Inorganic growth
- New product development

TREND KEY

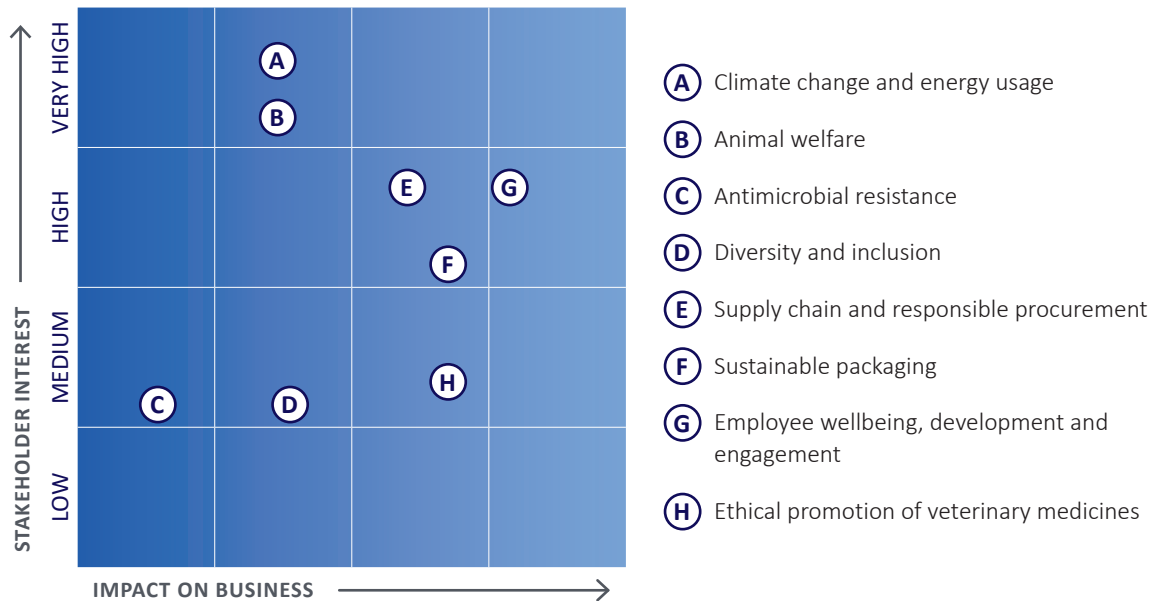
- Risk increasing
- Risk decreasing
- No change

Animalcare is committed to the environmental, social and governance (ESG) pillars of sustainable development.

In the past year, our Company has continued to recognise the importance of sustainability and its impact on our business, stakeholders and the environment.

We remain committed to integrating sustainable practices into our operations and setting the foundation for future initiatives.

MATERIALITY MATRIX



Our CEO, Jenny Winter, is responsible for our ESG agenda and keeps the Board regularly informed on progress and key developments. This ensures that ESG remains an integral part of how we run the business and make decisions.

Stakeholder engagement and materiality

Our stakeholder engagement continues to be guided by the Animalcare Group materiality assessment, undertaken via an internal employee focus group and informal stakeholder engagement. This matrix is periodically reviewed. From this, we identified the material issues of importance to our stakeholders and their potential impact on our business.

This process identifies the issues that matter most to Animalcare and our stakeholders and shows where we can have the most positive impact.

A: CLIMATE CHANGE AND ENERGY USAGE

Under the umbrella of our Risk Management Framework, we designate climate change as a global issue with potential implications for the Group. We have evolved our environmental sustainability initiatives over the year in response to the continually shifting regulatory landscape. We are well positioned to embrace both the opportunities and challenges of this dynamic area.

Our Group energy usage and carbon emissions

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

The table below reflects Scope 1 and 2 emissions figures for the whole Animalcare Group. Certain Scope 3 emissions have been presented for the UK. We are working towards the Group-wide disclosure of such emissions.

		2025					
		UK		Global (excl. UK)		Total	
Scope	Activity	CO ₂ e	kWh	CO ₂ e	kWh	CO ₂ e	kWh
Scope 1	Company car travel	61	236,197	468	1,802,922	529	2,039,119
Scope 2	Grid-supplied electricity	7	37,652	34	216,072	40	253,724
Scope 3	Private cars utilised for business travel	17	66,690	–	–	17	66,690
Intensity ratio (tCO ₂ e per £m revenue)		4.9		7.0		6.6	

		2024					
		UK		Global (excl. UK)		Total	
Scope	Activity	CO ₂ e	kWh	CO ₂ e	kWh	CO ₂ e	kWh
Scope 1	Company car travel	50	196,092	406	1,600,270	456	1,796,362
Scope 2	Grid-supplied electricity	10	46,815	11	60,039	21	106,854
Scope 3	Private cars utilised for business travel	18	71,255	–	–	18	71,255
Intensity ratio (tCO ₂ e per £m revenue)		4.5		7.4		6.7	

We have used the UK Government GHG conversion factors to calculate our total CO₂e emissions figures.

The Group's Scope 1 and Scope 2 emissions have been impacted by the acquisition of Randlab, with its operations in Australia, New Zealand and UAE. Animalcare Europe's emissions are broadly consistent with the previous year. This indicates that, despite our commitment to face-to-face interaction with our customers, colleagues and other stakeholders, compensating initiatives such as a phased adoption of electric vehicles in our Company car fleet are keeping our energy consumption under control. The increase in revenue in the same period means our intensity ratio is in line with expectations.

Carbon offset

Our UK operations continue to maintain their carbon neutral status and we are working towards this status in our territories.

Supply chain and greenhouse gas emissions

Animalcare works with third parties to manufacture finished products, while engaging with other partners to enable our international supply chain. Upstream emissions include those generated by a supplier's distribution activities and the production of raw materials or components purchased by the Company. Downstream covers emissions generated by the use or disposal of end products, as well as business travel.

Value chain emissions (Scope 3) represent a significantly higher proportion of our carbon footprint than operational emissions (Scope 1 and Scope 2). Calculating then eliminating these emissions is a challenge that requires effective partnerships built on trust. As we develop our sustainability strategy, we will consider further actions to estimate and reduce our value chain emissions.

B: ANIMAL WELFARE

Animalcare Ltd remains in partnership with Vet Sustain, a UK-based social enterprise working to enable and inspire veterinary professionals to continually improve the health and wellbeing of animals, people and the environment, centred around their six goals for sustainability, which provide a framework for contributing to the UN's Sustainability Development Goals.

Randlab is the largest supporter of veterinary education in Australasia. Via their sponsorship of events across the territory, provision of free gastroscopy services to veterinarians and support of equine vets' volunteer work in developing countries, their education programmes have global reach.

C: ANTIMICROBIAL RESISTANCE

Antimicrobial resistance (AMR) continues to be subject to regulatory and market trends. While it is a systemic risk that impacts multiple sectors, including food and agriculture, the impact on our sector has been significant in recent years. Our failure to align with these regulations and market forces would result in a reduction in sales, reputational and ethical implications.

Significant steps have already been taken to reduce our portfolio reliance on antibiotics, both in Production and Companion Animals. Despite the disposal of our investment in STEM Animal Health Inc. during 2024, we are still able to exploit biofilm-targeting technologies in anti-infective roles.

Our regulatory department ensures that we maintain our deep understanding of changing requirements through regular dialogue with relevant authorities. We also ensure mitigating the risk of AMR is prioritised in the development of new products.

In the coming months, the P&C team will conduct deeper country-level and functional analysis and implement targeted action plans to sustain strengths, strengthen leadership transparency, enhance development pathways and simplify ways of working. The objective is to further elevate the employee experience and elevate long-term business performance.

D: DIVERSITY AND INCLUSION

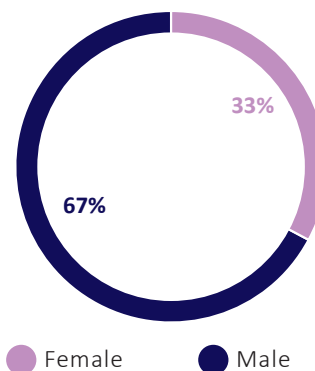
We are committed to ensuring recruitment, promotion and all selection processes are conducted on merit against objective criteria that avoid discrimination.

The Board recognises that diversity of background, experience and perspective enhances decision making, innovation and business performance. Appointments at Board and Senior Executive level are made on merit, while ensuring an appropriate balance of skills, experience and diversity to support long-term strategic delivery.

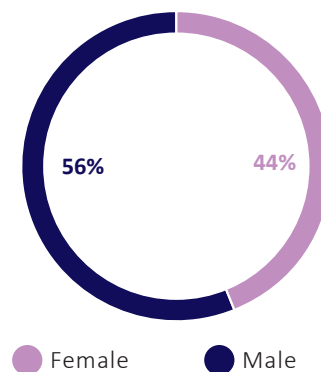
The Board currently consists of 67% (four) male and 33% (two) female members. As at the year end, the Senior Executive Team consisted of 56% (five) male and 44% (four) female members.

Future appointments will continue to be made on merit, with due consideration given to the need for diversity, and to complement the existing balance of skills and experience across the Group.

BOARD GENDER DIVERSITY



SENIOR EXECUTIVE TEAM



E: SUPPLY CHAIN AND RESPONSIBLE PROCUREMENT

Animalcare does not own any manufacturing assets and we work with contract manufacturers of finished goods, mainly across Europe and with suppliers that are not in the “Highest Risk” countries, which are prone to political unrest, poor regulatory practices, or low voice and accountability.

One of our key principles with external suppliers is to ensure they share the same commitment as we do to being a responsible and ethical employer, both to their own staff and their suppliers. The Group’s external suppliers are required to conform to Good Manufacturing Practice (GMP) and Good Distribution Practice (GDP) requirements. This means there are audits and inspections performed and recorded by national regulators. We have to conform to GDP practices, which we embrace and completely support.

F: SUSTAINABLE PACKAGING

Flexible packaging keeps pharmaceuticals and medicinal products sterile and protected, while safeguarding against tampering and counterfeiting. However, although useful and resource-efficient in many ways, its low-volume and low-weight properties present a challenge once this packaging becomes waste.

Our focus in 2026 will be implementing the EU Packaging and Packaging Waste Regulation (PPWR) legislation. We are working to ensure compliance by the 12 August 2026 deadline and are using this legislation to guide our packaging recycling and waste reduction road map out to 2035.

We recognise the environmental impact caused by the use of plastics in our business and supply chain, and are taking steps to develop more sustainable packaging. Where plastic packaging remains the most viable solution, and until the time we can transition from virgin plastic to mitigate plastic waste, we have implemented offsetting as an interim solution. During 2025, we continued to support a clean water initiative in Zambia, which offset the CO₂e arising from sales of our IV fluids in the previous 12 months.





G: EMPLOYEE WELLBEING, DEVELOPMENT AND ENGAGEMENT

OUR PEOPLE

Our employees are fundamental to delivering our strategy and driving sustainable growth. Our ability to attract, develop and retain high-calibre talent in critical roles underpins operational excellence, customer satisfaction and long-term value creation.

We focus not only on what we deliver, but on how we deliver it – embedding a strong customer-centric mindset and a One Team culture that enables effective cross-functional and cross-country collaboration. This approach strengthens execution, reduces organisational silos and enhances our ability to respond to evolving market needs.

TALENT MANAGEMENT AND PEOPLE DEVELOPMENT

Strengthening leadership capability and accountability has been a key priority during the year.

We introduced a dedicated leadership programme for our Senior Operational Team (SOT) centred around clearly defined Winning Leader Behaviours, with customer focus at its core. These behaviours reinforce commercial discipline, collaboration and ownership, ensuring leaders drive results while modelling the standards expected across our business.

These leadership expectations have been cascaded into our commercial teams, strengthening performance culture and reinforcing that sustainable results are achieved not only through financial delivery, but through disciplined execution, collaboration and accountability.

We continued with our talent review process underpinned by our competency framework, strengthening succession planning and capability building within sales and marketing leadership. Targeted coaching development for sales managers further supports high-performance teams and consistent customer engagement.

To reinforce alignment between performance and long-term value creation, we simplified our performance management process and conducted a comprehensive review of our bonus and Long-Term Incentive Plan (LTIP) strategy. This ensures stronger linkage between strategic priorities, financial outcomes and individual accountability, while maintaining market competitiveness and supporting retention of key talent.

WELLBEING

Employee wellbeing is key to sustaining engagement, performance and resilience in a dynamic operating environment.

Our Global Wellbeing and Resilience Strategy, “We Care”, continues to provide structured support to employees navigating change and maintaining performance.

During the year, we strengthened this strategy by establishing a cross-country network of Wellbeing Ambassadors. These ambassadors represent the voice of their local teams and collaborate across geographies beyond their core functional roles. This initiative exemplifies our One Team culture in action – driving shared ownership, knowledge exchange and collective responsibility for employee wellbeing.

By combining global direction with local insight, we ensure our wellbeing initiatives remain relevant, inclusive and impactful.

The Group also provides access to a confidential, 24/7 Employee Assistance Programme through Workplace Options, offering professional support for personal or work-related challenges that may affect wellbeing or performance.

ENGAGEMENT

In January 2026, the Group conducted a new annual Employee Experience Survey with the use of Qualtrics to assess engagement, retention, inclusion, wellbeing, and alignment between experience and expectations across all markets.

The 2026 Employee Experience Survey achieved a strong participation rate, with 141 employees responding, representing 71% of participants.

This high response rate provides a robust and representative data set across markets and functions. Employees with less than six months’ tenure were excluded to ensure informed and meaningful feedback. Randlab was not included in this survey cycle.

Overall results demonstrate a strong and stable employee engagement foundation. KPIs around Engagement, Retention, Wellbeing and Inclusion show solid favourability,

confirming a healthy culture characterised by trust, collaboration and commitment. Employee advocacy remains high, with 79% indicating they would recommend the Company as a great place to work.

Key organisational strengths include living our Company values, empowerment, collaboration, wellbeing, innovation, safety, resource availability and strong trust in direct line managers. Identified improvement areas focus on performance management, communication, managing change and work processes.

In the coming months, the P&C team will conduct deeper country-level and functional analysis, and implement targeted action plans to sustain strengths, reinforce leadership transparency, enhance development pathways and simplify ways of working. The objective is to further elevate the employee experience and the long-term business performance.

H: ETHICAL PROMOTION OF VETERINARY MEDICINES

Our values and behaviours (one team, passion, integrity, taking ownership, having fun) guide employee conduct along with the Group’s Code of Conduct and supporting policies, which help us ensure we do business in the right way.

Randlab is also investing in the sustainability of the equine veterinary profession through equipping their teams with helmets and other safety initiatives for gastroscoping days, industry stewardship of antimicrobials/anthelmintics (managing resistance to these drugs), packaging sustainability initiatives, working with industry associations to nurture the equine vet pipeline by initiating and supporting programmes for the attraction and retention of new/recent graduates to equine vet practice, and supporting equine et Nurse development.



Governance

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Board of Directors



ED TORR
Independent
Non-Executive
Chair

Appointment:

Independent Non-Executive Director July 2017;
Chair June 2024

Committee membership:



Responsibilities, relevant skills and experience:

As Chair, Ed provides leadership of the Board, promoting a culture of openness and constructive debate, and guiding oversight of the Group’s progress against its strategic objectives. During the year, this included supporting management as the Group advanced its geographic expansion strategy through a strategic equity investment in InVetro Pty Ltd, strengthening its presence in the Asia Pacific market, and deepened its innovation agenda through its partnership with 272Bio.

Ed brings significant experience of business development and product development in the animal health sector. He was part of the management buyout team that set up Dechra Veterinary Products in 1997 and an Executive Director on the Board of Dechra Pharmaceuticals plc from 2000 until 2013, responsible for business development and managing the European business unit, and instrumental in setting up the US business. Since 2014, Ed has independently advised various companies on sales and marketing structures, M&A opportunities, the “in” and “out” licensing of products, and investment opportunities within the veterinary and animal health sector.

Ed previously served as a Non-Executive Director of Intervacc AB, a company listed on NASDAQ Stockholm.

Key external appointments:

None



JENNIFER WINTER
Chief Executive
Officer

Appointment:

October 2018

Committee membership:



N/A; attends certain Committee meetings by invitation

Responsibilities, relevant skills and experience:

As CEO, Jennifer has responsibility for developing and executing the Group’s strategy, as approved by the Board, and drives the performance and results of the Group. During the year, progress against the Group’s long-term strategic objectives was marked by key milestones, including the expansion of its innovation pipeline through the strengthened partnership with 272Bio and the delivery of its geographic expansion strategy through the strategic investment in InVetro Pty Ltd.

With her background in the healthcare sector, including senior commercial roles at AstraZeneca and GlaxoSmithKline, Jennifer brings significant experience of strategic product development, change management, marketing and communications. She is also the Board member responsible for Sustainability.

She was a Non-Executive Director of Allied Irish Bank from 2004 to 2010, and Chief Executive Officer of Barretstown from 2003 to 2007, transforming it into a successful, leading children’s charity.

Jennifer has a BSc in Physiology and Pharmacology from the University of Southampton.

Key external appointments:

- EKF Diagnostics Holdings plc (Non-Executive Director)
- Royal Brompton and Harefield Hospitals Charity (Chair of Trustees)
- Qureight Limited (Non-Executive Director)

The Group's Board has a diverse mix of skills and experience with a strong background in pharmaceutical and animal-related businesses. The collective skills and experience of the Directors enable constructive debate and challenge, which is crucial to ensuring decisions made by the Board are in the best interests of our shareholders and stakeholders over the long term.



CHRIS BREWSTER
Chief Financial Officer & Company Secretary

Appointment:

September 2017

Committee membership:



N/A; attends certain Committee meetings by invitation

Responsibilities, relevant skills and experience:

Chris joined Animalcare in 2012 and has since played a key leadership role across the Group, with extensive experience in M&A, capital raising, financial management and risk oversight. Working closely with Jennifer, he has been instrumental in shaping and delivering the Group's growth strategy. Chris also successfully led the smooth integration of the Randlab business following its acquisition in 2025. Chris' responsibilities also include oversight of Group ICT and Legal.

Chris qualified as a Chartered Accountant at KPMG in 2003.

Key external appointments:

None



MARC COUCKE
Non-Executive Director

Appointment:

July 2017

Committee membership:

N/A

Responsibilities, relevant skills and experience:

As a Non-Executive Director, Marc brings significant experience of maximising value creation and developing strategy. Marc founded Omega Pharma NV in 1987, developing the company into a leading pan-European OTC health and personal care business, and serving as both Chair and Chief Executive Officer. Following the sale of Omega Pharma NV in 2015, he invested, via his private investment firm Alychlo NV, in several listed and non-listed companies. Marc is also a director of various private Belgian companies.

Key external appointments:

None

COMMITTEE MEMBERSHIP



Audit and Risk Committee



Remuneration and Nomination Committee



By invitation



Chair of Committee

ELS DEGROOTE

Els was appointed as an alternate Director to Marc Coucke in December 2024 and attends Board meetings in Marc's absence. Following Marc stepping down at the forthcoming AGM, Els will be appointed a Non-Executive Director in his place. She has been an Investment Principal at Alychlo NV since April 2022 and has extensive experience advising on M&A transactions. Els also currently serves as a Director to a number of companies in Belgium and the Netherlands and is a qualified commercial engineer with an MBA from Vlerick Business School.

Key external appointments:

None

DR DOUG HUTCHENS
Independent
Non-Executive
Director



Appointment:

February 2022

Committee membership:



Responsibilities, relevant skills and experience:

Doug has held several senior positions in research and development and regulatory affairs at leading global animal health companies. As part of the executive team at Bayer Animal Health, he was an Executive Vice President and Chief Veterinary Officer, where he led both drug discovery and product development on a global basis. As Chair of the Nomination and Remuneration Committee, Doug played an active role in supporting the Board as the Group continued to deliver on its long-term strategic goals.

Before joining the animal health pharmaceutical industry, Doug was an Assistant Professor at the University of Illinois College of Veterinary Medicine, where he conducted studies for most of the major animal health companies and participated in the development of multiple new products for Companion and Production Animals. Early in his career, he was a practising veterinarian. He holds a Doctor of Veterinary Medicine degree and a PhD in pathobiology with an emphasis in immuno-parasitology from the University of Illinois.

Key external appointments:

- Animol Discovery, Inc. (Chief Scientific Officer)

SYLVIA METAYER
Senior
Independent
Director



Appointment:

Independent Non-Executive Director May 2022; Senior Independent Director June 2024

Committee membership:



Responsibilities, relevant skills and experience:

Sylvia was the Chief Growth Officer of Sodexo SA leading strategy, digital marketing and sales, and a member of the Sodexo Group Executive Committee, having previously held roles as Group Financial Controller, CFO for Europe and CEO of Sodexo's Corporate Services Worldwide segment. She has also held a variety of finance and general management roles in companies operating in a number of sectors, including Danone SA, Mattel Inc, Vivendi Universal Publishing SA and Houghton Mifflin Harcourt & Co. Sylvia gained a business degree from the French École des Hautes Études Commerciales (HEC) and is a graduate of both Queen's University, Canada and the University of Ottawa, Canada.

As Chair of the Audit and Risk Committee, Sylvia provided governance and oversight of compliance and the management of risk, as the Group continued to make progress against its long-term strategy during the year.

Key external appointments:

- Groupe ADP (Aéroports de Paris SA) (Non-Executive Director and Chair of the Nomination and Remuneration Committee)
- Groupe Clariane SE (Non-Executive Director, and Chair from 14 May 2025)
- Mace Group Limited (Non-Executive Director)
- Keolis, SAS (member of Supervisory Board and Chair of the Audit and Compliance Committee)

Sylvia stepped down as a Non-Executive Director of PageGroup plc on 3 June 2025.



COMMITTEE MEMBERSHIP



Audit and Risk Committee



Remuneration and Nomination Committee



By invitation



Chair of Committee

Corporate Governance Statement



“

As Chair of the Company, I am pleased to present the Corporate Governance Statement for the financial year ended 31 December 2025.

ED TORR

Independent Non-Executive Chair

The Board is committed to promoting high standards of corporate governance and our governance framework has continued to operate effectively during the year, enabling the Board to provide advice, counsel and support to the Executive team in making decisions and taking appropriate actions.

The principles of corporate governance Compliance with the 2023 Quoted Companies Alliance Corporate Governance Code (the “2023 QCA Code”)

We recognise the need for our governance practices and disclosures to continue to evolve so they fully support the delivery of the Group’s strategy and the effective application of the principles under the 2023 QCA Code. Our governance framework sets out clear roles, policies and procedures designed to ensure our compliance with the 2023 QCA Code, the AIM Rules and all other legal, regulatory and compliance requirements that apply to the Group.

We regularly review this framework to ensure it remains aligned with the Group’s strategic priorities, long-term growth plans and the expectations of our shareholders. For the year ended 31 December 2025, the Company applied the 2023 QCA Code, which is effective for financial years beginning on or after 1 April 2024, representing our first year of reporting under it. The Board applied all 10 principles of the 2023 QCA Code during the year under review.

Further details on how we apply the 2023 QCA Code can be found in our Governance Statement on the Group’s website: www.animalcaregroup.com/investors/corporate-governance/governance-statement/

In adopting the 2023 QCA Code for the first time, the Board has ensured that our governance practices and disclosures align with its updated principles and expectations. In line with Principle 9 of the 2023 QCA Code, we have continued our practice of putting the Directors’ Remuneration Report to an advisory shareholder vote at every Annual General Meeting since the Company’s admission to AIM in 2017, and this year, we will also be putting the Remuneration Policy to an advisory shareholder vote.

Further details of our corporate governance framework and activities are set out in our Corporate Governance Report.

Supporting strategy through effective governance

The Board has collective responsibility for reviewing and implementing the Group's strategy, while taking into account the risks and opportunities facing the Group. Our strategy is articulated in the Strategic Report section of this report and on our website, along with our business model. The Board considers the expectations of the Company's shareholder base and its wider stakeholder and corporate social responsibilities when making decisions, in furtherance of the Group's strategic objectives.

The Board also has oversight of the Group's internal control and risk management systems. Alongside evaluating commercial opportunities, the Board regularly considers and reviews the Group's principal and emerging risks and ensures that effective and appropriate mitigation strategies are in place. During the year, we have continued to review the operation of the Group's risk management framework, as explained in our Audit and Risk Committee Report. Particular areas of focus for the Committee were monitoring the integration of the newly acquired Randlab business, a review of foreign exchange risk and policy, a review of supply chain risk management and a further review of R&D risk and development of the framework for R&D pipeline risk. Details of the risk management framework are set out in our Principal Risks section.

Stakeholder engagement and corporate culture

The Board places great importance on effective engagement with key stakeholders and aims to understand the views and interests of stakeholders so that these can be appropriately considered as part of its decision making. The Strategic Report includes a description of how this engagement has worked in practice during the year under review and a statement about how the Directors have discharged their duty under s172 of the Companies Act 2006.

In March 2026, the Company hosted a Capital Markets event, involving presentations for investors and analysts to provide greater insight into Animalcare's three strategic pillars, highlighting opportunities to accelerate organic revenue growth, both in the shorter-to-medium term and over the longer term, alongside a deeper dive into inorganic growth and pipeline potential.

We aim for a happy, motivated and committed workforce to deliver long-term success for the Group. As such, it is important to the Board that our employees know they are valued and recognise that our success depends on their continued invaluable contribution. This is reflected in the way that the Board and Senior Executive Team (SET) operate. A more detailed explanation of the Board and SET's interaction and their monitoring of culture is given in the Corporate Governance Report.

Build trust

The Board recognises the importance of disseminating clear and understandable information about the Group and its activities and maintaining regular dialogue with our stakeholders to ensure their views are understood and considered. The Board receives information on the Group's employee engagement programme, including details of the results of the annual employee engagement survey, and regular feedback from the Executive Directors on their discussions with shareholders, potential investors, suppliers, partners and customers.

Board capabilities

The Board comprises experienced Directors who collectively have considerable expertise in the following areas:

- Strong industry experience and knowledge of the animal health and pharmaceuticals sector
- Leading organisational change and integration
- Managing a global supply chain
- Research and development
- Business planning and development
- Corporate finance and mergers and acquisitions
- Financial and risk management
- Governance

Board performance review

An internal Board and Committee performance review was conducted in 2025 by way of a set of questionnaires, with the Chair's evaluation conducted by Sylvia Metayer as Senior Independent Director. The output from this exercise was discussed by the Board and confirmed their view that the Board functions well, with open and interactive discussion. The Board also agreed that there would be an annual evaluation process going forward, which would include a review of progress against the prior year's areas for development. The next full review will take place in summer 2026, the outcome of which will be reported in the 2026 Annual Report.

Changes to the Board

I would like to take this opportunity to thank Marc for his invaluable contributions to the Group and we look forward to continuing to benefit from Els's skills and experience as a Director going forward.

ED TORR

Independent Non-Executive Chair

13 May 2026

Corporate Governance Report

Composition of the Board and its Committees

Board composition

The Company maintains a robust and effective corporate governance framework that supports responsible stewardship and long-term sustainable success. The roles and responsibilities of the Board and its formally constituted Committees are clearly defined and operate within an established governance structure, as outlined in this report. This framework safeguards the interests of shareholders and provides a solid foundation for overseeing risk, ensuring accountability and delivering the Group's strategic objectives.

Board of Directors

Chair Responsible for the establishing the Company's strategic direction and overseeing a robust framework of governance	Ed Torr	Independent Non-Executive Chair
Executive Directors Responsible for the day-to-day management of the Company's operations and the delivery of the Group's strategy	Jennifer Winter	Chief Executive Officer
	Chris Brewster	Chief Financial Officer and Company Secretary
Non-Executive Directors Providing independent challenge to, and oversight of, the performance of the Executive Directors	Marc Coucke	Non-Independent Non-Executive Director
	Els Degroote acts as Alternate to Marc when he is absent from Board meetings	
	Sylvia Metayer	Senior Independent Director Chair of Audit and Risk Committee
	Doug Hutchens	Independent Non-Executive Director Chair of Remuneration and Nomination Committee

Board Committees

Audit and Risk Committee

Responsible for monitoring the integrity of the Company's financial statements and overseeing the effectiveness of the risk management framework and internal control environment. The Audit and Risk Committee Report is within the Governance section of the Annual Report.

Remuneration and Nomination Committee

Responsible for reviewing the structure, size, composition and succession planning of the Board, and for setting fixed and variable Executive Director remuneration and monitoring the remuneration structure and levels for senior management. The Remuneration and Nomination Committee Report is within the Governance section of the Annual Report.

As at the date of this report, the Board comprises two Executive Directors, an independent Non-Executive Chair and three other Non-Executive Directors, two of whom are independent, and one alternate Director as set out above. The Directors' biographies can be found in the Board of Directors section. The Board's composition is structured to maintain a balanced mix of skills, experience and independence, ensuring that no single individual is able to dominate the decision-making process. This balance supports open discussion, constructive challenge and collective accountability across the Board.

The Non-Executive Directors collectively bring a balanced mix of skills and experience, enabling them to provide effective support and constructive challenge to the Executive Directors. The Board keeps under review the mix of experience and skills that are needed on the Board as the Group continues to grow, so that Board composition can be adjusted, if necessary, over time. The Directors believe that, as a whole, the Board possesses the necessary combination of skills, experience, capabilities, diversity and personal qualities to deliver the Group's strategy for the benefit of the Company's shareholders and wider stakeholders over the medium-to-long term.

The Board recognises the benefits that diversity brings to effective leadership and robust decision making. This includes, but is not limited to, gender balance, ethnic diversity, a broad mix of skills, professional backgrounds, experience and diversity of thought. The Board is committed to fostering an inclusive culture throughout the organisation, free from discrimination of any kind, which supports individuals in achieving their full potential. This commitment extends to Board appointments and succession planning, where selection is based on merit while taking full account of the value that a diverse Board brings to the long-term sustainable success of the Company. The Remuneration and Nomination Committee is responsible for succession planning for the Board Directors and other Senior Executives. Further information can be found on this in the Remuneration and Nomination Committee report.

Independence

The Non-Executive Chair, Ed Torr, Senior Independent Director, Sylvia Metayer and Non-Executive Director, Dr Doug Hutchens, are all considered to be independent. The Board, therefore, considers that it complies with the QCA Code in respect of Director independence.

23.34% of the issued share capital is held by Alychlo NV, an entity wholly owned by Marc Coucke, non-independent Non-Executive Director.

Appointments to the Board and re-election

The Board has delegated, to the combined Remuneration and Nomination Committee, the tasks of reviewing Board composition, searching for appropriate candidates and making recommendations to the Board on candidates to be appointed as Directors. Further details on the role of the Remuneration and Nomination Committee, and its activities during the year, are set out in its report within the Governance section of the Annual Report.

The Directors have the power to appoint Directors during the year, but any person so appointed must stand for election at the next Annual General Meeting (AGM), as required by the Company's Articles of Association (Articles).

In accordance with corporate governance best practice, all Directors retire and offer themselves for election or re-election at the AGM each year. The Board considers that each of the Directors standing for election or re-election continues to make a valuable contribution to the Board and to demonstrate commitment to the Group.

Els Degroote was appointed as the alternate Director to Marc Coucke in December 2024 and attended Board meetings when Marc Coucke was absent in 2025. Marc will be stepping down from the Board at the forthcoming AGM and further to the approval of Els's appointment by the Board, in line with the approach set out above, a resolution will be put to shareholder for her formal election. In June 2025, the initial terms of appointment for Sylvia Metayer and Doug Hutchen, which expired at the 2025 AGM, were renewed for a second three-year term, running to 2028.

How the Board operates

The Board is responsible for the Group's strategy and overall management. The operation of the Board is documented in a formal schedule of matters reserved for its approval, which sets out the Board's responsibilities and covers a number of areas:

- The Group's strategic aims and objectives
- The structure and capital of the Group, and dividend policy
- Financial reporting and internal controls
- Risk management
- The approval of significant contracts and expenditure
- Effective communication with shareholders
- Board structure, size and composition

The schedule of matters reserved for Board approval was reviewed and approved during the year and is available on the Company's website (www.animalcaregroup.com).

Board meetings

The Board met formally six times during the year. Non-Executive Directors maintain a direct and regular line of communication with Executive Directors and senior management between formal Board meetings. The Group Finance Director also attends all Board meetings.

Directors are expected to attend all meetings of the Board and the Committees on which they sit, and to devote sufficient time to the Group's affairs to enable them to fulfil their duties as Directors. This requirement is made clear in their letters of appointment. In the event that Directors are unable to attend a meeting, their comments on papers to be considered at the meeting will be discussed in advance with the Chair so that their contribution can be included in the wider Board discussion. The Board is satisfied that each of the Non-Executive Directors devotes sufficient time to the business, in accordance with the time commitment requirements set out in their letters of appointment. In December 2024, the Board approved the appointment of Els Degroote as the alternate Director to Marc Coucke. Els has been attending Board meetings when Marc Coucke is absent and when he steps down from the Board at the 2026 AGM, she will be appointed as Director.

Directors are encouraged to question and voice any concerns they may have on any topic put to the Board for debate.

The Board is supported in its work by Board Committees, which are responsible for a variety of tasks delegated by the Board. There is also a Senior Executive Team composed of the CEO, the CFO and representatives from senior management, whose responsibilities are to implement the decisions of the Board and review the key business objectives and status of projects.

Corporate Governance Report CONTINUED

The table below shows Directors' attendance at formal scheduled Board and Committee meetings during the year:

Director	Board	Audit and Risk Committee	Remuneration and Nomination Committee
Chris Brewster ¹	5/6	–	–
Marc Coucke ²	0/6	–	–
Els Degroote ²	6/6	–	–
Doug Hutchens	6/6	6/6	3/3
Sylvia Metayer	6/6	6/6	3/3
Ed Torr	6/6	6/6	3/3
Jennifer Winter ³	6/6	–	–

¹ Chris Brewster was unable to attend one Board meeting for family reasons. Chris Brewster attends meetings of the Audit and Risk Committee by invitation.

² Els Degroote was appointed as the alternate Director to Marc Coucke on 10 December 2024 and attends Board meetings when Marc Coucke is absent. Due to other business commitments, Marc Coucke was unable to attend Board meetings in 2025; his alternate Director, Els Degroote, attended in his absence.

³ Jennifer Winter is invited to attend meetings of the Remuneration and Nomination and Audit and Risk Committees from time to time.

Board decisions and activity during the year

The Board has an agreed schedule of activity for the financial year covering regular business updates and operational, financial and governance issues. Each Board Committee also has an agreed schedule of activity. This ensures that all areas for which the Board has overall responsibility are addressed during the year. These schedules of activity are reviewed at least once a year to ensure that matters are considered at an appropriate time.

Board and Committee agendas and papers are circulated to the Board in good time in advance of the meetings and each meeting is minuted.

Strategy	M&A opportunities, resulting in the successful acquisition of equity stake in InVetro Pty Ltd
	Randlab Integration
	Delivery of the Product Development plan and opportunities, including partnership with 272Bio
	Development of the R&D pipeline
	Focused Board strategy sessions
Performance	Trading updates
	Review of budgets and forecasts
	Going concern and cash flow
	Approval of the 2024 Annual Report, final dividend recommendation, 2025 Interim Results and an increase of the interim dividend by 10%
Governance	Board performance evaluation
	Succession planning
	Review of conflicts of interest
	Review of regulatory and governance updates
	Review and approval of Modern Slavery Statement, Schedule of Matters Reserved for the Board and Committee Terms of Reference
Stakeholders	People update
	ESG and sustainability update
	Investor relations and shareholder update
	Review of AGM business

The Board agenda includes a business update covering progress against strategy and financial performance, key business initiatives, leadership activities and new product development. Investor relations updates, financial reports and consideration of reports from the Board Committees are also covered on the Board agenda. Details of the Board's key discussions and stakeholder considerations are set out in the Strategic Report.

Board Committees

The Board has delegated specific responsibilities to its two Board Committees, the Audit and Risk Committee and the Remuneration and Nomination Committee, which are each comprised of three independent Non-Executive Directors, in accordance with the QCA Code. Each Board Committee has written Terms of Reference setting out their duties, authority and reporting responsibilities, which were reviewed and approved by the Board during the year and are available on the Company's website (www.animalcaregroup.com).

Details of the operation of the Board Committees are set out in their respective reports below. Each of the Board Committees is authorised to obtain, at the Company's expense, professional advice on any matter within their Terms of Reference and to have access to sufficient resources in order to carry out their duties.

Senior Executive Team

At year end, the Senior Executive Team (SET) comprised the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Director of Strategic Alliances and Acquisitions, Chief Strategy and Science Officer, Group People and Culture Director, Group Supply Chain Director, Group Finance Director and General Manager, Randlab. The team meets weekly and its responsibilities include tracking financial performance, progress against our strategic and operational objectives, leadership development, improving employee engagement and all aspects of the operational leadership of the organisation.

External advisers

During the year, the Board sought advice on various matters from Stifel Nicolaus Europe Ltd, its nominated adviser, corporate finance adviser and joint broker (with Panmure Liberum). Advice is also provided by the Company's lawyers, Squire Patton Boggs (UK) LLP, and by its corporate governance and company secretarial adviser, Prism Cossec, which also provides company secretarial support.

Development, information and support

Prism Cossec provides a report to the Board at each regular meeting regarding changes in relevant legislation, regulations and corporate governance best practice that may impact the Company. Executive Directors are subject to the Company's performance development review process through which their performance against predetermined objectives is reviewed and their personal and professional development

needs are considered. Non-Executive Directors are encouraged to raise any personal development or training needs with the Chair or Company Secretary.

Risk management

The Board has ultimate responsibility for setting the Group's risk appetite and risk management strategy and for reviewing the effectiveness of the Group's framework for risk management. Oversight of risk management is undertaken by the Audit and Risk Committee, which reports to the Board at least three times a year. Further details on risk management are set out in the Audit and Risk Committee Report and in Our Principal Risks in the Strategic Report.

Internal controls

The Board has ultimate responsibility for the Group's system of internal controls and for the ongoing review of their effectiveness.

Systems of internal control can only identify and manage risks, and not eliminate them entirely. As a result, such controls cannot provide an absolute assurance against misstatement or loss. The Board considers that the internal controls that have been established and implemented are appropriate for the size, complexity and risk profile of the Group.

The main elements of the Group's internal control environment include:

- The close management of the day-to-day activities and financial performance of the Group by the SET and other senior management
- An organisational and IT systems structure with defined levels of responsibility and user access
- Specified contract approval levels and financial authority limits
- An annual budgeting process that is approved by the Board
- A quarterly reforecasting process that forms part of the financial performance review cycle
- Controls to ensure that the assets of the Group are safeguarded and that appropriate accounting records are maintained

The Board continues to review the system of internal controls to ensure it is fit for purpose and appropriate for the size and nature of the Company's operations and resources. The internal control procedures were in place throughout the financial year and up to the date of approval of this report.

Board performance review

An internal Board and Committee performance review was conducted in 2025 by way of a set of questionnaires, with the Chair's evaluation conducted by Sylvia Metayer as Senior Independent Director. The output from this exercise was discussed by the Board and confirmed its view that the Board functions well, with open and interactive discussion.

Areas for development were agreed and are being monitored during the course of the year. The Board also agreed that there would be an annual evaluation process going forwards, which would include a review of progress against the prior year's areas for development.

Succession planning

The Remuneration and Nomination Committee considers succession planning in its work and formulates plans for the succession of all Directors. Further details can be found in the Committee's report. At senior management level, during the year, the Board oversaw the appointment of the Group's first Chief Strategy and Science Officer, underscoring the Group's commitment to strengthening its R&D pipeline and innovation leadership.

Conflicts of interest

The Company has procedures in place for managing conflicts of interest. These include a requirement for Directors to declare any interests in the matters to be discussed at each Board or Committee meeting. Directors also have a continuing duty to notify the Company of any changes to their potential or actual conflicts and are regularly reminded of this. The Company's Articles provide for the Board to authorise any actual or potential conflicts of interest if deemed appropriate to do so.

Independent professional advice

Directors have access to independent professional advice at the Company's expense. In addition, they have access to the advice and services of the Company Secretary, who is responsible for advice on corporate governance matters to the Board and can receive guidance from the Group's corporate governance and company secretarial adviser, Prism Cossec.

Directors' and officers' liability insurance

The Company has Directors' and officers' liability insurance in place, as permitted by the Company's Articles.

Relations with shareholders

The Group maintains communication with institutional shareholders through individual meetings with Executive Directors, generally following the publication of the Group's interim and full-year results. Shareholders have the opportunity to pose questions to our Directors at the AGM and the Chair and independent Non-Executive Directors will attend meetings with investors and analysts as required.

Information about the Group is available on the Group's website (www.animalcaregroup.com), including an overview of the Group's activities and details of all recent Group announcements.

A review of the share register is circulated to the Board at each Board meeting and key changes are discussed by the Board.

In March 2026, the Company hosted a Capital Markets event, involving presentations for investors and analysts to provide greater insight into the Group's three strategic pillars, highlighting opportunities to accelerate organic revenue growth, both in the shorter-to-medium term and over the longer term, alongside a deeper dive into inorganic growth and development of pipeline potential.

Board monitoring of culture and employee engagement

The Board and the SET recognise their responsibility for setting the tone from the top and for ensuring that the Group's culture is aligned with its purpose, values and strategy. By promoting ethical behaviour, sound judgement and a responsible mindset across the organisation, the Board seeks to embed a culture that supports effective governance, underpins the delivery of our customer-focused, people-led growth strategy and drives long-term value creation for shareholders.

The SET holds regular business and functional meetings at the Company's offices across our various locations to encourage open dialogue, foster cross functional collaboration and support cultural consistency throughout the Group. Members of the SET update the Board on key strategic and operational matters when appropriate, and the Board endeavours, where practicable, to meet at different Group sites to enhance visibility and strengthen direct engagement with employees.

Non-Executive Directors also maintain regular interaction with members of the SET, providing constructive challenge, sharing their experience and offering support on emerging issues. These engagements provide valuable opportunities to understand the views, interests and expectations of employees, offering direct insight into how our culture is being lived day to day. They also enable the Board to monitor, assess and promote a healthy corporate culture in line with the principles of the QCA Code.

As the Group continues to grow and develop, the Board remains focused on ensuring that our culture evolves appropriately, supports a highly engaged workforce and remains aligned with the Group's long-term objectives.

Further details of the Group's focus on employee engagement and culture are set out under Sustainability.

AGM

The Company's AGM is scheduled for Friday 12 June 2026. Further details of the AGM arrangements can be found in the Notice of 2026 AGM, which will be published on the Company's website www.animalcaregroup.com/investors/shareholder-centre/aggm/.



Audit and Risk Committee Report



I am pleased to present the Audit and Risk Committee's Report for the year ended 31 December 2025.

SYLVIA METAYER
Independent Non-Executive Chair

The Audit and Risk Committee is responsible for ensuring the Group maintains a strong control environment and risk culture. Its role is to provide effective governance over the Group's financial reporting, including monitoring the integrity of the Group's financial statements, reviewing significant financial reporting matters, monitoring the effectiveness of the Company's internal controls, the appropriateness and effectiveness of the risk management framework and overseeing the relationship with the external auditors. It is also responsible for establishing, monitoring and reviewing procedures and controls for ensuring compliance with the AIM Rules.

Members of the Audit and Risk Committee during the year

The Committee comprises the following independent Non-Executive Directors:

- Sylvia Metayer (Chair)
- Doug Hutchens
- Ed Torr

The relevant skills and experience of the Committee members are set out in their biographies within the Board of Directors section. The Board is satisfied that I have recent and relevant financial experience. I began my career as an auditor and I fully understand the Committee's responsibilities having held a variety of key financial and commercial positions in leading international groups and a number of Non-Executive roles. My Committee colleagues and I are experienced Non-Executive Directors.

Although only Committee members have the right to attend meetings, the Chief Financial Officer and Group Finance Director are invited to attend our meetings, and other members of the finance team and other internal teams attend meetings from time to time, for all, or part of, the meeting as appropriate. Representatives from the external auditors attend at least two Committee meetings during the year to present their audit findings and their audit plan for the following year. Other advisers may be invited to attend meetings on occasion.

Key responsibilities

The role and responsibilities of the Committee are set out in its Terms of Reference, which are reviewed annually, taking into account relevant regulatory changes and recommended best practice, and are available on the Company's website (www.animalcaregroup.com). The current Terms of Reference were approved by the Board on 16 December 2025.

Audit	Risk
Monitoring the integrity of the Group's financial statements	Monitoring the scope, adequacy and effectiveness of the Group's internal controls and risk management systems
Reviewing all significant financial reporting issues and judgements	Reviewing the effectiveness of, and any changes to, the risk framework
Overseeing the relationship with the external auditors including appointment and remuneration, expertise and resources	Reviewing the overall approach to setting risk appetite, tolerance levels and risk exposure to ensure it is aligned to the Group's strategic objectives
Assessing the effectiveness of the audit process and auditor independence and objectivity	

The Committee reports formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

The Committee challenges both the external auditors and the management of the Group, and reports the findings and recommendations of the external auditors to the Board. The Committee meets to review the proposed audit work, review the results of the audit work and consider any recommendations arising from the audit.

Activities undertaken by the Committee during the year

The duties contained in the Terms of Reference form the basis for the Committee's focus and scope of work across each financial year, and the Committee meets at appropriate times in the reporting and audit cycle and at such other times as is necessary to discharge its duties. The Committee met six times during the year. Committee meetings are arranged to coincide with key dates in the financial reporting calendar and audit cycle. Committee members' attendance at the meetings held during the year is set out in the Corporate Governance Report.

The main activities of the Committee during the year are set out below.

Annual and interim financial statements

The Committee reviewed the full-year and interim financial statements including the consideration of significant audit risks identified by the external auditors, and the key accounting judgements and estimates. The Committee's response to the significant accounting judgements and estimates in respect of the 2025 financial statements is set out below. The Committee also reviewed the principal risks disclosures.

External auditors

The Committee oversees the relationship with the external auditors to ensure that the auditors' independence, objectivity and effectiveness are maintained, and takes into account a number of areas when reviewing the external auditors' appointment, including their performance in discharging the audit, the scope of the audit, the terms of engagement, and their independence and objectiveness.

Grant Thornton have been the Company's auditors since their appointment in 2024 and were reappointed by shareholders at the 2025 AGM. The Group's Audit Partner is Mark Overfield.

The Committee considers the fees payable to the external auditors and monitors the provision of non-audit services. On occasion, there may be advantages in using the external auditors to provide non-audit services, given their knowledge of the business. Where material non-audit services are required, a business case would need to be made to use the Group's external auditors rather than another provider and Committee sign-off would be required to ensure there is no impact on the auditors' objectivity and independence. The breakdown of fees between audit and non-audit services is provided in the Notes to the Consolidated Financial Statements.

The Committee also reviews the external auditors' management letter and detailed presentations are made to the Committee by the auditors at least twice a year. There is an active ongoing discussion between the Committee and the auditors on any recommendations to improve the efficiency of the audit process.

Having reviewed and assessed the auditors' independence and performance, the Committee recommended to the Board that a resolution to reappoint Grant Thornton as the Group's external auditors be proposed at the forthcoming Annual General Meeting.

Audit and Risk Committee Report CONTINUED

Review of provisions and contingent liabilities

The Committee receives a report on current potential contingent liabilities at each scheduled Committee meeting and considers the appropriateness of the disclosures and provisions in the financial statements.

Going concern and liquidity

The Committee is responsible for reviewing the statements and disclosures made in respect of going concern, as outlined in the Chief Financial Officer's review and the Note to the Consolidated Financial Statements, which provides a Summary of Significant Accounting Policies. In considering such disclosures, the Committee paid particular attention to the robustness of stress-testing scenarios, the cash flows forecast by the Group and bank covenant compliance. The external auditors have reviewed management's assessment and discussed this review with the Committee.

Audit process

The audit process commences each year when the Committee receives a detailed plan from the auditors, identifying their assessment of the key audit matters and their intended areas of focus. This plan is reviewed and agreed in advance by the Committee.

The Committee reviews the quality and effectiveness of the external audit process on an annual basis, considering the views of both the external audit team and the Chief Financial Officer, as well as assessing the Committee's own interactions with the external auditors. During the period, the Group Finance Director updated the Committee on progress with the audit planning. The Committee will review the 2025 year-end audit process during the course of 2026.

Internal audit

The Committee continues to review the need for an internal audit function and is of the view that, given the size and nature of the Group's operations and finance team, there is no current requirement to establish a separate internal audit function.

Share dealing

The Group operates a share dealing code in conformity with the requirements of Rule 21 of the AIM Rules. All employees, including new joiners, are required to agree to comply with this code.

Significant issues considered in relation to the financial statements

As part of the monitoring of the integrity of the financial statements, significant issues and accounting judgements are identified by the finance team, and the external audit process is reviewed by the Committee and reported to the Board. The key matters considered by the Committee, in respect of the year ended 31 December 2025, are set out below:

Acquisition of Randlab Group	Ensuring the accurate recognition, measurement and presentation of the Randlab acquisition in accordance with IFRS 3 Business Combinations, including the judgements and assumptions used to record the acquired assets and liabilities at fair value.
Recognition and valuation of judgemental provisions and liabilities	Determining the appropriateness of the assumptions used in the recognition and valuation of judgemental provisions and liabilities, which principally relate to customer rebates and contingent liabilities.

The Committee was satisfied that each of the matters set out above had been fully and adequately addressed by the Executive Directors, appropriately tested by the external auditors and that the disclosures made in this Annual Report and Accounts were appropriate.

Risk management and internal controls

The Committee is responsible for reviewing the risk management and internal control framework, and ensuring that it operates effectively.

During the year, the Committee continued to oversee the operation of the risk management framework (RMF). Further to a third-party review in 2024, risk management reviews are now conducted internally by the Corporate Finance team and the Committee is satisfied that the Group's RMF enables the Board to monitor, manage and mitigate the key risks in the Group's strategic plan for the benefit of stakeholders.

Particular areas of focus for the Committee were monitoring the integration of the newly acquired Randlab business, a review of foreign exchange risk and policy, a review of supply chain risk management, and a further review of R&D risk and development of the framework for R&D pipeline risk. With respect to the Randlab integration, the Committee received regular reports from management, covering an assessment of its control environment and risk landscape, as well as associated foreign exchange risk considerations. The Committee considered that the integration of Randlab had been well managed, reinforcing a robust foundation for the management of future M&A integration risk. Following an external review of foreign exchange risk, the Committee approved a new foreign exchange risk management policy. The Committee also received a report on supply chain risk and its mitigation.

Over the course of the year, the Committee continued to refine the approach to assessing the R&D risk framework with a focus on R&D pipeline risk. The Committee assessed the depth, balance and execution capability of the innovation portfolio, including the impact of recent additions such as the VHH NGF programme and the collaboration with 272Bio to develop an innovative treatment for equine Sweet Itch. It also evaluated the associated increase in research expenditure and its short-term effect on EBITDA. The Committee welcomed the appointment of a Chief Strategy and Scientific Officer in November 2025, which further enhances the execution and governance of the innovation pipeline.

The Committee undertook its annual risk review at its meeting in September, supported by regular updates from the Group Finance Director during the year, ensuring a holistic view of the risk environment. It concluded that the Group's processes for identifying and managing principal risks remain appropriate.

The Board reviews the effectiveness of the Group's internal controls at least annually, supported by the Committee. This review includes the consideration of reports from management, discussions with the external auditors, and an assessment of whether key controls are functioning as intended. Where areas for improvement are identified, the Board ensures that appropriate actions are implemented.

Further details of the Group's system of internal controls can be found in Our Principal Risks. The Committee is satisfied that the RMF and internal control systems operated effectively during the financial year and up to the date of approval of this Annual Report. We continue to refine and strengthen our internal control framework, where required, in response to changes in the risk profile of our business.

Key activities for 2026

During 2026, the Committee will continue its focus on the assessment of those risks that impact the Group's strategic goals, including supply chain risk and R&D risk.

Whistleblowing and prevention of bribery and corruption

The Group has in place whistleblowing procedures, which set out the formal process by which staff may, in confidence, report any suspicion of fraud, financial irregularity or other malpractice. An anti-bribery and corruption policy is also in place, which provides information and guidance to those working for the Group on how to recognise and deal with potential bribery and corruption.

The Committee is satisfied that the procedures are operating effectively. No concerns were raised during the year.

SYLVIA METAYER

Chair of the Audit and Risk Committee

13 May 2026

Remuneration and Nomination Committee Report



I am pleased to present our Remuneration and Nomination Committee Report, which sets out details of the composition, structure and operation of the Committee, our work during the year, our remuneration policy and remuneration paid to Directors during the year.

DR DOUG HUTCHENS
Independent Non-Executive Chair

Members of the Remuneration and Nomination Committee during the year

The Committee comprises the following independent Non-Executive Directors:

- Doug Hutchens (Chair)
- Sylvia Metayer
- Ed Torr

Although only members of the Committee have the right to attend meetings, other individuals, such as the Chief Executive Officer and external advisers, are invited to attend for all, or part of, some of our meetings when required.

Key responsibilities

The Committee considers the Group's strategy when recommending the appointment of Directors and setting and reviewing remuneration. The Committee reviews Board and Committee composition and manages succession planning for Directors, considering skills, knowledge, experience and diversity before making appropriate recommendations to the Board regarding any changes. We also formulate the remuneration policy having regard to the views of shareholders, the recommendations of the QCA Corporate Governance Code and the AIM Rules for Companies. On behalf of the Board, the Committee also agrees all aspects of the remuneration of the Executive Directors.

After each meeting, the Committee reports formally to the Board on its proceedings on all matters within its duties and responsibilities.

The main duties of the Committee are set out in its Terms of Reference, which are reviewed annually and are available on the Company's website (www.animalcaregroup.com). The Board approved the current Terms of Reference on 16 December 2025, which include the following responsibilities:

Nomination	Remuneration
Board composition	Executive Director remuneration
Succession planning	Design and awards of long and short-term incentive plans
Board appointments	Senior management remuneration policy

Activities during the year

The duties contained in the Terms of Reference form the basis for the Committee's work plan across each financial year, and the Committee meets at such times as is necessary to discharge its duties. The Committee met three times during the year. Committee members' attendance at the meetings held during the year is set out in the Corporate Governance Report.

As highlighted in our 2024 report, a detailed review of the Group's incentive structure for senior leadership was conducted during 2025. This review focused on long-term incentives and the Group annual bonus scheme for senior management, with

support from an external remuneration adviser. As part of the review, the Committee considered and approved an increase in % salary award to the CEO from 120% to 150% under the 2017 LTIP to align with current market practice and the introduction of a shareholding requirement of 100% of salary for Executive Directors. The Committee also reviewed and approved proposed changes to the annual bonus scheme to ensure closer alignment between senior leadership incentives and the Group's strategic priorities. For 2026, the scheme has been redesigned and harmonised across all participants, introducing a simpler and more consistent structure that balances financial performance measures with individual performance objectives. Further details are included in the Directors' Remuneration Report.

The Committee also considered a proposal to introduce a Long-Term Cash Plan (LTCP) for members of the Senior Operating Team from 2026.

Following the review, the Committee approved awards under the 2025 LTIP to the Senior Executive Team and Executive Directors. In February 2026, they formally approved the 2025 LTCP rules and minor changes to the 2017 LTIP rules, in which the Executive Directors and members of the SET are eligible to participate, to align with market practice on good leavers.

Achievement of the EPS and TSR performance criteria of the 2022 LTIP award was reviewed by the Committee in December 2025. Following the assessment of performance targets over the three years ended 30 June 2025, the Committee confirmed that the TSR target had been achieved in full given the upper quartile performance compared to the peer group. The EPS target was partially met, which resulted in an overall award of 89.1%.

In December 2025, the Committee also discussed the remuneration of the Directors and, after due consideration, it was agreed that Executive Directors' salaries would increase by 3% with effect from 1 January 2026. It was further agreed by the Board that the Non-Executive Directors' fees would also increase by 3%, with effect from 1 January 2026.

Full details of the annual bonus outcome, 2025 LTIP award and the vesting of the 2022 LTIP are set out in the Directors' Remuneration Report.

In line with the 2023 QCA Code recommendation, we will be putting our Director's Remuneration Report and Remuneration Policy to shareholders for an advisory vote at the 2026 AGM.

Succession planning

Sylvia Metayer's and Doug Hutchen's initial terms of appointment expired at the 2025 AGM and the Committee considered and agreed to recommend the renewal of their appointments for a second three-year term, to run until the conclusion of the AGM in 2028. The Committee also considered the succession plan for the Executive Directors in February 2026, as well as the succession plan for roles in the SET.

Board and Committee composition

In line with the end of Marc's current and third term of appointment as a non-executive director, he will be standing down at the 2026 AGM and further to the approval of the Board, a resolution to elect Els Degroote as a Director will be put to shareholders for approval.

The Committee will continue to consider whether the Board would be strengthened with the appointment of an additional independent Non-Executive Director.

Board performance review

An internal Board and Committee performance review was conducted during the year by way of a set of questionnaires, with the Chair's evaluation conducted by Sylvia Metayer as Senior Independent Director. The Board agreed on recommended actions, which would be monitored during the course of the year. Further information can be found in the Corporate Governance Report.

Induction and development

On appointment, an induction programme is agreed and includes meetings with each of the Directors and members of the SET to develop their knowledge and understanding of the Group's operations.

In addition, the Company's nominated adviser and joint broker, Stifel Nicolaus Europe Ltd, provides briefings for the newly appointed Directors on their legal duties and responsibilities as Directors of an AIM company.

We are confident that all Board members have the knowledge, ability and experience to perform the functions required of a Director of an AIM company.

Diversity and inclusion

The Company's policy is that recruitment, promotion and any other selection exercises will be conducted on the basis of merit against objective criteria that avoid discrimination. No individual should be discriminated against on the grounds of race, colour, ethnicity, religious belief, political affiliation, gender, age or disability, and this extends to Board appointments.

The Board recognises the benefits of diversity, including gender diversity, on the Board and SET. Appointments will be made on merit, but with due consideration to the need for diversity and to ensure there is an appropriate balance of skills and experience. The Board currently consists of 67% (four) male and 33% (two) female members. At the year end, the SET consisted of 50% (four) male and 50% (four) female members.

DR DOUG HUTCHENS

Chair of the Remuneration and Nomination Committee

13 May 2026

Directors' Remuneration Report (unaudited)

The following disclosures are made in accordance with best practice governance standards as an AIM company and to provide transparency about how Directors are rewarded.

This report covers the financial year ended 31 December 2025. In line with the 2023 QCA Code recommendation, the Director's Remuneration Report and remuneration policy will be put to shareholders for an advisory vote at the 2026 AGM.

The Remuneration and Nomination Committee

The Board has delegated certain responsibilities for Executive remuneration to the Remuneration and Nomination Committee (the Committee). Details of the Committee, its remit and its activities, are set out in the Remuneration and Nomination Committee Report.

The Committee is, among other things, responsible for setting the remuneration policy for Executive Directors and the Chair, and recommending and monitoring the level and structure of remuneration for senior management.

Remuneration policy

The Board recognises the pivotal role of the SET in delivering the Group's growth strategy and performance, and with this, the long-term success of the Company and creating shareholder value.

In setting the remuneration policy, the Committee is responsible for ensuring alignment with the Company's strategy and culture. The policy aims to promote the Company's long-term success, taking into consideration the views of shareholders and other stakeholders. It should support and reinforce the desired corporate culture and reflect the Company's risk appetite and long-term strategic objectives.

In developing the remuneration policy for Executive Directors, the Committee has regard to the Company's reward philosophy, which is intended to drive and recognise high performance. The Committee also takes into account pay and employment conditions throughout the Group, ensuring that policies remain fair and consistent for all employees.

The table below summarises the key elements of the Remuneration Policy for Executive Directors:

Component and purpose	How this is applied	Maximum opportunity	Performance conditions and targets	Recovery
Base salary (fixed pay) Have regard to the Directors' experience and the nature and complexity of their work in order to pay a competitive salary, in line with applicable benchmarks and comparable companies, that attracts and retains Directors of the highest quality	In setting appropriate salary levels, the Committee aims to position Executive Directors competitively within this reference group.	While there is no prescribed maximum salary or increase, base salary is reviewed annually by the Committee, considering: <ul style="list-style-type: none"> • Individual performance • The scope of the role • Pay levels in comparable organisations • Pay increases for other employees 	Not applicable, although individual performance is considered when determining base salary increases.	Not applicable

Component and purpose	How this is applied	Maximum opportunity	Performance conditions and targets	Recovery
<p>Annual Bonus (variable pay)</p> <p>To incentivise and reward Directors for their contribution to the Group's strategic goals as outlined in the Strategic Report</p> <p>Supports the recruitment and retention of high-quality Executive Directors</p>	<p>The Company operates an annual bonus scheme with awards based on agreed performance measures.</p> <p>The Committee has agreed performance conditions for the Executive Directors' annual bonus based on the achievement of certain financial and operational KPIs and individual objectives.</p> <p>Each Executive Director has performance conditions related to the profitable growth of the Group and additional performance conditions relevant to their own areas of responsibility.</p> <p>The Committee assesses performance against a graduated scale of financial targets with no payout for performance below the threshold level.</p> <p>The Committee has discretion to amend the payout should any formulaic outcome not reflect its assessment of overall business performance.</p>	<p>The maximum bonus opportunity where targets are overachieved is 130% of the base bonus, being 50% of salary for the CEO and 40% of salary for the CFO.</p>	<p>For the CEO, 80% of the bonus award is aligned to the achievement of the following Group financial targets: budgeted revenue (30%), underlying EBITDA (30%), and underlying cash conversion (20%). The balance of 20% is dependent on the achievement of personal objectives.</p> <p>For the CFO, 80% of the bonus award is aligned to the achievement of Group financial targets: budgeted revenue (30%), underlying EBITDA (30%) and underlying cash conversion (20%). The balance of 20% is dependent on the achievement of personal objectives.</p>	<p>Malus and clawback provisions will apply to enable the Company to recover sums paid, or withhold the payment of any sum in the event of a material misstatement resulting in an adjustment to the audited consolidated accounts of the Group or action or conduct that, in the reasonable opinion of the Board, amounts to employee misbehaviour, fraud or gross misconduct.</p>

Directors' Remuneration Report (unaudited) CONTINUED

Component and purpose	How this is applied	Maximum opportunity	Performance conditions and targets	Recovery
LTIP (variable pay) Incentivise Executive Directors and deliver long-term performance-related pay with direct alignment to shareholder interests	Subject to Committee discretion, awards under the LTIP will normally vest three years after the date of grant subject to performance criteria, based on EPS and TSR being met over a three-year financial period.	The maximum LTIP grant is 150% of base salary in a financial year (or 200% in circumstances which the Committee, at its discretion, deems to be exceptional). The current application is 150% of salary for CEO and 75% of salary for CFO.	50% of the option award will be subject to the EPS performance condition and the remaining 50% will be subject to the TSR performance condition. Accordingly, if one of the performance conditions is met but the other is not, the option award will partially vest.	The LTIP includes malus and clawback provisions that enable the Committee to recover or withhold value in certain circumstances, including material misstatement or misleading representation of performance or serious misconduct.
Benefits (fixed pay) To provide market competitive benefits to support the recruitment and retention of Executive Directors	A range of benefits may be provided including company car allowance, private medical insurance, life assurance and other general employee benefits. The Committee also retains the discretion to offer additional benefits as appropriate, such as assistance with relocation, tax equalisation and overseas tax advisory fees.	The value of such benefits is not capped but is based on cost, which may change from year to year.	Not applicable	Benefits are provided up to termination of employment.
Shareholding guideline Guidance to encourage Director share ownership and ensure alignment of their long-term interests with that of shareholders	The Committee monitors the Executive Directors' share ownership to ensure they are on track to meet the minimum shareholding requirement. Shares that count towards these guidelines include shares owned outright and vested share awards on a net of tax basis.	The Committee expects the Executive Director to build up a shareholding of at least 100% of salary within a five-year period (including options that have vested but not yet exercised).	Not applicable	Not applicable

Base salary

As reported in the Remuneration and Nomination Committee Report, the Committee agreed that the Executive Directors would receive a 3% salary increase with effect from 1 January 2026.

Annual bonus

A simplified structure for the Group Annual bonus scheme aligned across all participants was approved for senior management including the Executive Directors. From 2026, the financial payout curve begins at 95% (previously 96%), delivers target payout at 100%, and provides enhanced stretch opportunities of up to 105% for revenue and cash conversion and up to 110% for EBITDA, with overall overachievement allowing payouts of up to 130% of base bonus. Bonuses are weighted 80% to financial performance (revenue, EBITDA and cash conversion) and 20% to individual performance KPIs, reflecting role-based and leadership objectives, with strategic KPIs included for the CEO and CFO. In line with other participants, the CEO and CFO are eligible for payouts for overachievement up to 130%, removing the previous cap at 100%.

The Committee reviewed the performance targets in respect of the CEO and CFO bonus plans for the year. They confirmed that Group revenue, EBITDA and cash conversion targets and personal objectives had been achieved, and approved bonus payments accordingly in line with the agreed bonus plans.

Long-Term Incentive Plan

The Animalcare Group plc Long-Term Incentive Plan 2017 (the LTIP) was approved by the Board in June 2017. A summary of the LTIP was set out in the circular sent to shareholders on 24 June 2017, which is available on the Company's website (www.animalcaregroup.com) (on a net of tax basis). The current options outstanding will vest subject to the performance conditions as set out below:

Earnings per share growth	Extent to which EPS tranche will vest
Less than 3%	0%
3%	25%
10%	100%
Between 3% and 10%	Between 25% and 100% on a straight-line basis

Rank of the Company's TSR compared to the comparator group	Extent to which EPS tranche will vest
Upper quartile or above	100%
Between median and upper quartile	Pro rata between 25% and 100% on a ranking basis
Median	25%
Below median	0%

The details of the LTIP are set out in the Notes to the Consolidated Financial Statements.

Non-Executive Directors are not eligible to participate in the LTIP.

Employees' pay

Employees' pay and conditions across the Group are considered when reviewing the remuneration policy for Executive Directors.

Service agreements and termination payments

Details of the Executive Directors' service agreements are set out below.

Director	Date of contract	Unexpired term	Notice period by Company	Notice period by Director
Chris Brewster	25 September 2017	Rolling contract	6 months	6 months
Jennifer Winter	2 August 2018	Rolling contract	6 months	6 months

The Executive Directors may be put on gardening leave during their notice period, and the Company can elect to terminate their employment by making a payment in lieu of notice of up to the applicable notice period.

Directors' Remuneration Report (unaudited) CONTINUED

Letters of appointment

Details of the Non-Executive Directors' letters of appointment are set out below.

Director	Date of contract	Renewed on	Term expires	Notice period by Company	Notice period by Director
Marc Coucke	17 June 2017	13 June 2023	2026 AGM	3 months	3 months
Doug Hutchens	10 February 2022	10 June 2025	2028 AGM	3 months	3 months
Sylvia Metayer	3 May 2022	10 June 2025	2028 AGM	3 months	3 months
Ed Torr	17 June 2017	13 June 2024	2027 AGM	3 months	3 months

Alternate Director	Date of contract	Notice period by Company	Notice period by Director
Els Degroote (alternate to Marc Coucke)	10 December 2024	3 months	3 months

Non-Executive Directors

The remuneration payable to Non-Executive Directors (other than the Chair) is decided by the Chair and Executive Directors.

Fees are designed to ensure the Company attracts and retains high-calibre individuals. They are reviewed annually, taking account of the level of fees paid by companies of a similar size and complexity. Non-Executive Directors do not participate in any annual bonus, share options or pension arrangements. The Company repays the reasonable expenses that Non-Executive Directors incur in carrying out their duties as Directors.

During the year, the Committee reviewed the annual fees for Non-Executive Directors and the Non-Executive Chair and recommended to the Board a 3% increase, which was approved.

Remuneration policy for 2026

The remuneration policy for 2026 will operate as follows:

	Role	Basic salary/fee £'000	Maximum opportunity ²
Executive			
Jennifer Winter	Chief Executive Officer	376	50%
Chris Brewster	Chief Financial Officer	256	40%
Non-Executive			
Ed Torr	Chair	77	–
Sylvia Metayer	Chair of Audit and Risk Committee	52	–
Doug Hutchens	Chair of Remuneration and Nomination Committee	52	–
Marc Coucke ¹	Non-Executive Director	46	–

¹ Els Degroote is appointed as Marc Coucke's alternate. In accordance with the Company's Articles of Association, the Company does not pay fees to alternate Directors. Once Marc has stepped down from the Board and Els appointed in his place, it has been agreed that Els will waive her fees as a non-executive director.

² The maximum bonus opportunity where targets are overachieved is 130% of the base bonus, being 50% of salary for the CEO and 40% of salary for the CFO.

The other Non-Executive Directors receive a base fee of £51,500 per annum and a fee of £5,150 per annum for chairing a Committee.

Statutory information

The following information includes disclosures required by the AIM Rules and UK company law in respect of Directors who served during the year to 31 December 2025.

Directors' remuneration

The following table summarises the gross aggregate remuneration of the Directors who served during the year to 31 December 2025:

£'000		Salary and fees	Annual bonus	Benefits	Total
Executive					
Jennifer Winter ¹	2025	364	158	16	538
	2024	347	90	16	453
Chris Brewster ²	2025	249	69	14	332
	2024	237	68	16	321
Non-Executive					
Jan Boone ³	2025	–	–	–	–
	2024	35	–	–	35
Marc Coucke ⁴	2025	45	–	–	45
	2024	45	–	–	45
Doug Hutchens ⁵	2025	50	–	–	50
	2024	48	–	–	48
Sylvia Metayer ⁶	2025	50	–	–	50
	2024	50	–	–	50
Ed Torr ⁷	2025	75	–	–	75
	2024	60	–	–	60
Total	2025	833	227	30	1,090
	2024	822	158	32	1,012

¹ Jennifer Winter's benefits comprised a car allowance (£10,500) and private medical insurance (£5,519).

² Chris Brewster's benefits comprised a company car (£11,420) and private medical insurance (£2,918).

³ Jan Boone stepped down as Chair on 20 June 2024. His annual fee of £75,000 for 2024 was pro-rated from 1 January to 20 June 2024.

⁴ Marc Coucke received an annual fee of £45,000. Els Degroote was appointed as alternate to Marc Coucke in December 2024; the Company does not pay fees to alternate Directors.

⁵ Doug Hutchens received an annual fee of £45,000, and an additional fee of £5,000 for his role as Chair of the Remuneration and Nomination Committee. In 2024, the additional fee was pro-rated from the date of his appointment as Committee Chair on 21 June 2024.

⁶ Sylvia Metayer received an annual fee of £50,000, including an additional annual fee of £5,000 for her role as Chair of the Audit and Risk Committee.

⁷ Ed Torr received an annual fee of £75,000. In 2024, he received a pro-rated fee from the date of his appointment as Chair.

Long-Term Incentive Plan

In December 2025, the Board approved the grant of nil-cost options over a total of 294,222 ordinary shares with a nominal value of 20p per share to the Executive Directors under the Company's LTP (the "2025 LTIP Award"). The 2025 LTIP Award will vest on confirmation of achievement of the performance criteria being met over the three-year financial period ending 31 December 2027.

These were the only award of options made to Executive Directors under the LTIP during 2025.

Directors' Remuneration Report (unaudited) CONTINUED

The performance period for the 2022 LTIP awards ended on 1 July 2025. Details of the performance targets set and actual achievement against them, based on three-year performance to 1 July 2025, are set out in the table below:

Performance measure	Weighting	Performance period end	Threshold (25% vesting)	Maximum (100% vesting)	Actual	% vesting for this part of the award
Underlying EPS	50%	1 July 2025	13.0p	15.8p	14.8p	78%
TSR	50%	1 July 2025	Median	Upper quartile	Upper quartile	100%

On assessment of the three-year performance period as set out above, a total of 164,083 options granted to the Executive Directors and members of the Senior Executive Team vested under this award. These options have yet to be exercised; the participants have seven years in which to exercise these options.

The individual interests of the Executive Directors under the LTIP, as at the date of this report, are set out below:

Director	Date of grant ¹	End of three-year performance period	Number of LTIP nil cost options award	Vested	Lapsed	Exercised	Total outstanding
Jennifer Winter	05/11/21	31/12/24	106,844	53,422	53,422	–	53,422
	28/04/22	01/07/25	130,620	116,413	14,207	–	116,413
	23/04/24	31/12/26	243,913	–	–	–	243,913
	22/12/25	31/12/27	219,296	–	–	–	219,926
Chris Brewster	05/11/21	31/12/24	43,806	21,903	21,903	–	21,903
	28/04/22	01/07/25	53,488	47,640	5,848	–	47,670
	23/04/24	31/12/26	100,004	–	–	–	100,004
	22/12/25	31/12/27	74,926	–	–	–	74,926

¹ The earliest exercise date is three years after the date of grant or the end of the applicable performance period which ever is the later.

Directors' interests in the share capital of the Company

The Directors' interests in the share capital of the Company as at 31 December 2025 and the movements during the year are set out below:

Director	Number of shares held as at 1 January 2025	Acquired/ (disposed) during the period	Number of shares held as at 31 December 2025	Percentage of ISC as at 31 December 2025
Chris Brewster	285,513	–	285,513	0.41
Marc Coucke	15,611,889	–	15,611,889	22.61
Douglas Hutchens ¹	5,000	7,500	12,500	0.02
Ed Torr	107,455	–	107,455	0.16
Jennifer Winter	100,650	–	100,650	0.15

¹ Douglas Hutchens acquired 7,500 shares on 19 November 2025.

There were no changes in the Directors' interests in shares between 31 December 2025 and the date of these financial statements.

DR DOUG HUTCHENS

Chair of the Remuneration and Nomination Committee

13 May 2026

Directors' Report

The Directors present their report, together with the audited financial statements of the Group and the Company for the year ended 31 December 2025.

Principal activities

Animalcare Group plc is a public limited company incorporated in England and Wales with the registered number 01058015, and is listed on AIM, London Stock Exchange.

The principal activity of the Group during the year was the development, sale and distribution of licensed veterinary pharmaceuticals to the Companion Animal, Production Animal and Equine veterinary markets.

Statutory information contained elsewhere in the Annual Report

Information required to be part of the Directors' Report can be found elsewhere in this document, as indicated below, and is incorporated into this report by reference:

Information	Location in Annual Report
Financial highlights	Strategic Report
Key performance indicators	Strategic Report
Review of financial performance in the Chief Executive Officer's Review and Chief Financial Officer's Review	Strategic Report
Streamlined Energy and Carbon Reporting (SECR)	Strategic Report
Environmental disclosures	Strategic Report
Corporate governance framework and compliance with the principles of the QCA Code	Corporate Governance Statement and Corporate Governance Report
Financial risk management objectives	Corporate Governance Report
Details of the Company's exposure to financial risk	Notes to the Consolidated Financial Statements
Salaries, bonuses, benefits and share interests of Directors	Directors' Remuneration Report
Details of the key issues and stakeholder considerations discussed by the Board during the year, and how the Company engages with its stakeholders, including the s172 Statement	Strategic Report
Statement of Directors' Responsibilities	Corporate Governance Report
Likely future events	Strategic Report

Dividends

An interim dividend of 2.2 pence per share was paid on 14 November 2025 to shareholders whose names were on the Register of Members at close of business on 17 October 2025.

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.

Post balance sheet 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 that was published on 12 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.

Directors

Details of the current Directors of the Company up to the date of signing the financial statements and their biographical details are shown in the Board of Directors section.

Share capital structure

The Company's issued share capital, as at 31 December 2025, was £13,809,189 divided into 69,045,945 ordinary shares of 20.0 pence each.

During the year, 69,527 ordinary shares were issued pursuant to an exercise of options under the Company's LTIP scheme. The Company's issued share capital as at 31 March 2026, being the latest practicable date prior to publication of this report, is 69,045,945 ordinary shares of 20.0 pence each. Full details relating to the Company's issued share capital can be found in the Notes to the Consolidated Financial Statements.

The Company's ordinary shares rank pari passu in all respects with each other, including for voting purposes and for all dividends. Ordinary shareholders are entitled to receive notice of, and to attend and speak at, any general meeting of the Company. On a show of hands, every shareholder present in person or by proxy (or being a corporation represented by a duly authorised representative) shall have one vote and, on a poll, every shareholder who is present in person or by proxy shall have one vote for every share they hold. The Notice of Annual General Meeting specifies deadlines for exercising voting rights and appointing a proxy

or proxies. Further information on the voting and other rights of shareholders are set out in the Company's Articles of Association (the "Articles"), which are available on the Company's website (www.animalcaregroup.com).

Other than the general provisions of the Articles (and prevailing legislation), there are no specific restrictions on the size of a holding or on the transfer of any class of shares in the Company. No shareholder holds securities carrying any special rights or control over the Company's share capital.

Authority for the Company to purchase its own shares

Subject to authorisation by shareholder resolution, the Company may purchase its own shares in accordance with the Act. Any shares that have been bought back may be held as treasury shares or cancelled immediately upon completion of the purchase.

At the AGM on 10 June 2025, the Company was generally, and unconditionally, authorised by its shareholders to make market purchases (within the meaning of section 693 of the Companies Act 2006) of up to a maximum of 6,898,492 of its ordinary shares. The Company has not repurchased any of its ordinary shares under this authority, which is due to expire on the date of this year's AGM (or, if earlier, at the close of business on 9 September 2026) save that the Company may, before such expiry, make a contract or agreement to make a market purchase of its own ordinary shares, which will, or may be, executed wholly, or partly, after the expiry of such authority and the Company may purchase such shares as if the authority conferred hereby had not expired.

Research and development

Our new product development programme is key to the future long-term growth and success of the Group, and we are committed to the development of new and innovative products to meet the needs of our customers. Further information in relation to product development can be found in the Chief Executive Officer's Review. During the period under review, the Group incurred research and development expenditure, including additions to intangibles of £4.0m (2024: £2.1m).

Articles of Association

The rules governing the appointment and replacement of Directors are set out in the Company's Articles. Amendments to the Articles of the Company may be made by Special Resolution of the shareholders.

Financial instruments and risk management

Disclosures regarding risk management and financial instruments are provided within the Strategic Report and in the Notes to the Consolidated Financial Statements.

Directors' indemnities and liability insurance

The Company's Articles provide, subject to the provisions of UK legislation, an indemnity for Directors and officers of the Company and the Group in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers. The Company has made qualifying third-party indemnity provisions as defined by section 234 of the Companies Act 2006 for the benefit of its Directors during the period and these remain in force at the date of this report.

The Group purchases and maintains Directors' and officers' liability insurance for the benefit of its Directors, which was in place throughout the year ended 31 December 2025 and remains in place at the date of this report. The Company reviews its level of cover annually.

Political donations

No political donations were made during the year (2024: £nil).

Modern slavery

In compliance with the Modern Slavery Act 2015, the Company's Modern Slavery Statement can be found on the Company's website at www.animalcaregroup.com.

Stakeholder engagement and key decisions

Details of the key decisions and discussions of the Board during the year and the main stakeholder inputs into those decisions are set out in the Our Stakeholders part of the Strategic Report.

Employees

The Board recognises that the Group's performance and success are directly related to our ability to attract, retain and motivate high-calibre employees. We are committed to linking reward to business and individual performance, thereby giving employees the opportunity to share in the financial success of the Group. Employees are, typically, provided with financial incentives related to the performance of the Group in the form of annual bonuses that are linked to local business unit performance and/or Group performance. The Board also recognises senior management contribution through the use of long-term incentive plans within overall remuneration.

Applications for employment by disabled persons are given full and fair consideration. When existing employees become disabled, every effort is made to provide continuing employment wherever possible.

Significant shareholdings

The Company has been notified of, or is otherwise aware of, the following interests representing 3% or more of the issued share capital of the Company as at 30 April 2026:

Name of holder	No. of ordinary shares	% Holding ¹
Alychlo NV	15,611,889	22.61
Harwood Capital LLP	12,700,500	18.39
Canaccord Genuity Wealth Management Inc.	4,231,966	6.13
BGF Investment Management Ltd	4,001,651	5.80
Octopus Investments Limited	3,954,526	5.73

¹ Percentage holdings are shown to two decimal places; full details of holdings can be found in the notifications of major holdings available on the London Stock Exchange website.

Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. The going concern basis of accounting has, therefore, continued to be adopted in preparing the financial statements.

In reaching this conclusion, the Directors have undertaken an assessment of the future prospects of the Group (including Randlab) taking into account the Group's current financial position and principal risks. This review considered forecasts of future trading, including working capital and investment requirements for at least 12 months from the reporting date, that take into account reasonably possible changes in trading performance, in particular, a "severe but plausible" downside scenario to factor in a range of downside revenue estimates, higher than expected inflation across our cost base and higher level of investment in our early-stage 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. Further details including the impact of the recommended acquisition are included in the statement on going concern in the Notes to the Consolidated Financial Statements.

Disclosure of information to the auditors

Each of the persons who are Directors at the date of this Annual Report confirm that:

- So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware
- The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Grant Thornton UK LLP have indicated their willingness to continue in office. Resolutions seeking to reappoint them and to authorise the Directors to determine their remuneration will be proposed at the forthcoming Annual General Meeting.

Annual General Meeting

At the 2025 Annual General Meeting, all resolutions put to shareholders were passed by a majority. The Company's 2026 Annual General Meeting will be held on Friday 12 June 2026. The Notice of 2026 Annual General Meeting, including the resolutions to be proposed, is set out in a separate Notice of Meeting, which accompanies this report and will be published on the Company's website: www.animalcargroup.com/investors/shareholder-centre/agm/.

Approval

The Strategic Report and this Directors' Report were approved by the Board on 13 May 2026 and signed on its behalf by

CHRIS BREWSTER

Chief Financial Officer and Company Secretary

13 May 2026

Statement of Directors' Responsibilities in Respect of the Financial Statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- State whether applicable UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements
- Make judgements and accounting estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and Company will continue in business

The Directors are responsible for safeguarding the assets of the Group and Company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy, at any time, the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom, governing the preparation and dissemination of financial statements, may differ from legislation in other jurisdictions.

Each of the Directors confirms that, to the best of their knowledge:

- The Group financial statements, prepared in accordance with United Kingdom Generally Accepted Accounting Practice, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole
- The Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face

CHRIS BREWSTER
Chief Financial Officer and Company Secretary

13 May 2026





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FINANCIAL STATEMENTS

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Independent Auditor's Report to the members of Animalcare Group plc

Opinion

OUR OPINION ON THE FINANCIAL STATEMENTS IS UNMODIFIED

We have audited the financial statements of Animalcare Group plc (the 'parent company') and its subsidiaries (the 'Group') for the year-ended 31 December 2025, which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement, Notes to the Consolidated Financial Statements including material accounting policy information, the Company Statement of Financial Position, the Company Statement of Changes in Equity and Notes to the Company Financial Statements, including material accounting policy information. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to 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.

Material uncertainty related to going concern

We draw attention to Note 2 (Basis of preparation – Going concern) of the financial statements, which indicates that on 16 April 2026, the Group announced a recommended acquisition of the Group by CCP Paw 2 Limited, a wholly-owned indirect subsidiary of funds managed by Charterhouse Capital Partners LLP. 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 be completed. 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. As stated in Note 2, these events or conditions, along with the other matters as set forth in the said note, indicate that a material uncertainty exists that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 management's assessment of the entity's ability to continue as a going concern

Our evaluation of the directors' assessment of the Group's and the parent company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the relevant processes and controls in place around the going concern assessment and confirming they are implemented as designed by performing a walkthrough;
- Obtaining and assessing management's going concern assessment and supporting information, including management's base case and reverse stress test, covering the assessment period;
- Evaluating and challenging the key assumptions within the cash flow forecasts, including the quantum and timing of cash outflows and inflows, and determining whether these have been applied appropriately. In addition, considering whether the key assumptions are consistent with our understanding of the business, including relevant uncertainties such as high interest rates;
- Validating the mathematical accuracy of management's forecasts, in addition to assessing whether the forecasts used for going concern are consistent with those used in other areas of the audit;

- Assessing the accuracy of management’s past forecasting by comparing management’s forecasts for the last two financial periods to the actual results for those periods, and considering the impact on the cash flow forecast;
- Corroborating the existence of the Group’s facilities and related covenant requirements for the period covered by management’s forecasts and assessing management’s consideration of covenant compliance in the going concern period;
- Assessing the appropriateness of the assumptions, relevance and reliability of data underpinning management’s base case, reverse stress testing, and sensitivity analysis;
- Assessing the adequacy of going concern disclosures;
- Comparing actual post year-end results achieved to those forecast to determine if the business is trading in line with its forecast;
- Requesting written representations regarding plans for future actions and the feasibility of those plans; and
- Evaluating and challenging management’s assessment of the impact of the proposed acquisition of the Group by CCP Paw 2 Limited, a wholly-owned indirect subsidiary of funds managed by Charterhouse Capital Partners LLP, on their conclusions.

In our evaluation of the directors’ conclusions, we considered the inherent risks associated with the Group’s and the parent company’s business model, including effects arising from macro-economic uncertainties such as high inflation and interest rates, and we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group’s and the parent company’s financial resources or ability to continue operations over the going concern period.

Our responsibilities

We are responsible for concluding on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s and the parent company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor’s opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group or the parent company to cease 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 approach to the audit

OVERVIEW OF OUR AUDIT APPROACH

Overall materiality:

Group audit: £800,000, which represents 0.9% of the Group’s revenue.

Parent company statutory audit: £2,000,000, which represents 1% of the parent company’s total assets.

In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report:

- Revenue recognition includes fraudulent transactions (same as previous year)
- Completeness and accuracy of customer rebate related liabilities (same as previous year)
- Completeness and accuracy of acquired intangibles in relation to the acquisition of Randlab Australia Pty Ltd and its wholly owned subsidiaries (“Randlab”)

Scoping has been determined to ensure appropriate coverage of the significant risks as well as coverage of the key results in the financial statements, specifically:

- Group revenue 77%
- Group absolute profit before tax 83%

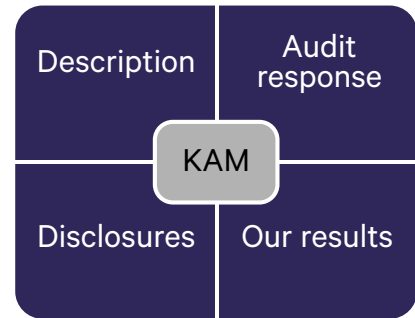
We performed an audit of the financial information of four components (full-scope audit) and an audit of one or more account balances, classes of transactions or disclosures of the component (specific-scope audit) for four components assessed to be financially significant (including the parent company).

We performed analytical procedures at Group level (analytical procedures) on the financial information of all the remaining Group components and supplemented this with additional testing where we considered it to be appropriate.

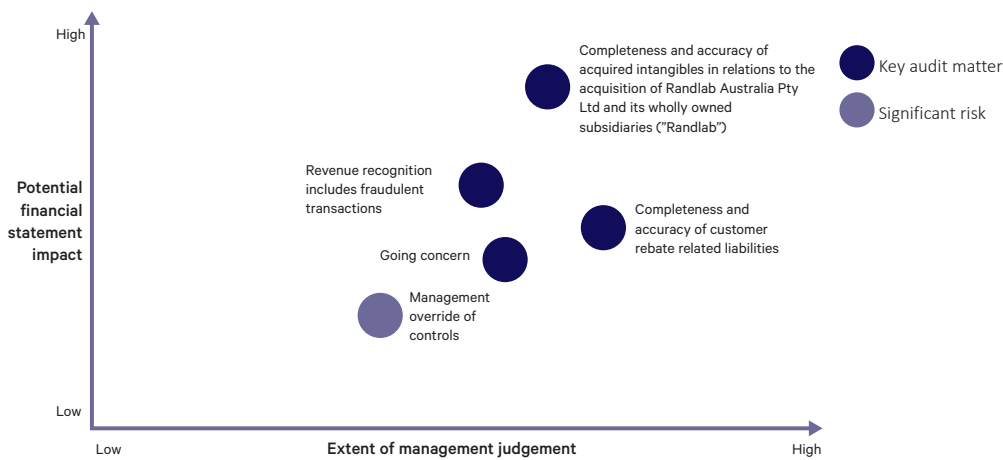
Independent Auditor's Report to the members of Animalcare Group plc CONTINUED

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that 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.



In the graph below, we have presented the key audit matters and significant risks relevant to the audit. This is not a complete list of all risks identified by our audit.



Key Audit Matter – Group

REVENUE RECOGNITION INCLUDES FRAUDULENT TRANSACTIONS

We identified the possibility that revenue includes fraudulent transactions as one of the most significant assessed risks of material misstatement due to fraud.

Revenue is the most significant item in the Consolidated Income Statement and impacts several of the Group's key performance indicators set out in the Annual Report and Financial Statements.

Revenue is recognised in accordance with International Financial Reporting Standard (IFRS) 15 'Revenue from Contracts with Customers' and requires management judgement and estimation where adjustments are made.

The majority of transactions are non-complex. Hence, unusual account combinations outside of the normal business processes pose a risk of fraud due to their abnormality.

As such, we have pinpointed the significant risk to the occurrence of revenue impacting entries falling outside of the expected transaction flow ("outliers"), where there is an increased risk that management may record fraudulent revenue transactions.

We expected these outliers to include rebates which are more susceptible to management bias due to the estimation involved.

RELEVANT DISCLOSURES IN THE ANNUAL REPORT

- Financial statements: Note 5, Segment information – from continuing operations

How our scope addressed the matter – Group

In responding to the key audit matter, we performed the following audit procedures:

- Evaluated the relevant processes and controls in place over revenue recognition, including those related to the posting and reconciliation of revenue, and performed walkthroughs to check that they have been implemented as designed;
- Assessed the relevant accounting policies for consistency and appropriateness with the financial reporting framework, including IFRS 15;
- Utilised audit data analytic techniques to identify unusual postings to revenue, including the year-end adjustments and adjustments in respect of customer rebates, by interrogating the revenue population and analysing revenue postings from inception to cash receipt;
- Evaluated whether the adjustments in respect of customer rebates, identified through our use of audit data analytic techniques, are consistent with the findings of our rebate related liabilities audit work; and
- Agreed those unusual postings identified to supporting documentation and explanation, considering whether they are consistent with our audit work in other areas, including that performed on customer rebate related liabilities;
- Tested a sample of revenue transactions to supporting documentation to evaluate the occurrence and accuracy of revenue and the integrity of the data used within the audit data analytic; and
- Assessed the adequacy of the revenue recognition disclosures included within the financial statements.

OUR RESULTS

Based on our audit work, we did not identify any material misstatements in the revenue recognised during the year to 31 December 2025.

Independent Auditor's Report to the members of Animalcare Group plc CONTINUED

Key Audit Matter – Group

COMPLETENESS AND ACCURACY OF CUSTOMER REBATE RELATED LIABILITIES

We identified the possibility that customer rebate related liabilities were misstated as one of the most significant assessed risks of material misstatement due to fraud and/or error given there is a high degree of estimation uncertainty within the rebate agreements.

Rebates appear in the consolidated income statement as a deduction to the revenue transaction price and there is a risk of rebate understatement to maximise revenue.

We have pinpointed this significant risk to the UK operation given there is a greater level of complexity within these calculations as rebates are negotiated with both wholesale customers and the wholesaler's customers.

The total rebate obligation is estimated at the point a sale is made to a wholesaler based on an average rebate percentage for a product line over the prior 12 months. Rebates are payable at the point a sale is made to the wholesaler and at the point of onward sale by the wholesaler to their customer. The timing difference and arising estimation uncertainty means that rebates are susceptible to misstatement due to fraud and/or error.

RELEVANT DISCLOSURES IN THE ANNUAL REPORT

Financial statements: Note 3, Summary of material accounting policies.

How our scope addressed the matter – Group

In responding to the key audit matter, we performed the following audit procedures:

- Evaluated the relevant processes and controls in place over the rebate accrual and performed walkthroughs to check that they have been implemented as designed;
- Assessed the relevant accounting policies for consistency and appropriateness with the financial reporting framework, including IFRS 15;
- Obtained the year-end rebate accrual listing and tested a sample of the data to underlying rebate agreements to ensure it is consistent with the contractual arrangement;
- Selected a sample of year-end rebate accrual balances and recalculated the rebate liability based on the sales during the year and agreed back to post year-end settlement where applicable;
- Recalculated the accuracy of the rebate accrual by assessing the mathematical accuracy of management's year-end calculation;
- Assessed the stock held with the wholesalers at the year-end to ensure this balance (which is subject to future rebate payment) is complete, by confirming the balance directly with the wholesaler;
- Agreed a sample of items from management's calculation of the 12-month weighted average rebate to third-party service provider reports, payments made to customers in the year, and approved price listings;
- Ensured that the calculations are consistent with the findings of our revenue audit data analytics work; and
- Assessed the adequacy of the revenue recognition and customer rebate liabilities disclosures included within the financial statements.

OUR RESULTS

Based on our audit work, we did not identify any material misstatements in the completeness and accuracy of customer rebate related liabilities in the year to 31 December 2025.

Key Audit Matter – Group

COMPLETENESS AND ACCURACY OF ACQUIRED INTANGIBLES (RANDLAB)

We identified the completeness and accuracy of acquired intangibles as one of the most significant assessed risks of material misstatement due to error. There is a risk that the recognition and measurement of goodwill and the other intangible assets acquired is not accurate or complete.

The Group acquired Randlab on 3 January 2025. The acquisition resulted in the recognition of £34.3m of goodwill and £29.3m of other intangible assets including customer relationship, brand and registration.

IFRS 3 'Business Combinations' requires acquired assets and liabilities in the consolidated financial statements to be recorded at fair value. There is significant management judgement involved in determining the fair value of the assets and liabilities acquired.

How our scope addressed the matter – Group

In responding to the key audit matter, we performed the following audit procedures:

- Evaluated the relevant processes and controls in place over management's recording of the acquisition, and performed walkthroughs to check that they have been implemented as designed;
- Inspected the share purchase agreement to identify any references to intellectual property, trademarks, customer contracts, software, brands, licences, or other identifiable intangible assets and reconciled these items to the intangibles recorded by management to ensure all assets described in the agreements have been considered;
- Cross-referenced the intangible assets identified by management to those outlined in IFRS guidance. We formed an expectation of the intangible assets expected to be recognised in the business combination, including comparison to other comparable acquisitions, and assessed whether there are any material unrecognised assets;
- Engaged our internal valuation experts to assist in the assessment of the work performed by management's valuation expert in relation to the valuation of acquired intangible assets. This included challenge on whether the methodology used in the valuation is in line with accepted valuation methods, and whether inputs such as future profits, attrition rates and discount rates used are appropriate and accurate;
- Assessed the competence, capabilities and objectivity of management's expert through reference to their qualifications and experience;
- Obtained the share purchase agreements and considered whether terms are consistent with the accounting adopted;
- Obtained support for the fair value of net assets acquired and agreed material balances to supporting documentation, including the agreement of cash balances to bank statements and property valuations to a valuation report;
- Challenged whether fair value adjustments to the acquired net assets are complete and accurate; and
- Assessed the adequacy of disclosures included within the financial statements.

RELEVANT DISCLOSURES IN THE ANNUAL REPORT OUR RESULTS

- Financial statements: Note 6, Business Combination

Based on our audit work, we did not identify any material misstatements in the completeness and accuracy of acquired intangibles in the year to 31 December 2025.

We did not identify any key audit matters relating to the audit of the financial statements of the parent company only.

Independent Auditor's Report to the members of Animalcare Group plc CONTINUED

Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report.

Materiality was determined as follows:

Materiality measure	Group	Parent company
MATERIALITY FOR FINANCIAL STATEMENTS AS A WHOLE	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.	
Materiality threshold	£800,000 (2024: £466,000), which represents 0.9% (2024: 0.6%) of the Group's revenue.	£2,000,000 (2024: £1,500,000) which represents 1% (2024: 1%) of the parent company's total assets.
Significant judgements made by auditor in determining materiality	<p>In determining materiality, we made the following significant judgements</p> <ul style="list-style-type: none"> The Group's revenue is considered the most appropriate benchmark because it is the most relevant stable performance measure to the stakeholders of the Group and is presented as the first financial highlight on page 1 of the Annual Report and Accounts. <p>Materiality for the current year is higher than the level that was determined for the year-ended 31 December 2024 to reflect changes in the benchmark percentage used and the improved performance of the Group.</p>	<p>In determining materiality, we made the following significant judgements</p> <ul style="list-style-type: none"> The total assets of the parent company is considered the most appropriate benchmark because it is the most relevant measure of financial position for the stakeholders of the parent company, which is a holding company. <p>Materiality for the current year is higher than the level that was determined for the year-ended 31 December 2024 due to an increase in intra Group receivables.</p>
PERFORMANCE MATERIALITY USED TO DRIVE THE EXTENT OF OUR TESTING	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.	
Performance materiality threshold	£600,000 (2024: £326,200), which is 75% (2024: 70%) of financial statement materiality.	£1,500,000 (2024: £1,050,000) which is 75% (2024: 70%) of financial statement materiality.
Significant judgements made by auditor in determining materiality	<p>In determining performance materiality, we made significant judgements in the following areas:</p> <ul style="list-style-type: none"> The strength of the control environment based on our assessment of the design and implementation of controls; The nature, size and volume of misstatements identified in the previous audit; and Our knowledge of the Group. 	<p>In determining performance materiality, we made significant judgements in the following areas:</p> <ul style="list-style-type: none"> The strength of the control environment based on our assessment of the design and implementation of controls; The nature, size and volume of misstatements identified in the previous audit; and Our knowledge of the company.

Materiality measure	Group	Parent company
SPECIFIC MATERIALITY	We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.	
Specific materiality	We determined a lower level of specific materiality for the following areas: <ul style="list-style-type: none"> • Directors' remuneration; and • Identified related party transactions outside of the normal course of business 	We determined a lower level of specific materiality for the following areas: <ul style="list-style-type: none"> • Directors' remuneration; and • Identified related party transactions outside of the normal course of business
COMMUNICATION OF MISSTATEMENTS TO THE AUDIT COMMITTEE	We determine a threshold for reporting unadjusted differences to the audit and risk committee.	
Threshold for communication	£40,000 (2024: £23,300) which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£100,000 (2024: £75,000) which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the threshold for communication to the audit and risk committee.

Overall materiality – Group Overall materiality – Parent



■ Group revenue (£89.1m)
■ FSM £0.8m, 0.9%

■ Parent total assets (£200m)
■ FSM £2m, 1%



FSM: Financial statement materiality, PM: Performance materiality, TFC: Threshold for communication to the audit and risk committee

An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the Group's and the parent company's business and in particular matters related to:

UNDERSTANDING THE GROUP, ITS COMPONENTS, THEIR ENVIRONMENTS, AND ITS SYSTEM OF INTERNAL CONTROL INCLUDING COMMON CONTROLS

- The Group auditor obtained an understanding of the Group and its environment, including the Group's common controls, and assessed the risks of material misstatement at the Group level;
- The Group auditor obtained an understanding of the individual components, including component specific controls, through planning discussions held between the engagement team and the Group's management team; and
- The Group auditor performed walkthroughs on key areas of focus to identify the key controls and assess their design and implementation.

IDENTIFYING COMPONENTS AT WHICH TO PERFORM AUDIT PROCEDURES

- We have determined the components at which to perform further audit procedures, by considering the following:
- components in scope for further audit procedures due to individually including a risk of material misstatement to the Group financial statements due to the component's nature or circumstances;

Independent Auditor's Report to the members of Animalcare Group plc CONTINUED

- components in scope for further audit procedures due to the nature and size of assets, liabilities and transactions at the component (being of financial significance to one or more scoped items that it is required to be in scope); and
- components in scope for further audit procedures to obtain sufficient appropriate audit evidence for significant classes of transactions, account balances and disclosures, or for unpredictability.

TYPE OF WORK TO BE PERFORMED ON FINANCIAL INFORMATION OF PARENT AND OTHER COMPONENTS (INCLUDING HOW IT ADDRESSED THE KEY AUDIT MATTERS)

- The Group auditor identified four components which were subject to audit of the entire financial information of the component which were:
 - Animalcare Ltd (UK)
 - Ecuphar NV BE (Belgium)
 - Ecuphar Veterinaria SA (Spain)
 - Randlab Australia Pty Ltd (Australia)

All specified components above included work on a key audit matter which was Revenue recognition includes fraudulent transactions. Only Animalcare Ltd (UK) included work on Completeness and accuracy of customer rebate related liabilities.

- There were four components which were subject to specific audit procedures designed by the Group auditor which were:
 - Animalcare Group plc (UK)
 - Ecuphar Italia srl (Italy)
 - Randlab NZ (New Zealand)
 - Animalcare Australia Pty (Australia)

The components within the scope of further audit procedures accounted for the following percentages of the Group's results, including the key audit matters identified:

Audit approach	No. of components	% coverage Revenue	% coverage Absolut PBT
Full-scope audit	4 (2024: 3)	65% (2024: 63%)	66% (2024: 54%)
Specific scope procedures	4 (2024: 3)	12% (2024: 15%)	17% (2024: 28%)
Analytic procedures	8 (2024: 8)	23% (2024: 22%)	17% (2024: 18%)
Total	16 (2024:14)	100% (2024: 100%)	100% (2024: 100%)

Of the specified components above, only Ecuphar Italia srl included work on a key audit matter which was Revenue recognition includes fraudulent transactions.

- The remaining 8 components were subject to analytical procedures performed at a Group level.

PERFORMANCE OF OUR AUDIT

The Group auditor visited the Group's primary location in York to perform audit procedures and visited the third-party stock logistics provider to perform the year-end inventory count.

- The Group auditor visited the Belgium location to hold discussions with the corporate finance team and to meet key management specialists.
- The Group auditor held communications with all component auditors throughout the audit, each of whom visited the client locations for all in-scope components.
- The Group auditor, with the support of our specialist, obtained an understanding of the IT systems and controls across all components within the Group given the common controls in place for these systems.
- Advanced audit procedures were performed on key transactions which were included within the interim results including the acquisition of Randlab.

Further audit procedures performed on components subject to specific scope and specified procedures may not have included testing of all significant account balances of such components, but further audit procedures were performed on specific accounts within that component that we, the Group auditor, considered had the potential for the greatest impact on the Group financial statements either due to risk, size or coverage.

COMMUNICATIONS WITH COMPONENT AUDITORS

- We engaged with component auditors for the audit of Ecuphar NV, Ecuphar Veterinaria SL, Ecuphar Italia srl, and Randlab Australia Pty Ltd. These component auditors were all part of the Grant Thornton network.
- Component auditors assisted us in gaining an initial understanding of components at the planning stage. Subsequently, we held a meeting with the component auditor to discuss identified and assessed risks, communicated Group instructions, maintained communications throughout the audit, reviewed component auditors' audit documentation, attended site visits in Belgium, and held key meetings at the planning, fieldwork and completion stages of the audit.

CHANGES IN APPROACH FROM PREVIOUS PERIOD

- Randlab Australia has been added to the full-scope audit owing to its financial significance to the Group following its acquisition in the year.
- Ecuphar Italia srl IT has been selected for specified audit procedures in place of Ecuphar GmbH DE for unpredictability purposes.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

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.

Matter on which we are required to report under the Companies Act 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Independent Auditor's Report to the members of Animalcare Group plc CONTINUED

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 95, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Group and the parent company and the industry in which they operate. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with management, the Directors, Audit and Risk Committee members. We determined that the most significant are applicable law and UK-adopted international accounting standards (for the Group), United Kingdom Generally Accepted Accounting Practice (for the parent company) and relevant tax legislation.
- We enquired of the Directors, Audit and Risk Committee members and management to obtain an understanding of how the Group and the parent company are complying with those legal and regulatory frameworks, whether there were any instances of non-compliance with laws and regulations, and whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of Board minutes and of the minutes of the Audit and Risk Committee and compliance meetings.
- We assessed the susceptibility of the Group's and the parent company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included an evaluation of the risk of management override of controls. Audit procedures performed by the engagement team in connection with the risks identified included:
 - assessing the design and implementation of controls that management has put in place to prevent and detect fraud;
 - checking the completeness of journal entries and identifying and testing journal entries, in particular those journals determined to be in respect of our principal risk documented above;
 - challenging the assumptions and judgements made by management in its significant accounting estimates; and
 - identifying and testing related party transactions by agreeing to underlying records and obtaining confirmation for directors' emoluments
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;

- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with, audit engagements of a similar nature and complexity, through appropriate training and participation;
 - knowledge of the industry in which the Group and parent company operate; and
 - understanding of the legal and regulatory frameworks applicable to the Group and the parent company.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit;
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the Group's and the parent company's operations, including the nature of their revenue sources, and of their principal activities, to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement; and
 - the Group's and the parent company's control environment, including the policies and procedures implemented to mitigate risks of fraud or non-compliance with the relevant laws and regulations; the significant judgements and assumptions made by management in its significant accounting estimates or in applying its accounting policies.
- Communication with component auditors to request identification of any instances of non-compliance with laws and regulations that could give risk to a material misstatement of the Group financial statements.

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

Use of our report

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

MARK OVERFIELD BSC FCA

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Leeds

13 May 2026

Consolidated Income Statement

YEAR ENDED 31 DECEMBER 2025

For the year ended 31 December							
		Underlying 2025 £'000	Non- Underlying (note 4) 2025 £'000	Total 2025 £'000	Underlying 2024 £'000	Non- Underlying (note 4) 2024 £'000	Total 2024 £'000
	Notes						
Revenue	5	89,107	–	89,107	74,228	–	74,228
Cost of sales	8.1	(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	8.2	(651)	–	(651)	–	–	–
Selling and marketing expenses	8.3	(14,510)	(2,141)	(16,651)	(12,458)	–	(12,458)
General and administrative expenses	8.4	(23,252)	(3,383)	(26,635)	(20,319)	(3,965)	(24,284)
Net other operating (expenses) / income	8.5	4	(1,253)	(1,249)	30	2,546	2,576
Impairment losses		–	(116)	(116)	–	(23)	(23)
Operating profit / (loss)		14,018	(7,944)	6,074	8,497	(1,442)	7,055
Finance expenses	8.8	(2,421)	–	(2,421)	(1,520)	(988)	(2,508)
Finance income	8.9	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	13	4	–	4	31	–	31
Profit/(loss) before tax		14,287	(7,944)	6,343	8,213	(2,430)	5,783
Income tax (expense)/income	8.10	(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

	For the year ended 31 December	
	2025 £'000	2024 £'000
Profit for the period	5,078	18,494
Other comprehensive expense		
Exchange differences on monetary items, net investment in foreign operations ¹	(1,751)	–
Exchange differences on translation of foreign operations ¹	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

¹ May be reclassified subsequently to profit and loss

Consolidated Statement of Financial Position

AS AT 31 DECEMBER 2025

	Notes	As at 31 December	
		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	12	1,168	305
Right-of-use-assets	24	3,053	2,316
Investments in associates	13	1,493	-
Deferred tax assets	8.10	1,648	2,192
Other financial assets	15	82	82
Total non-current assets		123,876	60,852
Current assets			
Inventories	14	13,270	11,754
Trade receivables	15	15,974	13,501
Current tax receivables	8.10	1,043	694
Other current assets	15	1,028	60,297
Cash and cash equivalents	16	2,913	11,715
Total current assets		34,228	97,961
Total assets		158,104	158,813
Liabilities			
Current liabilities			
Borrowings	18	(2,117)	(976)
Lease liabilities	18, 24	(1,204)	(841)
Trade payables	17	(12,010)	(12,908)
Current tax liabilities	8.10	(896)	(623)
Accrued charges	20	(86)	(47)
Other current liabilities	21	(4,887)	(5,213)
Total current liabilities		(21,200)	(20,608)
Non-current liabilities			
Borrowings	18	(9,863)	(19,754)
Lease liabilities	18, 24	(2,024)	(1,594)
Deferred tax liabilities	8.10	(10,303)	(3,395)
Provisions	19	(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	23	13,809	13,795
Share premium		149,992	149,992
Reverse acquisition reserve		(56,762)	(56,762)
Accumulated profits		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

The accompanying notes on pages 116 to 165 form an integral part of these consolidated financial statements.

The financial statements on pages 110 to 175 were approved by the board of directors and authorised for issue on 13 May 2026. They were signed on their behalf by:

JENNIFER WINTER
Chief Executive Officer

CHRIS BREWSTER
Chief Financial Officer

Consolidated Statement of Changes in Equity

YEAR ENDED 31 DECEMBER 2025

	Note	Share capital £'000	Share premium £'000	Reverse acquisition reserve £'000	Accumulated profits £'000	Other reserve £'000	Total equity £'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	23	-	-	-	(3,587)	-	(3,587)
Exercise of share options	23	14	-	-	-	-	14
Share-based remuneration		-	-	-	(102)	-	(102)
At 31 December 2025		13,809	149,992	(56,762)	5,586	1,915	114,540

	Note	Share capital £'000	Share premium £'000	Reverse acquisition reserve £'000	Accumulated (losses) / profits £'000	Other reserve £'000	Total equity £'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	23	-	-	-	(3,019)	-	(3,019)
Exercise of share options	23	53	-	-	-	-	53
Capital increase (net of costs)	23	1,720	17,194	-	-	-	18,914
Share-based remuneration		-	-	-	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

	Notes	For the year ended 31 December	
		2025 £'000	2024 £'000
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
Non-cash and operational adjustments			
Share in net profit of associate / joint venture	13	(4)	(31)
Depreciation of property, plant and equipment	12, 24	1,500	1,138
Amortisation of intangible assets	11	7,736	6,043
Impairment of intangible assets	11	116	23
Share-based payment expense	27	214	678
Gain on disposal of intangible assets	4	(361)	(430)
Non-cash movement in provisions		446	488
Gain on sale of discontinued operation	7	–	(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	4	–	(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	12	(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	6	–	(59,712)
Purchase of subsidiaries net of cash acquired	6	135	–
Purchase of equity accounted investee	13	(1,440)	–
Interest income		–	989
Net cash flow used in investing activities		(5,239)	(33,860)
Financing activities			
(Repayments) / proceeds from loans and borrowings	18	(9,651)	17,812
Repayment of IFRS 16 lease liability	24	(1,325)	(976)
Exercise of share options	23	14	53
Receipts from issue of share capital		–	20,000
Share issue costs		(130)	(956)
Dividends paid	23	(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	16	11,715	4,642
Exchange rate differences on cash and cash equivalents	18	261	(2,539)
Cash and cash equivalents at end of year	16	2,913	11,715

	Note	For the year ended 31 December	
		2025 £'000	2024 £'000
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	18	(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	24	(793)	508
Net debt at the end of the year		(12,295)	(11,450)

Notes to the Consolidated Financial Statements

YEAR ENDED 31 DECEMBER 2025

1. Financial information

Animalcare Group plc (“the Company”) is a public company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is domiciled in the United Kingdom. The address of its registered office is Moorside, Monks Cross, York, YO32 9LB. The Group comprises Animalcare Group plc and its subsidiaries. The nature of the Group’s operations and its principal activities are set out within the Directors’ Report. Details of the subsidiaries can be found in note 29.

2. Basis of preparation

The Group financial statements have been prepared and approved by the Directors in accordance with UK-adopted international accounting standards (IFRS) and the applicable legal requirements of the Companies Act 2006 under the historical cost convention except for certain financial assets and liabilities measured at fair value. They have also been prepared in accordance with the requirements of the AIM Rules.

The consolidated financial statements are presented in thousands of pound sterling (£k or thousands of £) and all “currency” values are rounded to the nearest thousand (£’000), except when otherwise indicated.

Animalcare Group plc has provided a guarantee under section 479a of the Companies Act 2006 to Animalcare Limited (Company number: 01500876) for the company to take exemption from audit.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group’s accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 3. The accounting policies have been applied consistently.

Changes to significant accounting policies are described in note 3, if applicable.

The consolidated financial statements cover the year ended 31 December 2025 and comprise the consolidated results of the Group.

In preparing the financial statements of the Group we have considered the impact of climate change, with reference to our principal risks and the environmental disclosures made in the Sustainability Report. There has been no material impact on the financial statements for the current year, including estimates and judgements made in respect of impairment and going concern analyses. The Directors have also assessed that climate change is not expected to have a significant impact on the Group in the medium term.

Going concern

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 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 expenses.

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%

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.

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. 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 period to December 2027, being a period of at least 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.

3. Summary of material accounting policies, judgements, estimates and assumptions

Basis for consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries.

Entities are fully consolidated from the date of acquisition, which is the date when the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the entities are prepared for the same reporting period as the parent Company, using consistent accounting policies. All intra-Group balances, transactions, unrealised gains and losses resulting from intra-Group transactions and dividends are fully eliminated.

The Group attributes profit or loss and each component of other comprehensive income to the owners of the parent Company and to the non-controlling interest based on present ownership interests, even if the results in the non-controlling interest have a negative balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over the subsidiary, it will derecognise the assets (including goodwill) and liabilities of the subsidiary, any non-controlling interest and the other components that are equity related to the subsidiary. Any surplus or deficit arising from the loss of control is recognised in profit or loss. If the Group retains an interest in the previous subsidiary, then such interest is measured at fair value at the date the control is lost.

The proportion allocated to the parent and non-controlling interests in preparing the consolidated financial statements is determined based solely on present ownership interests.

Non-underlying items

The Directors believe that presenting the Group's financial results on an underlying basis, which excludes non-underlying items, offers a clearer picture of business performance and hence provides useful information for shareholders. These measures are used by the Board and management for planning, internal reporting and setting Director and management incentive arrangements. In addition, they are used by the investor analyst community and are aligned to our strategy and KPIs. Underlying measures are not intended to be a substitute for, or superior to, IFRS results which include non-underlying items to provide the statutory results.

Non-underlying items are items of income or expense which, because of either their size, nature and/or the expected frequency of the events giving rise to them, merit separate presentation and disclosure as detailed in note 4. The following key items are adjusted for in the calculation of underlying operating profit:

- Amortisation and impairment of acquired intangible assets through business combinations – these items are a result of past transactions, principally the reverse acquisition of Animalcare Group plc, the pre-reverse acquisition of Esteve, and the more recent acquisition of the Randlab group. While they are recorded as a cost to the Group each financial year, are not reflective of the underlying costs of the Group. Impairment is classified as non-underlying due to the significance and one-off nature
- Acquisition and integration costs – these items principally relate to acquisition and subsequent integration activity which we view as strategic in nature, and therefore they are excluded from underlying EBITDA, hence underlying operating profit, as this is principally used to manage the performance of our operations. This category also includes the unwind of the one off fair value uplift applied to inventory recognised on the acquisition of the Randlab group.
- Restructuring costs – the Group has recognised historical restructuring costs and we expect such costs will likely arise in future as the Group develops and evolves. The specific nature of the activities will be explained in note 4 or its future equivalent. We consider restructuring costs strategic in nature, and therefore they are excluded from underlying EBITDA, hence underlying operating profit, as this is principally used to manage the performance of our operations
- Gain on disposal of intangible assets- Gains arising on the disposal of intangible assets are excluded from underlying profit. These gains are non-operational in nature, occur

3. Summary of material accounting policies CONTINUED

only at the point of sale, and do not reflect the ongoing trading performance of the Group. As underlying profit is used to assess and manage the performance of the Group's core operations, one off disposal gains are removed to provide a more consistent and comparable view of underlying results

Segment reporting

Our operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Senior Executive Team (SET).

Foreign currency translation

FUNCTIONAL AND PRESENTATION CURRENCY

The Group's consolidated financial statements are presented in pounds sterling (GBP), which is the functional currency of the parent company and presentational currency of the Group. For each entity, the Group determines the functional currency, and items included in the financial statements of each entity are measured using the functional currency. The Group operates with multiple functional currencies. Sterling (GBP) is the functional currency of the UK entities, while other subsidiaries use the Euro (EUR). Following the Randlab acquisition, the Australian dollar (AUD) was introduced as an additional key functional currency within the Group. The statement of financial position is translated into GBP at the closing rate on the reporting date and their income statement is translated at the average exchange rate at month-end for both the years ended 31 December 2024 and 2025. Differences resulting from the translation of the financial statements of the parent and the subsidiaries are recognised in other comprehensive income as "Exchange differences on translation of foreign operations".

Within the financial statements the Group has disclosed balances in currency other than GBP, where this is the case the following exchange rates have been applied:

Currency	Closing rate (31 December 2025)	Average rate (31 December 2025)
Euro (EUR)	1.146	1.167
Australian Dollar (AUD)	2.045	2.015

Intercompany loans with long-term funding nature

Intercompany loans that, in substance, form part of the Group's net investment in a foreign operation are accounted for in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates, with associated exchange

differences recognised in other comprehensive income as part of the Group's net investment in that foreign operation. Application of this treatment to the relevant balances in the year resulted in a decrease in OCI £1,751k, with a corresponding increase in profit before tax of £1,751k.

Foreign currency transactions

Transactions denominated in foreign currencies are translated into functional currency at spot rate at the transaction date. Monetary items in the statement of financial position are translated at the closing rate at each reporting date and the relevant translation gain or loss is recognised in financial or operating result depending on its nature except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

The presentation of foreign exchange gains or losses corresponds to the nature of the underlying transaction, as follows:

- Foreign exchange differences arising in the course of the Group's ordinary activities are included within the operating result
- Foreign exchange differences arising from financing activities are presented as part of finance costs or income

Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Repair and maintenance costs are recognised in the income statement as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

• Plant and equipment	5 years
• Office furniture and office equipment	3–5 years or lease term if shorter
• Leasehold improvements	5 years or lease term if shorter
• Warehouse and office fittings	5–10 years
• Property	50 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised. The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Leases

The Group leases various vehicles and buildings. Rental contracts are typically made for fixed periods 1-10 years but may have extension options. Contracts may contain both lease and non-lease components. However, for lease of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate, which is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group entities use that rate as a starting point to determine the incremental borrowing rate.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The term varies between four to five years.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Goodwill

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is attributable to two cash-generating unit for the purpose of impairment testing, being the lowest level at which business operations are monitored for internal management purposes.

3. Summary of material accounting policies CONTINUED

Intangible assets

Intangible assets comprise the acquired product portfolios, research and development assets, licensing and distribution rights, customers acquired in connection with business combinations, product portfolios and product development costs, capitalised software and assets under construction related to intangible assets.

The useful life of the intangible assets is as follows:

• Capitalised software	5 years
• Patents, distribution rights, licenses and registration costs	7–12 years
• Product portfolios, product development and brand names	10 years
• R&D assets	10 years
• Customer relationships	12 years

Intangible assets not yet available for use are assessed annually for impairment. Assets under construction are not amortised.

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the consolidated income statement based on its function which may be cost of sales, sales and marketing expenses, research and development expenses and general and administrative expenses.

Further, the Group has acquired certain intangible assets related to licenses with a fixed and variable consideration contingent upon the realisation of certain milestones and sales volumes. Due to the recognition of this license asset, the Group extends its accounting policies on intangible assets as follows:

The Group recognises an intangible asset for licenses obtained initially measured at the fixed consideration paid. The variable consideration subject to the realisation of the milestones will only be recognised when the milestones are met and will be recognised as an addition to the intangible license asset. Once market authorisation is obtained, the Group will start amortising the intangible asset over its useful life and recognise any future milestone payments as a cost of sale.

Internally generated intangible assets – research and development expenditures

Research and development expenditure comprises costs incurred in connection with the development of new or substantially improved products, including pharmaceutical and veterinary medicinal products, and product updates and enhancements.

Research expenditure is recognised as an expense as incurred, in accordance with IAS 38 Intangible Assets.

Development activities involve the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products before the start of commercial production or sale.

Internal development expenditure on an individual project is recognised as an intangible asset only when the Group can reasonably demonstrate all recognition criteria set out in IAS 38 are satisfied, being:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset;
- the ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development expenditure incurred prior to the point at which these criteria are met is also recognised as an expense as incurred.

Product development process

The Group applies a structured six stage product development process to assess project progression and the appropriate accounting treatment of related expenditure. The stages comprise of:

- Discovery assessment: early-stage research activities including in vitro and laboratory-based target validation, candidate screening and selection are undertaken to assess scientific viability;
- Proof of concept: studies are performed in the target animal and target disease to demonstrate initial efficacy and biological relevance;
- Exploratory development: formulation and dose optimisation activities are undertaken together with initial process development and scale up;
- Full development: pivotal field trials are conducted and regulatory dossiers are prepared to support product approval;

(v) Submission: regulatory submissions are made and technical questions from regulatory authorities are addressed; and

(vi) Full commercial deployment: following regulatory approval, the product is manufactured, launched and commercially distributed.

Expenditure incurred in stages (i) to (iii) is typically treated as research expenditure and expensed to the income statement as incurred. Capitalisation will generally commence once a project enters the full development phase (iv), unless there is compelling evidence for capitalisation at a different point in time. Development costs are capitalised only when the IAS 38 criteria are demonstrably met and management approval is obtained.

The Group's use of established technologies and proven expertise means that historically development costs have always met the criteria for capitalisation. This is still true of many of our products. 2025 is the first year the Group has incurred investment in earlier stages, and hence the first year it has expensed development costs to the income statement.

Subsequent measurement

Subsequent to initial recognition, internally generated intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses, consistent with the accounting treatment applied to separately acquired intangible assets. Amortisation is charged on a straight-line basis over the estimated useful economic lives of the assets. Internally generated intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are measured at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets which are acquired separately.

Impairment of non-financial assets

Impairment tests on goodwill are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest Group of assets to which it belongs for

which there are separately identifiable cash flows: its cash-generating units (CGUs). Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from the synergies of the combination giving rise to the goodwill.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to future cash flows projected after the fifth year.

Impairment charges are included in profit or loss, except, where applicable, to the extent they reverse gains previously recognised in other comprehensive income. An impairment loss recognised for goodwill is not reversed.

Where goodwill forms part of a CGU and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Investments in associates and joint ventures

Until 12 April 2024, the Group carried an investment in a joint venture STEM Animal Health Inc. (STEM). As of 13 June 2025, the Group acquired a 25% strategic equity stake in associate InVetro Pty Ltd. The Group's investments in its associates are accounted for using the equity method.

Under the equity method, the investment in the associate was initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The income statement reflects the Group's share of the results of operations of the associate. Any change in other comprehensive income of the associate is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of the change in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

3. Summary of material accounting policies CONTINUED

At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the Group's interest in the associate (higher of value in use and fair value less costs to sell), and then recognises the loss as "Share of gain or loss of joint ventures / associates" in the income statement.

Business combinations

The Group applies IFRS 3 Business Combinations to all acquisitions. Business combinations are accounted for using the acquisition method, with assets and liabilities recognised at their fair values as at the acquisition date, being the date on which control is transferred to the Group.

The consideration transferred is measured at fair value and includes the fair value of any contingent consideration arrangements. Goodwill is recognised as the excess of the consideration transferred over the fair value of the identifiable net assets acquired.

Identifiable assets, liabilities and contingent liabilities are recognised at the acquisition date only if they meet the definition of an asset or liability under IFRS. Subsequent to initial recognition, acquired assets and liabilities follow the Group's relevant accounting policies.

Where relevant, the Group discloses the nature, timing and strategic rationale for each acquisition, together with the financial impact, including the consideration transferred and the identifiable assets acquired and liabilities assumed. The Randlab acquisition is detailed in note 6.

Discontinued operations

In accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations a discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations which has been disposed of. Accordingly, the prior year net results of Identicare Limited have been presented within discontinued operations in the Group income statement.

Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: purchase cost determined using the weighted average cost method
- Goods purchased for resale: purchase cost determined using the weighted average cost method

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Provisions are made for obsolete, defective and slow moving stock.

In a business combination, the fair value uplift on acquired inventory is treated as non-underlying because it arises solely from acquisition-related accounting under IFRS 3 Business Combinations and does not reflect the ongoing trading performance of the Group once the business is integrated.

Financial assets

Financial assets are classified at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus transaction costs, in the case of a financial asset not at fair value through profit or loss or OCI. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price.

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost; and
- Financial assets at fair value through profit or loss.

Financial assets measured at amortised cost

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets, trade and other receivables, cash and cash equivalents at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. A loss allowance is recognised at each reporting date based on lifetime ECLs. The Group established a provision matrix that is based on its historical loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For all other receivables, ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial liabilities

The Group has financial liabilities measured at amortised cost which include loans and borrowings, trade payables and other payables and financial liabilities resulting from an interest rate swap.

Financial liabilities at amortised cost

Those financial liabilities are recognised initially at fair value plus directly attributable transaction costs and are measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate method amortisation process.

Derivative financial liabilities

The Group uses derivative financial instruments to hedge the exposure to changes in interest rates; however, the use of derivatives is limited and does not represent significant amounts. Derivative financial instruments are initially measured at fair value. After initial recognition, the financial instruments are measured at fair value through profit or loss.

Such transactions do not qualify for hedge accounting criteria, although they offer economic hedging according to the Group's risk policy. Changes in the fair value of such instruments are recognised directly in the consolidated statement of profit or loss.

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Share capital

Financial instruments issued by the Group are classified as share capital only to the extent that they do not meet the definition of a financial liability or financial asset. The Group's ordinary shares are classified as equity instruments.

Shares issued by the company are recognised through equity and measured at the fair value of the proceeds received, net of directly attributable transaction costs.

The par value of issued shares is recorded in share capital, and any amount received in excess of the par value is recorded through share premium.

Direct costs related to the issuance of shares are deducted from the proceeds and recorded as a reduction in share premium. Indirect costs are expensed as incurred.

Dividends

Dividends paid are recognised within the statement of changes in equity only when an obligation to pay the dividends arises prior to the year end.

Share-based payments

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of such equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions (with a corresponding movement in equity).

Fair value is measured by use of industry standard methods. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The fair value of the shares issued under the new long-term incentive plan were valued on a discounted cash flow basis in conjunction with a third-party valuation specialist.

3. Summary of material accounting policies CONTINUED

For cash-settled share-based payments, a liability is recognised for the goods and services acquired, measured initially at the fair value of the liability. At the balance sheet date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the period. This policy is also applied to shares already in issue and subject to potential redemption by the Group, which are in effect redeemable shares.

Where the choice of settlement method lies beyond the control of both the employee and the entity, a hybrid approach is applied, initially treating the arrangement as cash-settled and transitioning to equity-settled as the settlement method is determined.

Details of the arrangements in place are given in note 27, along with details of the derivation of fair value.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Employee benefits

SHORT-TERM EMPLOYEE BENEFITS

The Group has short-term employee benefits which are recognised when the service is performed as a liability and expense. The short-term employee benefit is the undiscounted amount expected to be paid.

MANAGEMENT INCENTIVE PLANS

The Group operates incentive plans for certain of its employees. The liability recognised is the undiscounted amount expected to be paid.

EMPLOYEE BENEFITS – PENSIONS

The Group operates a stakeholder defined contribution pension scheme available to eligible employees. Payments to this scheme are charged as an expense as they fall due.

Revenue recognition

Revenue from the sale of goods is measured at the fair value of the consideration and excludes intra-group sales and value added and similar taxes. The primary performance obligation is the transfer of goods to the customer. Revenue from the sale of goods is recognised when control of the goods is transferred to the customer, at an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods.

As sales arrangements differ from time to time (for example by customer and by territory), each arrangement is reviewed to ensure that revenue is recognised when control of the goods has passed to the customer. This review and the corresponding recognition of revenue encompass a number of factors which includes reviewing delivery arrangements and whether the buyer has accepted title, recognising revenue at the point at which full title has passed.

Provision for rebates and discounts is reflected in the transaction price at the point of recognition to the extent that it is highly probable there will not be a significant reversal. The methodology and assumptions used to estimate rebates and discounts are based on contractual and legal obligations, stock with wholesalers and historical trends and averages based on the last 12 months.

Sales of services – discontinued operations only

The Group recognises service revenue by reference to the stage of completion. As there is no contractual restriction on the amount of times the customer makes use of the services, at the commencement of the contract, it is not possible to determine how many times the customer will make use of the services, nor does historical evidence provide indications of any future pattern of use. As such, income is recognised evenly over the term of the contract. Service sales includes commission income which is recognised at a point in time.

Up-front income received in relation to long-term service contracts is deferred and subsequently recognised over the life of the relevant contracts.

Interest income

For all financial instruments measured at amortised cost, interest income would be recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or liability. Interest income would be included under financial income in the income statement.

Financing costs

Financing costs relate to interests and other costs incurred by the Group related to the borrowing of funds. Such costs mostly relate to interest charges on short- and long-term borrowings as well as the amortisation of additional costs incurred on the issuance of the related debt. Financing costs are recognised in profit and loss for the year or capitalised in case they are related to a qualifying asset.

Other financial income and expenses

Other financial income and expenses include mainly foreign currency gains or losses on financial transactions and bank-related expenses.

Taxes

CURRENT INCOME TAX

Income tax assets and liabilities for the current year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date.

Current income tax relating to items that are recognised directly in equity is recognised in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

DEFERRED TAX

Deferred tax is calculated using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most

advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Events after balance sheet date

Events after the balance sheet date that provide additional information about the Company's position as at the balance sheet date (adjusting events) are reflected in the financial statements. Events after the balance sheet date that are not adjusting events are disclosed in the notes where material.

New standards adopted as of 2025

STANDARDS AND INTERPRETATIONS APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON OR AFTER 1 JANUARY 2025

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The Group has no transactions that would be affected by the newly effective standards or its accounting policies are already consistent with the new requirements. The Group has not early adopted any standards.

STANDARDS AND INTERPRETATIONS PUBLISHED, BUT NOT YET APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON 1 JANUARY 2025

The IFRS accounting standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards and interpretations, if applicable, when they become effective.

- IFRS 18 Presentation and Disclosure in Financial Statements (applicable for annual periods beginning on or after 1 January 2027)
- IFRS 19 Subsidiaries without Public Accountability – Disclosures (applicable for annual periods beginning on or after 1 January 2027)

3. Summary of material accounting policies CONTINUED

- Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments (applicable for annual periods on or after 1 January 2026)
- Annual Improvements – Volume 11 (applicable for annual periods beginning on or after 1 January 2026)
- Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-Dependent Electricity (applicable for annual periods beginning on or after 1 January 2026)

None of the IFRS standards issued but not yet effective are expected to have a material impact on the Group's financial statements, with the exception of IFRS 18, the new standard on the presentation and disclosure of financial statements, particularly regarding the consolidated income statement. IFRS 18 will not affect the recognition or measurement of items in the financial statements; however, it may result in changes to the classification of certain income and expense items. The Group is currently assessing the impact of implementing IFRS 18.

Material accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities for future periods.

On an ongoing basis, the Group evaluates its estimates, assumptions and judgements, including those set out below.

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Internally developed intangible assets (judgement)

Under IAS 38 Intangible Assets, internally generated intangible assets are recognised if certain conditions are met. These conditions include technical feasibility, intention to complete, the ability to use or sell the asset under development, and the demonstration of how the asset will generate probable future economic benefits. The cost of a recognised internally generated intangible asset comprises all directly attributable costs necessary to make the asset capable of being used as intended by management. All expenditure arising from the research phase and all other

costs that do not meet the criteria for capitalisation are expensed as incurred.

Determining whether an internally generated intangible asset meets the capitalisation criteria requires significant judgement, particularly in determining whether the activities are considered research activities or development activities, whether the product enhancement is substantial, whether the completion of the asset is technically feasible, and the probability of future economic benefits from the sale or use.

Management has determined that the conditions for recognising internally generated intangible assets resulting from product development activities are fulfilled only when the product attains technical and commercial feasibility. The Group continually evaluates this assessment to ensure compliance with established criteria.

Income taxes (estimate and judgement)

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

As at 31 December 2025, the Group had tax losses carried forward and other tax credits such as investment tax credits and notional interest deduction. These losses relate to the subsidiaries that have a history of losses, do not expire and may not be used to offset taxable income elsewhere in the Group (see note 8.10).

Rebate arrangements (estimate, judgement and assumption)

Provision for customer rebates and discounts is reflected in the transaction price at the point of revenue recognition to the extent that it is highly probable there will not be a significant reversal. The methodology and assumptions used to estimate rebates and discounts are based on contractual and legal obligations, stock held by wholesalers and historical trends and averages based on the last 12 months.

Cash generating unit (CGU) (judgement)

In the preparation of these financial statements, management has assessed the Group's structure and determined that it comprises two distinct cash-generating units (CGUs): the existing Animalcare operations and the recently acquired Randlab business. This assessment reflects management's judgement that the assets within each CGU generate interdependent cash inflows, with products marketed through common distribution channels and strategic decisions taken at a central level.

Accordingly, for impairment testing and other relevant accounting purposes, the Group has been treated as two CGUs. This represents a change from the prior year (FY24), when the Group operated as a single CGU prior to the acquisition of Randlab.

Impairment of goodwill (estimate)

At the reporting date, the Group carries goodwill of £74,161k (2024: £39,360k). Of this amount, £34,321k is allocated to the Randlab CGU and £39,840k to the existing Animalcare CGU. Goodwill within each CGU has been assessed for impairment in accordance with IAS 36 Impairment of Assets.

Impairment testing is performed using a value-in-use (VIU) methodology. The key assumptions for the VIU calculations are disclosed and further explained in note 10.

Impairment of slow-moving and obsolete inventory (estimate)

The Group performs regular stockholding reviews, in conjunction with sales and market information, to help determine any slow-moving or obsolete lines. Where identified, adequate provision is made in the financial statements for writing down or writing off the value of such lines in order to reflect the realisable value of its stock.

Acquired intangible assets (judgement and assumption)

Management applies judgement when determining the fair value of intangible assets acquired in a business combination, including a selection of valuation techniques and key assumptions. These judgements involve inherent uncertainty, as fair value reflects market-based inputs rather than internal expectations. The resulting fair value uplifts are recognised only where the assets meet IFRS 3 Business Combinations recognition criteria at the acquisition date.

4. Non-underlying expenses / (income)

	For the year ended 31 December	
	2025 £'000	2024 £'000
Amortisation and impairment of acquisition related intangibles		
Classified within selling and marketing expenses	2,141	–
Classified within general and administrative expenses ¹	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
Acquisition and integration costs	–	–
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)

¹ Following the Group's strategic investment in next wave biologics of VHH NGF and Sweet Itch, it 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.

Notes to the Consolidated Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

4. Non-underlying expenses / (income) CONTINUED

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 £'000	2024 £'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 13)

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 (note 7)
- 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

Non-underlying items are excluded for KPI purposes as shown in the section on Key Performance Indicators.

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 cost of sales per segment within the table below.

	For the year ended 31 December					
	2025			2024		
	2025 Randlab £'000	Animalcare Europe* £'000	2025 Total £'000	2024 Randlab £'000	Animalcare Europe* £'000	2024 Total £'000
From continuing operations						
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					
	2025			2024		
	2025 Randlab £'000	Animalcare Europe* £'000	2025 Total £'000	2024 Randlab £'000	Animalcare Europe* £'000	2024 Total £'000
From continuing operations						
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.

Notes to the Consolidated Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

5. Segment information – from continuing operations CONTINUED

Segment non-current assets excluding deferred tax assets located in Europe and Asia-Pacific are as follows:

	As at 31 December	
	2025 £'000	2024 £'000
Europe	58,172	58,660
Asia-Pacific	64,056	–
Non-current assets excluding deferred tax assets	122,228	58,660

Revenue by product category

	For the year ended 31 December	
	2025 £'000	2024 £'000
Companion animals	50,277	49,828
Production animals	17,658	17,027
Equine and other	21,172	7,373
Total	89,107	74,228

Revenue by geographical area

	For the year ended 31 December	
	2025 £'000	2024 £'000
Europe	73,769	72,924
Asia-Pacific	14,886	656
Other	452	648
Total	89,107	74,228

During the current reporting year and following the Group's acquisition of Randlab, the Group has revised its presentation of revenue and non-current assets by geographical region, to enhance clarity and align with strategic reporting practices. Our previous categories have been aggregated into three broader geographical segments: Europe, Asia-Pacific, and Other. This change reflects a more streamlined view of the Group's global operations and will facilitate improved comparability in future years.

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

Notes to the Consolidated Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

6. Business combination CONTINUED

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 (note 8.1) 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 and expenses – from continuing operations

8.1 Cost of sales – from continuing operations

Cost of sales includes the following expenses:

	For the year ended 31 December	
	2025 £'000	2024 £'000
Purchase of goods and services	36,225	31,050
Stock write off	896	856
Movement in stock provision	(207)	324
Other expenses	817	753
Total	37,731	32,984

The purchase of goods and services include the fair value uplift release on acquired Randlab inventory amounting to £1,051k.

8.2 Research and development expenses – from continuing operations

Research and development expenses include the following:

	For the year ended 31 December	
	2025 £'000	2024 £'000
R&D expenses	651	–
Total	651	–

Following the Group's strategic investment in next wave biologics of VHH NGF and Sweet Itch (note 11), it 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. Costs including amortisation and depreciation, and employee expenses have 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.

8.3 Selling and marketing expenses – from continuing operations

Selling and marketing expenses include the following:

	For the year ended 31 December	
	2025 £'000	2024 £'000
Transport costs of sold goods	1,104	902
Marketing expenses	2,584	1,978
Employee expenses	10,309	9,007
Amortisation and depreciation	2,195	–
Other	459	571
Total	16,651	12,458

8. Income and expenses – from continuing operations CONTINUED

8.4 General and administrative expenses – from continuing operations

General and administrative expenses include the following:

	For the year ended 31 December	
	2025 £'000	2024 £'000
Amortisation and depreciation	7,041	7,020
Employee expenses	9,066	7,926
Professional, regulatory and consultancy fees	5,619	5,407
Travel and representation	1,245	1,080
Other	3,664	2,851
Total	26,635	24,284

The expenses in “Other” mainly relate to fees paid for warehousing, energy, IT and software-related costs.

8.5 Net other operating expenses / (income) – from continuing operations

The net other operating expenses / (income) can be detailed as follows:

	For the year ended 31 December	
	2025 £'000	2024 £'000
Re-invoicing of costs	(4)	(18)
Non-cash movement in IFRS 16 liability	10	(1)
Other operating income	(644)	(3,805)
Other operating expenses	1,887	1,243
Extraordinary depreciations	–	5
Total	1,249	(2,576)

Other operating expenses of £1,887k (2024: £1,243k) relate entirely to nonunderlying items. In addition, non-operating income of £644k (2024: £3,805k) and a non-cash movement in the IFRS 16 lease liability of £10k (2024: £1k) have been treated on the same basis, together with other immaterial items, including £5k of extraordinary depreciation recognised in the prior year. These items have been aggregated, with a net nonunderlying charge of £1,253k (2024: net credit of £2,546k) presented on the face of the Consolidated Income Statement and further analysed in note 4.

8.6 Expenses by nature – from continuing operations

The table below relates to operating expenses and does not include cost of sales.

	For the year ended 31 December	
	2025 £'000	2024 £'000
Other operating lease rentals / short-term leases	262	182
Employee expenses	19,375	16,933
Depreciation and amortisation	9,236	7,024
Transport costs sold goods	1,102	902
Marketing expenses	2,584	1,978
Professional, regulatory and consultancy fees	5,619	5,273
Travel and representation	1,245	1,080
Other operating expenses (note 8.5)	1,249	(2,576)
Impairment losses	116	23
Other expenses	4,514	3,370
Total expenses	45,302	34,189

8.7 Employee expenses – from continuing operations

The following table shows the breakdown of employee expenses for 2025 and 2024:

	For the year ended 31 December	
	2025 £'000	2024 £'000
Wages and salaries	16,009	14,015
Social security costs	2,846	2,580
Other pension costs	520	337
Total	19,375	16,932
The monthly average number of employees during the year was as follows:		
Sales and administration	218	201

Included in the employee expenses for the year is the total charge in respect of all share-based payments of £214k (2024: £678k) – see note 27 for further details.

Notes to the Consolidated Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

8. Income and expenses – from continuing operations CONTINUED

8.7 Employee expenses – from continuing operations CONTINUED

Directors' emoluments

The various elements of remuneration received by each Director were as follows:

Year ended 31 December 2025	Salary £'000	Bonus £'000	Benefits £'000	Total £'000
C Brewster	249	69	14	332
M Coucke*	45	–	–	45
D Hutchens*	50	–	–	50
S Metayer*	50	–	–	50
E Torr*	75	–	–	75
J Winter	364	158	16	538
Total	833	227	30	1,090

Year ended 31 December 2024	Salary £'000	Bonus £'000	Benefits £'000	Total £'000
J Boone*	35	–	–	35
C Brewster	237	68	16	321
M Coucke*	45	–	–	45
D Hutchens*	48	–	–	48
S Metayer*	50	–	–	50
E Torr*	60	–	–	60
J Winter	347	90	16	453
Total	822	158	32	1,012

*Indicates Non-Executive Directors.

Jennifer Winter's benefits comprised a car allowance (£10,500) and private medical insurance (£5,519).

Chris Brewster's benefits comprised a company car (£11,420) and private medical insurance (£2,918).

Jan Boone stepped down as Chair on 20 June 2024. His annual fee of £75,000 for 2024 was pro-rated from 1 January to 20 June 2024.

Marc Coucke received an annual fee of £45,000. Els Degroote was appointed as alternate to Marc Coucke in December 2024; the Company does not pay fees to alternate directors.

Doug Hutchens received an annual fee of £50,000, including an additional fee of £5,000 for his role as Chair of the Remuneration & Nomination Committee. In 2024 the additional fee was pro-rated from the date of his appointment as Committee chair on 21 June 2024.

Sylvia Metayer received an annual fee of £50,000 including an additional annual fee of £5,000 for her role as Chair of the Audit & Risk Committee.

Ed Torr received an annual fee of £75,000. In 2024 he received a pro-rated fee from the date of his appointment as Chair.

The aggregate gain on exercise of LTIP options during the year amounted to £nil (2024: £392,000).

Long Term Incentive Plan

In December 2025, the Board approved the grant of nil-cost options over a total of 294,222 ordinary shares with a nominal value of 20p per share to the Executive Directors under the Company's LTP (the "2025 LTIP Award"). The 2025 LTIP Award will vest on confirmation of achievement of the performance criteria being met over the three-year financial period ending 31 December 2027. These were the only award of options made to Executive Directors under the LTIP during 2025.

Details of the performance target set and actual achievement against them in respect of the 2022 LTIP awards vesting, based on three-year performance to 1 July 2025, are set out below:

Performance measure	Weighting	Performance period end	Threshold (25% vesting)	Maximum (100% vesting)	% vesting for this part of the award	
					Actual	
Underlying EPS	50%	1 July 2025	13.0p	15.8p	14.8p	78%
TSR	50%	1 July 2025	Median	Upper quartile	Upper quartile	100%

On assessment of the three-year performance period as set out above, a total of 164,083 options granted to the Executive Directors vested under this award.

These options have yet to be exercised; the participants have seven years in which to exercise these options.

The individual interests of the Executive Directors under the LTIP are set out below:

	Date of grant	End of three-year performance period*	Number of LTIP nil cost options awarded	Vested but not exercised	Lapsed	Exercised	Total
							remaining
Jenny Winter	05/11/21	31/12/24	106,844	53,422	53,422	–	53,422
	28/04/22	01/07/25	130,620	116,413	14,207	–	116,413
	23/04/24	31/12/26	243,913	–	–	–	243,913
	22/12/25	31/12/27	219,296	–	–	–	219,926
Chris Brewster	05/11/21	31/12/24	43,806	21,903	21,903	–	21,903
	28/04/22	01/07/25	53,488	47,670	5,818	–	47,670
	23/04/24	31/12/26	100,004	–	–	–	100,004
	22/12/25	31/12/27	74,926	–	–	–	74,926

* The earliest exercise date is three years after the date of grant or the end of the applicable performance period whichever is the later.

Directors' interests in the share capital of the Company

The Directors' interests in share capital of the Company as at 31 December 2025 and the movements during the year are set out below:

Director	Number of shares	Acquired during the period	Number of shares	Percentage of ISC at 31 December 2025
	held at 1 January 2025		held at 31 December 2025	
Chris Brewster	285,513	–	285,513	0.41
Marc Coucke	15,611,889	–	15,611,889	22.61
Ed Torr	107,455	–	107,455	0.16
Douglas Hutchens ¹	5,000	7,500	12,500	0.02
Jennifer Winter	100,650	–	100,650	0.15

² Douglas Hutchens acquired 7,500 shares on 19 November 2025.

There were no changes in the Director's interest in shares between 31 December 2025 and the date of these financial statements.

Further information relating to Directors' share options is set out in note 27.

8. Income and expenses – from continuing operations CONTINUED

8.8 Finance expenses – from continuing operations

Finance expenses include the following elements:

	For the year ended 31 December	
	2025 £'000	2024 £'000
Interest expenses	898	400
Foreign currency losses	1,386	2,012
Other finance costs	137	96
Total	2,421	2,508

8.9 Finance income – from continuing operations

Finance income includes the following elements:

	For the year ended 31 December	
	2025 £'000	2024 £'000
Foreign currency exchange gains	2,624	148
Income from financial assets	25	1,057
Other finance income	37	–
Total	2,686	1,205

8.10 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 £'000	2024 £'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	
	31 December	
	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.

Notes to the Consolidated Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

8. Income and expenses – from continuing operations CONTINUED

8.10 Income tax expense – from continuing operations

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 subsidiaries £'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 carried 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 subsidiaries £'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 carried 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:

	As at 31 December			
	Underlying 2025 £'000	Underlying 2024 £'000	Total 2025 £'000	Total 2024 £'000
Net total profit	10,866	6,707	5,078	18,494
Net total 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

Notes to the Consolidated Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

9. Earnings per share CONTINUED

Average number of shares (basic and diluted)

	As at 31 December			
	Underlying 2025 Number	Underlying 2024 Number	Total 2025 Number	Total 2024 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			
	Underlying 2025 Pence	Underlying 2024 Pence	Total 2025 Pence	Total 2024 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			
	Underlying 2025 Pence	Underlying 2024 Pence	Total 2025 Pence	Total 2024 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 (note 7)	(10,855)
Currency translation	(441)
As at 31 December 2024	39,360
As at 1 January 2025	39,360
Acquisition of Randlab (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.

The two principal assumptions used in our value-in-use calculations are the discount rate and the perpetuity growth rate. The discount rate is determined to reflect the Group's cost of capital and risk profile, while the perpetuity growth rate represents the long-term sustainable growth of future cash flows.

The discount rate and growth rate (in perpetuity) used for value-in-use calculations are as follows:

Animalcare Europe CGU

	2025 %	2024 %
Discount rate (pre-tax)	14.2	12.9
Growth rate (in perpetuity)	2.0	2.0

Randlab CGU

	2025 %	2024 %
Discount rate (pre-tax)	14.9	–
Growth rate (in perpetuity)	2.0	–

The Group's discount rates, used in the impairment testing of goodwill, have been developed with the assistance of an independent third-party adviser. Our adviser's approach reflects the Group's geographical exposure by weighting government bond yields in line with our operating footprint and incorporating a relevant country-specific risk premium. This methodology ensures that the risk-free rate accurately mirrors current market conditions while appropriately capturing the Group's inherent risks, thereby supporting a robust impairment assessment.

Cash flow forecasts are prepared using the current operating budget approved by the Directors, which covers a five-year period and an appropriate extrapolation of cash flows, using the long-term growth rate, beyond this. The cash flow forecasts assume revenue and profit growth in line with our strategic priorities. Further, we have assessed the potential impact of climate change, with reference to our principal risks and the environmental disclosures made in the Sustainability Report and consider that the impact on the valuation of goodwill is limited.

The Group conducts its impairment review across both CGUs by assessing a range of reasonably possible changes in key assumptions, including discount rates and perpetuity growth rates. Sensitivity analyses show that although the calculated recoverable amount is sensitive to movements in these assumptions, none of the scenarios modelled would result in an impairment, indicating that while headroom is sensitive, the overall outcome for Animalcare Europe remains robust under all reasonably possible variations. As the Randlab CGU was acquired during the year, its performance will continue to be monitored closely against the assumptions underpinning the acquisition case, and any underperformance may indicate a potential impairment in future periods.

Notes to the Consolidated Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

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)
Identicare disposal	-	-	-	(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)
Identicare disposal	-	-	-	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 relates 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 net book value of non-commercialised development projects, which refers to projects that have not yet reached the commercial launch phase (the point at which the asset becomes available for use) is £2,991k (2024: £2,666k) and is allocated to R&D assets for £598k, Patents, distribution rights, licenses & registrations for £1,410k and Product portfolios, product development costs & brand names for £983k. No amortisation was charged.

The capitalised software includes IT driven by accelerated CRM software investment.

The total amortisation charge for 2025 is £7,736k (2024: £6,043k), which is included in selling and marketing expenses and general and administrative expenses of the consolidated income statement. Included in the total amortisation charge is £5,640k (2024: £3,988k) relating to acquisition-related intangibles and £2,096k (2024: £2,055k) relating to other intangibles.

An impairment charge of £116k (2024: £23k) related to a non-cash impairment charge of acquisition-related intangibles of R&D assets. In 2025, Animalcare Group plc invested £4,031k (2024: £2,802k) in intangible assets.

During the year, the Group acquired full ownership of the VHH NGF antibody programme and associated intellectual property from Orthros Medical for €1,041k (£908k). The acquisition provides the Group with ownership and control of intellectual property and associated assets, as a result, all remaining development, regulatory and commercial milestone obligations, as well as future royalty commitments linked to product commercialisation, have been extinguished. Upfront payments made in prior years under the original licensing arrangements (€600k, of which €530k is recognised within "Product portfolios, product development costs & brand names") remain appropriately capitalised, with no further financial obligations due under the previous agreements.

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). The Group made an upfront licence payment of €575k (£501k) during the year which has been capitalised and is recognised within "Patents, distribution rights, licenses & registrations".

During the year, the Group completed the acquisition of Randlab, resulting in the recognition of additional intangible assets within the consolidated balance sheet. As outlined in note 6, the recognised assets comprise customer relationships, brand names and registrations, all measured at fair value at the acquisition date in accordance with IFRS 3 Business Combinations.

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.

Notes to the Consolidated Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

12. Property, plant and equipment

The changes in the carrying value of the property, plant and equipment for 2025 and 2024 are presented below:

	Property, plant and equipment £'000	Office furniture and office equipment £'000	Warehouse and office fittings £'000	Leasehold improvements £'000	Total £'000
Acquisition value/cost					
As at 1 January 2024	256	1,375	142	279	2,052
Additions	–	42	1	165	208
Disposals	(123)	(174)	–	(49)	(346)
Identicare disposal	–	(91)	(143)	–	(234)
Currency translation	(11)	(57)	–	(13)	(81)
As at 31 December 2024	122	1,095	–	382	1,599
As at 1 January 2025	122	1,095	–	382	1,599
Additions	27	194	–	–	221
Acquired assets through business combinations	640	85	–	106	831
Disposals	–	(26)	–	–	(26)
Currency translation	(36)	49	–	9	22
As at 31 December 2025	753	1,397	–	497	2,647
Accumulated depreciation					
As at 1 January 2024	(170)	(1,187)	(25)	(267)	(1,649)
Depreciation charge for the year	(10)	(61)	(2)	(37)	(110)
Disposals	123	174	–	49	346
Identicare disposal	–	19	27	–	46
Currency translation	7	52	–	14	73
As at 31 December 2024	(50)	(1,003)	–	(241)	(1,294)
At 1 January 2025	(50)	(1,003)	–	(241)	(1,294)
Depreciation charge for the year	(24)	(71)	–	(40)	(135)
Disposals	–	7	–	–	7
Currency translation	2	(50)	–	(9)	(57)
As at 31 December 2025	(72)	(1,117)	–	(290)	(1,479)
Net book value					
As at 31 December 2025	681	281	–	207	1,168
As at 31 December 2024	72	92	–	141	305

13. 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 £'000	As at 31 December 2024 £'000
Net assets	398	–
Goodwill	1,095	–
Investment value in associate	1,493	–

Notes to the Consolidated Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

13. Investments in associates CONTINUED

Summarised statement of comprehensive income

	For the year ended 31 December 2025 £'000	For the year ended 31 December 2024 £'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 £'000	For the year ended 31 December 2024 £'000
Group share in net gain	4	47
Depreciation on fair value adjustments on intangible fixed assets (net of deferred tax)	–	(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 £'000	As at 31 December 2024 £'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	–

14. Inventories

Inventories include the following:

	As at 31 December	
	2025 £'000	2024 £'000
Raw materials	1,167	1,625
Goods purchased for resale	12,103	10,129
Total inventories (at cost or net realisable value)	13,270	11,754

The amount of inventory recognised as an expense during 2025 amounts to £36,225k (2024: £31,050k). The inventory includes a provision for write-off of £1,013k (2024: £1,220k). Inventory write-offs during 2025 amounted to £896k (2024: £856k). These costs are classified as part of costs of goods sold.

15. Trade receivables, other current assets and other non-current financial assets

Trade receivables include the following:

	As at 31 December	
	2025 £'000	2024 £'000
Trade receivables	16,059	13,545
Expected credit loss	(85)	(44)
Total	15,974	13,501

The Group applied the IFRS 9 Financial Instruments simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables based on historical losses. Trade receivables are non-interest-bearing and are generally on payment terms of between 30 and 90 days.

As at 31 December 2025, trade receivables of an initial value of £85k (2024: £44k) were impaired and fully provided for. The table below shows the changes in the allowance of receivables.

	£'000
As at 1 January 2024	(32)
Additional impairments	(12)
As at 31 December 2024	(44)
At 1 January, 2025	(44)
Additional impairment	(41)
As at 31 December 2025	(85)

Other current assets include the following:

	2025 £'000	2024 £'000
Other receivables	127	59,951
Prepayments	901	346
Total	1,028	60,297

Other receivables in the prior year included an amount of £59.7m relating to the payment made to acquire Randlab Australia Pty Ltd.

Other non-current financial assets are cash guarantees and amount to £82k (2024: £82k) at the end of the reporting year.

16. Cash and cash equivalents

Cash and cash equivalents include the following:

	As at 31 December	
	2025 £'000	2024 £'000
Cash at bank	2,913	11,715
Total	2,913	11,715

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. There were no restrictions on cash in either 2025 or 2024. The year-on-year decrease in cash balance reflects the utilisation of funds raised through the Group's successful £20m equity raise in 2024.

17. Trade payables

	As at 31 December	
	2025 £'000	2024 £'000
Trade payables	12,010	12,908
Total	12,010	12,908

The Directors consider that the carrying amount of trade payables approximates to their fair value.

18. Borrowings

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 24		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 (note 24)			2,024	1,594
Current borrowings			2,117	976
Current lease liabilities (note 24)			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
Net debt		
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 Identicare	-	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)

Notes to the Consolidated Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

19. Provisions

Provisions consist of the following:

	As at 31 December	
	2025 £'000	2024 £'000
Severance costs	152	129
Other	22	21
Total	174	150

Severance payment provisions relate to legal obligations towards commercial agents in Italy.

	Severance costs £'000	Other £'000	Total £'000
Carrying amount at start of the year	129	21	150
Charged to profit and loss	23	1	24
Carrying amount at end of the year	152	22	174

20. Accrued charges

	As at 31 December	
	2025 £'000	2024 £'000
Accrued charges	86	47
Total due within one year	86	47

Accrued charges mainly relate to employee and accrued bank interest costs.

21. Other current liabilities

Other current liabilities include the following:

	As at 31 December	
	2025 £'000	2024 £'000
Employee-related liabilities	3,637	3,072
Indirect taxes payable	1,212	1,398
Other rebate related payables	38	743
Total	4,887	5,213

Indirect taxes payable relate to outstanding VAT payable.

22. Fair value

Financial assets

The carrying value and fair value of the financial assets for 31 December 2025 and 2024 are presented as follows:

	Carrying value		Fair value	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Financial assets measured at amortised cost				
Trade and other receivables (current)	15,974	13,501	15,974	13,501
Other financial assets (non-current)	82	82	82	82
Cash and cash equivalents	2,913	11,715	2,913	11,715
Total financial assets measured at amortised cost	18,969	25,298	18,969	25,298

The fair value of the financial assets has been determined on the basis of the following methods and assumptions:

- The carrying value of the cash and cash equivalents and the current receivables approximate their fair value due to their short-term character
- Trade and other receivables are being evaluated on the basis of their credit risk and interest rate. Their fair value is not different from their carrying value on 31 December 2025 and 2024

Financial liabilities

The carrying value and fair value of the financial liabilities for 31 December 2025 and 2024 are presented as follows:

	Carrying value		Fair value	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Financial liabilities measured at amortised cost				
Borrowings	11,980	20,730	11,980	20,730
Lease liabilities	3,228	2,435	3,228	2,435
Trade payables	12,010	12,908	12,010	12,908
Other rebate related payables	38	743	38	743
Total financial liabilities measured at amortised cost	27,256	36,816	27,256	36,816
Total non-current	11,887	21,348	11,887	21,348
Total current	15,369	15,468	15,369	15,468

The fair value of the financial liabilities has been determined on the basis of the following methods and assumptions:

- The carrying value of trade payables and other liabilities approximates their fair value due to the short-term character of these instruments
- Loans and borrowings are evaluated based on their interest rates and maturity date. Most interest-bearing debts have floating interest rates and their fair value approximates to their amortised cost value

23. Share capital

	As at 31 December	
	2025 Number	2024 Number
Allotted, called up and fully paid ordinary shares of 20p each	69,045,945	68,976,418

	As at 31 December	
	2025 £'000	2024 £'000
Allotted, called up and fully paid ordinary shares of 20p each	13,809	13,795

The Company does not have a limited amount of authorised share capital.

The following share transactions have taken place during the year ended 31 December 2025:

	As at 31 December 2025	
	Number	£'000
At 1 January 2025	68,976,418	13,795
Exercise of share options	69,527	14
At 31 December 2025	69,045,945	13,809

	As at 31 December 2024	
	Number	£'000
At 1 January 2024	60,107,926	12,022
Exercise of share options	266,342	53
Capital increase (net of costs)	8,602,150	1,720
At 31 December 2024	68,976,418	13,795

Dividends

	As at 31 December	
	2025 £'000	2024 £'000
Ordinary final dividend as at 31 December 2023 of 3.0p per share	–	1,803
Ordinary interim dividend paid as at 31 December 2024 of 2.0p per share	–	1,216
Ordinary final dividend as at 31 December 2024 of 3.0p per share	2,070	–
Ordinary interim dividend paid as at 31 December 2025 of 2.2p per share	1,517	–
	3,587	3,019

The interim dividend of 2.2 pence per share was paid in November 2025.

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.

24. IFRS 16 Leases

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

	As at 31 December 2025	As at 31 December 2024
	£'000	£'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 £'000	Vehicles £'000	Other £'000	Total £'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

Notes to the Consolidated Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

24. IFRS 16 Leases CONTINUED

Below are the values for the movements in lease liability during the year:

	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:

	As at 31 December	
	2025 £'000	2024 £'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
- 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 cash flow for these items equalled the charge to the income statement

25. Risks

In the exercise of its business activity, the Group is exposed to credit, liquidity and market risks.

Credit risk

As of 31 December 2025 the Group's maximum credit risk exposure amounted to £15,974k, corresponding to the trade receivables reported in the consolidated financial statements (2024: £13,501k).

The Group manages this risk through a stringent credit collection process. Historically, no significant bad debt losses have been incurred. Additionally, the Group does not have any individual customers that account for a material proportion of either the consolidated turnover or the year-end trade receivables balance.

The following is an ageing schedule of trade receivables:

	Total £'000	Non-due £'000	< 30 days £'000	31–60 days £'000	61–90 days £'000	91–180 days £'000	> 181 days £'000	Expected loss rate
31 December 2025	15,974	14,805	723	94	370	20	(38)	0.5%
Receivables	16,059	14,805	723	94	370	105	(38)	
Expected credit loss	85	–	–	–	–	85	–	
31 December 2024	13,501	12,806	637	185	(72)	(34)	(21)	0.3%
Receivables	13,544	12,806	637	185	(72)	(34)	22	
Expected credit loss	43	–	–	–	–	–	43	

Liquidity risk

Liquidity risk represents the risk that the Group may be unable to meet its financial obligations as they fall due. The Group manages this risk by relying primarily on operating cash flows to service its financing commitments and by maintaining sufficient headroom on its existing credit facilities to provide an additional working capital buffer.

As at 31 December 2025, the Group had the following sources of liquidity available:

- Cash and cash equivalents: £2,913k
- Undrawn credit facilities with a syndicate of four banks: £33,159k

Notes to the Consolidated Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

25. Risks CONTINUED

The table below provides an analysis of the maturity dates of the financial liabilities:

	< 1 year £'000	1–3 years £'000	4–5 years £'000	> 5 years £'000	Total £'000
At 31 December 2025					
Borrowings ¹	(2,177)	(9,878)	–	–	(12,055)
Lease liabilities	(1,307)	(1,874)	(293)	(12)	(3,486)
Trade payables	(12,010)	–	–	–	(12,010)
Other current liabilities	(4,887)	–	–	–	(4,887)
Total	(20,381)	(11,752)	(293)	(12)	(32,438)
At 31 December 2024					
Borrowings ¹	(1,021)	(2,927)	(16,886)	–	(20,834)
Lease liabilities	(841)	(1,290)	(325)	(143)	(2,599)
Trade payables	(12,545)	–	–	–	(12,545)
Other current liabilities	(5,213)	–	–	–	(5,213)
Total	(19,620)	(4,217)	(17,211)	(143)	(41,191)

¹ The maturity analysis for borrowings includes both principal and the related interest components, reflecting the variable interest rate in effect at the reporting date. This results in £60k being included within borrowings due within one year and £15k within borrowings due in one to three years, whereas the balance sheet presents only the contractual principal amounts.

The amounts disclosed in the table above are the contractual undiscounted cash flows. The lease liabilities are translated at closing rate. Balances due within one year equal their carrying balances as the impact of discounting is not significant.

The Group's indebtedness and its restrictions and covenants agreed upon in the financing agreements may adversely affect the Group's liquidity position. Any breach of covenants can lead to loans being immediately due and payable.

To enhance cash management, the Group operates an international cash pooling system across multiple banks, designed to reduce excess cash holdings. The Group closely monitors cash balances across its entities and utilises short-term credit line withdrawals to further optimise cash levels.

Foreign exchange risk

The Group undertakes transactions denominated in foreign currencies which give rise to the risks associated with currency exchange rate fluctuations. Exposures are managed by a combination of matching foreign currency income and expenditure, maintaining foreign currency deposits and the use of forward contracts. The carrying values of the Group's foreign currency assets and liabilities, including intercompany balances, at the reporting date were:

	As at 31 December			
	Assets	Asset	Liabilities	Liabilities
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
EUR/GBP	(491)	13,328	79,934	62,435
GBP/EUR	307	30,245	56	44,267
EUR/USD	1,994	1,460	2,007	703
GBP/USD	(134)	–	26	153
EUR/CAD	–	–	18	17
EUR/SEK	7	6	–	2
EUR/DKK	–	–	1	1
EUR/AUD	26,123	59,327	–	–
GBP/AUD	324	324	–	–
AUD/USD	–	–	24	–
AUD/GBP	–	–	48	–
AUD/NZD	248	–	2	–
NZD/AUD	–	–	425	–
AED/AUD	–	–	524	–

The cumulative effect of the foreign currency translation effects is reported as other reserves in the statement of financial position and amounts to £1,915k (2024: £2,090k) with the movement of £175k charge (2024: charge of £528k) recognised through the consolidated statement of comprehensive income.

At the end of the reporting year, the Group is mainly exposed to EUR, AUD and USD. The following table details the effect of a 10.0% increase and decrease in the exchange rate of these currencies against the functional currencies GBP and EUR when applied to outstanding monetary items denominated in foreign currency as at 31 December 2025. A positive number indicates that an increase in profit would arise from a 10.0% change in value of GBP, EUR or AUD against these currencies; a negative number indicates that a decrease would arise.

	Strengthening	Weakening
	£'000	£'000
EUR/GBP	8,043	(8,043)
GBP/EUR	5,578	(5,578)
AED/AUD	52	(52)
NZD/AUD	42	(42)
GBP/USD	16	(16)
EUR/CAD	2	(2)
GBP/AUD	(32)	32
EUR/USD	1	(1)
AUD/NZD	(25)	25
EUR/AUD	(2,621)	2,621
AUD/USD	2	(2)
AUD/GBP	5	(5)

25. Risks CONTINUED

Interest rate risk

The maturity dates and interest rates of the Group's financial debts and liabilities are detailed in note 18. The Group's exposure to interest rate risk primarily relates to its existing borrowing facilities, which are subject to variable interest rates. There are no significant differences between the nominal interest rates disclosed in note 18 and the effective interest rates of these loans.

A 100 basis point (bp) change in interest rates would have impacted the Group's financial result by approximately £149k in 2025 and £154k in 2024. In 2025, a 100 bp increase would have reduced the financial result, while a 100 bp decrease would have improved it. In 2024, the opposite applied: a 100 bp increase would have improved the financial result, and a 100 bp decrease would have reduced it. The change in sensitivity between years reflects the Group's cash management approach. In 2024, the Group held excess cash in term deposits, increasing exposure to interest rate movements. In 2025, no excess cash was placed in term deposits, resulting in a lower potential uplift from rising rates and a corresponding shift in the sensitivity profile.

26. Remuneration paid to the Company's auditors

	For the year ended 31 December	
	2025 £'000	2024 £'000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	316	324
The audit of the Company's subsidiaries pursuant to legislation	176	151
Total audit fees	492	475
Other services	10	9
Total non-audit fees	10	9
Total auditors' remuneration	502	484
Of which paid to:		
Current auditor	502	409
Prior auditor	-	75

27. Share-based payments

The Group operates a number of equity-settled share-based payment programmes that allow employees to acquire shares in the Group. The Group also operates long-term incentive plans for certain members of the Senior Executive team and other members of the Leadership team. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date of such equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions (with a corresponding movement in equity).

The fair value of the options issued under the long-term incentive plan have been determined using industry standard methods, in conjunction with a third-party valuation specialist.

The Group recognised a total share-based payment charge of £214k (2024: £678k). In the prior year, £259k of the total charge was included within nonunderlying items

Long-term incentive plan (LTIP)

The Group has made a number of awards pursuant to the long-term incentive plan as follows:

	2025 LTIP option	2024 LTIP option	2023 LTIP option	2022 LTIP option	2021 LTIP option	2020 LTIP option	2019 LTIP option
Outstanding at 1 January	-	439,690	168,008	280,579	-	-	-
Granted during the year	449,367	-	-	-	-	-	-
Vested during the year	-	-	-	(250,062)	-	-	-
Lapsed during the year	-	-	(75,048)	(30,517)	-	-	-
Outstanding at 31 December	449,367	439,690	92,960	-	-	-	-
Exercisable at 31 December 2025				214,284	99,055	11,844	7,916

The options outstanding and exercisable at the year-end have a weighted average remaining contractual life of 8.3 years.

The options granted will vest subject to the following performance conditions based on EPS being met:

Earnings per share growth	Extent to which EPS tranche will vest
Less than 3%	0%
3%	25%
10%	100%
Between 3% and 10%	Between 25% and 100% on a straight-line basis

All options granted are subject to the same TSR performance criteria as per the table below:

Rank of the Company's TSR compared to the comparator group	Extent to which the TSR tranche will vest
Upper quartile or above	100%
Between median and upper quartile	Pro rata between 25% and 100% on a ranking basis
Median	25%
Below median	0%

27. Share-based payments CONTINUED

2025 LTIP Options

On 28 November 2025 and 22 December 2025, the Board approved two separate grants of nil-cost options under the LTIP. These comprised 155,145 options awarded to members of the Leadership Team and 294,222 options awarded to members of the Senior Executive Team, each over ordinary shares with a nominal value of 20.0 pence per share. The awards will become exercisable upon vesting on 31 December 2027 and 22 December 2028 respectively and may be exercised until 28 November 2035 and 22 December 2035, being the tenth anniversary of the relevant grant dates.

50% of the option award will be subject to the EPS performance condition and the remaining 50% will be subject to the TSR performance condition. Accordingly, if one of the performance conditions is met but the other is not, the Option award will vest in part.

Inputs into the option pricing models were as follows:

	Senior Executive Team	Leadership Team
Weighted average share price	£2.38	£2.49
Weighted average exercise price	£0.20	£0.20
Expected volatility	27.2%	26.7%
Expected life	2.03 years	2.09 years
Expected dividend yield	2.02%	2.09%
Fair value per option – EPS tranche	£2.05	£2.20
Fair value per option – TSR tranche	£1.77	£1.89
Risk-free rate	3.67%	3.62%

2024 LTIP Options

On 24 April 2024, the Board approved the grant of nil-cost options under the LTIP over a total of 439,690 ordinary shares with a nominal value of 20.0 pence per share which were awarded to certain members of the Senior Executive Team. The options were originally intended to be granted on 30 October 2023, however were deferred due to MAR-related conditions. The LTIP awards will vest on 31 December 2026 subject to the performance criteria being met over the three-year financial period ending 31 December 2026. On vesting, awards can be exercised until 24 April 2034, being the tenth anniversary of the date of grant.

50% of the option award will be subject to the EPS performance condition and the remaining 50% will be subject to the TSR performance condition. Accordingly, if one of the performance conditions is met but the other is not, the Option award will vest in part.

Inputs into the option pricing models were as follows:

Weighted average share price	£2.17
Weighted average exercise price	£Nil
Expected volatility	27.9%
Expected life	2.69 years
Expected dividend yield	2.30%
Fair value per option – EPS tranche	£2.03
Fair value per option – TSR tranche	£1.50
Risk-free rate	3.85%

2023 LTIP Options

On 30 October 2023, the Board approved the grant of nil-cost options under the LTIP over a total of 194,346 ordinary shares with a nominal value of 20.0 pence per share which were awarded to certain members of the Senior Executive Team and Leadership Team. During the year 75,048 of the options lapsed due to cessation of employment, leaving 92,960 options outstanding.

The LTIP awards will vest on 31 December 2026 subject to the performance criteria being met over the three-year financial period ending 31 December 2026. On vesting, awards can be exercised until 30 October 2033, being the tenth anniversary of the date of grant.

50% of the option award will be subject to the EPS performance condition and the remaining 50% will be subject to the TSR performance condition. Accordingly, if one of the performance conditions is met but the other is not, the Option award will vest in part.

The fair value of the options issued under the LTIP have been determined using industry standard methods, in conjunction with a third-party valuation specialist.

Inputs into the option pricing models were as follows:

Weighted average share price	£1.73
Weighted average exercise price	£Nil
Expected volatility	31.8%
Expected life	3.2 years
Expected dividend yield	2.55%
Fair value per option – EPS tranche	£1.59
Fair value per option – TSR tranche	£1.08
Risk-free rate	4.39%

2022 LTIP options

On 28 April 2022, the Board approved the grant of nil-cost options under the LTIP over a total of 302,037 ordinary shares with a nominal value of 20.0 pence per share which were awarded to the Company's Executive Directors and certain members of the Senior Executive Team and Leadership Team. During 2023 and 2024 8,175 and 13,283 of the options lapsed respectively due to cessation of employment, leaving 280,579 options outstanding.

On 1 July 2025, 250,062 options vested, with the remaining 30,517 options lapsed. Of the 250,062 vested options, 35,778 options were exercised during the year, leaving 214,284 options unexercised as at 31 December 2025. The participants have 6.5 years in which to exercise these options.

Details of the performance targets set and actual achievement against them in respect of the 2022 LTIP awards vesting, based on a three-year performance to 1 July 2025, are set out below:

Performance measure	Weighting	Performance period end	Threshold (25% vesting)	Maximum (100% vesting)	Actual	% of vesting award
Underlying EPS	50%	1 July 2025	13.0p	15.8p	14.8p	78%
TSR	50%	1 July 2025	Median	Upper quartile	Upper quartile	100%

2021 LTIP option

On 31 December 2024, 124,307 options vested, with the remaining 124,307 options lapsed. Of the 120,307 vested options, 25,252 options were exercised during the year, leaving 99,055 options unexercised as at 31 December 2025. The participants have 6 years in which to exercise these options.

2020 LTIP options

On 31 December 2023, 164,982 options vested, with the remaining 164,982 options lapsed. Of the 20,341 vested options brought forward to 1 January 2025, 8,497 options were exercised during the year, leaving 11,844 options unexercised as at 31 December 2025. The participants have 4.9 years in which to exercise these options.

2019 LTIP options

On 6 June 2022, 145,382 options vested, with the remaining 198,709 options lapsed. Of the 7,916 vested options brought forward to 1 January 2025, nil options were exercised during the year, leaving 7,916 options unexercised as at 31 December 2025. The participants have 3.4 years in which to exercise these options.

28. Related party transactions

This disclosure provides an overview of all transactions with related parties. Interests in subsidiaries are disclosed in note 29.

Transactions between the Company and its subsidiaries, which are related parties, are eliminated in the Consolidated Financial Statements and no information is provided thereon in this section.

Remuneration of the Directors, who are the key management personnel of the Group, is included in the Directors' Remuneration Report, and further disclosed below:

	For the year ended 31 December	
	2025 £'000	2024 £'000
Short-term employee benefits	1,222	1,583
Post-employment benefits	27	27
Share-based payments	168	213
Total	1,417	1,823

Short-term employee benefits include £nil (2024: £392k) arising from gains associated with the exercise of LTIP options during the year.

In addition, during the year the Group also acquired a 25% minority interest in InVetro Pty Ltd. This transaction is classified as a related party transaction under IAS 24 Related Party Disclosures, as InVetro Pty Ltd is an associate of the Group and not a wholly owned subsidiary. The total consideration paid amounted to £1,440k – see note 13.

29. Subsidiary undertakings

Name	Country of incorporation	Registered address	% equity interest		Consolidation method
			2025	2024	
Ecuphar NV	Belgium	Legeweg 157i, 8020 Oostkamp	100%	100%	Fully consolidated
Ecuphar BV	The Netherlands	Verlengde Poolseweg 16, 4818 CL Breda	100%	100%	Fully consolidated
Ecuphar Veterinary Products BV	The Netherlands	Verlengde Poolseweg 16, 4818 CL Breda	100%	100%	Fully consolidated
Ornis Sarl	France	Rue de Roubaix 33, 59200 Tourcoing	100%	100%	Fully consolidated
Ecuphar GmbH	Germany	Brandteichstraße 20, 17489 Greifswald	100%	100%	Fully consolidated
Euracon Pharma Consulting und Trading GmbH	Germany	Max-Planck Str. 11, 85716 Unterschleißheim	100%	100%	Fully consolidated
Ecuphar Veterinaria Slu	Spain	C/ Cerdanya, 10-12, pl 6. 08173 Sant Cugat del Vallés Barcelona	100%	100%	Fully consolidated
Ecuphar Italia S.r.l	Italy	Viale Francesco Restelli, 3/7, piano 1, 20124 Milano	100%	100%	Fully consolidated
Belphar LDA	Portugal	Sintra Business Park, Edifício 1, Escritório 2K 2710-089 Sintra	100%	100%	Fully consolidated
Animalcare Ltd	United Kingdom	Moorside, Monks Cross, York, YO32 9LB	100%	100%	Fully consolidated
Animalcare Australia Pty Ltd	Australia	71 Milperra Rd, Revesby NSW	100%	100%	Fully consolidated
Randlab Australia Pty Ltd	Australia	71 Milperra Rd, Revesby NSW 2212	100%	0%	Fully consolidated
Randlab Middle East Veterinary Medicines Trading LLC	United Arab Emirates	Warehouse 5 Area 3, AL Qusais Industrial Estate, Dubai	100%	0%	Fully consolidated
Randlab (New Zealand) Ltd	New Zealand	3/180 Montgomerie Road, Mangere, Auckland, New Zealand	100%	0%	Fully consolidated
Randlab Pty Ltd	Australia	71 Milperra Rd, Revesby NSW 2212	100%	0%	Fully consolidated
InVetro Pty Ltd	Australia	Level 24, Three International Towers, 300 Barangaroo Avenue, Barangaroo, NSW 2000	25%	0%	Equity method

30. 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 that was published on 12 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.

Company Statement of Financial Position

AS AT 31 DECEMBER 2025

	Note	As at 31 December	
		2025 £'000	2024 £'000
Non-current assets			
Investments in subsidiary companies	4	148,696	148,293
Trade and other receivables	5	57,668	19,448
Right-of-use-assets	8	8	20
Deferred tax asset	9	454	571
		206,826	168,332
Current assets			
Trade and other receivables	5	2,850	8,643
Cash and cash equivalents	6	–	14
		2,850	8,657
Total assets		209,676	176,989
Current liabilities			
Trade and other payables	7	(994)	(1,180)
Lease liabilities	8	(7)	(12)
		(1,001)	(1,192)
Net current assets		1,849	7,465
Non-current liabilities			
Lease liabilities	8	–	(7)
Trade and other payables	7	(24,365)	–
		(24,365)	(7)
Total liabilities		(25,366)	(1,199)
Net assets		184,310	175,790
Capital and reserves			
Called-up share capital	10	13,809	13,795
Share premium account		149,992	149,992
Retained earnings		20,509	12,003
Total shareholders' funds		184,310	175,790

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present a separate Profit and Loss account in these separate financial statements. The total comprehensive income dealt with in the financial statements of the Company was £11,677k (2024: £6,883k).

The notes on pages 168 to 175 are an integral part of these financial statements.

The financial statements of Animalcare Group plc, registered number 01058015, on pages 166 to 175, were approved by the Board of Directors and authorised for issue on 13 May 2026. They were signed on their behalf by:

JENNIFER WINTER
Chief Executive Officer

CHRIS BREWSTER
Chief Financial Officer

Company Statement of Changes in Equity

YEAR ENDED 31 DECEMBER 2025

	Note	Share capital £'000	Share premium £'000	Retained earnings £'000	Total shareholders' funds £'000
Balance at 1 January 2024		12,022	132,798	7,745	152,565
Total comprehensive income for the year		–	–	6,883	6,883
Transactions with owners of the Company, recognised in equity:					
Capital increase (net of costs)	10	1,720	17,194	–	18,914
Exercise of share options	10	53	–	–	53
Dividends paid	3	–	–	(3,019)	(3,019)
Share-based remuneration	11	–	–	394	394
Balance at 31 December 2024 and 1 January 2025		13,795	149,992	12,003	175,790
Total comprehensive income for the year		–	–	11,677	11,677
Transactions with owners of the Company, recognised in equity:					
Exercise of share options	10	14	–	–	14
Dividends paid	3	–	–	(3,587)	(3,587)
Share-based remuneration	11	–	–	416	416
Balance at 31 December 2025		13,809	149,992	20,509	184,310

Notes to the Company Financial Statements

YEAR ENDED 31 DECEMBER 2025

1. Material accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements of the Company.

Financial Information

Animalcare Group plc (“the Company”) is a public company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is domiciled in the United Kingdom. The address of its registered office is Moorside, Monks Cross, York, YO32 9LB. The Company’s principal activities are that of a holding company for the Group’s subsidiaries.

Basis of preparation

The Company financial statements cover year from 1 January 2025 to 31 December 2025.

The financial statements have been prepared and approved by the Directors under the historical cost convention, in accordance with Financial Reporting Standard 101 “Reduced Disclosure Framework” (FRS 101) and in conformity with the requirements of the Companies Act 2006.

The Company has elected to adopt FRS 101 for the year ended 31 December 2025 and its comparatives. In preparing these financial statements, the Company has applied the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted international accounting standards), but has made amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions. The Company has departed from consistent accounting policies with the Group as the Group financial statements are prepared under UK-adopted international accounting standard and the Company Directors have taken the decision to prepare the Company financial statements in accordance with FRS 101.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present a separate Profit and Loss account in these separate financial statements. The total comprehensive income dealt with in the financial statements of the Company was £11,677k (2024: £6,883k profit).

Disclosure exemptions adopted

Under FRS 101, the following disclosures exemptions have been adopted:

- Preparation of a cash flow statement – IAS 7 Statement of Cash flows

- Paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment requiring the details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of the Group as they are wholly owned within the Group
- Paragraph 17 of IAS 24 Related Party Disclosures (key management compensation)
- Paragraphs 30 and 31 of IAS 8 Accounting policies, changes in accounting estimates and errors (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- IFRS 7 Financial Instruments: Disclosure

Going concern

The Company is the Parent of the Group, therefore for the purposes of the assessment of going concern the Group as a whole is considered, as financing is arranged on a group-wide basis.

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 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 optimizes 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%

As of 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.

The principal risks and uncertainties facing the Group are set out in the Strategic Report.

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 a higher level of investment in our early-stage 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. 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.

Employee benefits – pensions

The Company operates a stakeholder pension scheme available to all eligible employees. Payments to this scheme are charged as an expense as they fall due.

Investments in subsidiaries

Investments in Group companies are stated at cost less provisions for impairment losses.

Share options issued by the Company to employees in a subsidiary of the Group are capitalised as an asset in the Company’s financial statements. The capitalised amount is recorded as an investment in the subsidiary, and the value of the issued Share Options is transferred to the subsidiary. The transfer is recorded as an intercompany transaction, with the corresponding entry in the subsidiary’s financial statements.

Impairment indicator assessments are undertaken annually at the financial year end.

Whenever events or changes in circumstances indicate that the carrying amount of investments may not be recoverable, they are subject to impairment tests.

Where the carrying value of investments exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the investments are written down accordingly.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to future cash flows projected after the fifth year.

Impairment charges are included in profit or loss.

Dividends

Dividends paid are recognised within the statement of changes in equity only when an obligation to pay the dividend arises prior to the year end.

Share-based payments

The Company operates a number of equity-settled share-based payment programmes that allow employees to acquire shares of the Company via a Long-Term Incentive Plan for certain members of the Leadership Team and Executive Directors. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date of such equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company’s estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions (with a corresponding movement in equity).

The fair value of the options issued under the Long-Term Incentive Plan has been determined using industry standard methods, in conjunction with a third-party valuation specialist.

Notes to the Company Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

1. Material accounting policies CONTINUED

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 net profit as reported in the statement of comprehensive income 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 Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

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 balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be financial

instruments and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

The Company measures loss allowances at an amount equal to lifetime ECL, except for bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured as 12-month ECL.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits repayable on demand, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial liabilities and equity

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

Shares issued by the company are recognised through equity and measured at the fair value of the proceeds received, net of directly attributable transaction costs. The par value of issued shares is recorded in share capital, and any amount received in excess of the par value is recorded through share premium. Direct costs related to the issuance of shares are deducted from the proceeds and recorded as a reduction in share premium. Indirect costs are expensed as incurred.

New standards adopted as of 2025

Standards and interpretations applicable for the annual period beginning on or after 1 January 2025

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The Group has no transactions that would be affected by the newly effective standards or its accounting policies are already consistent with the new requirements. The Group has not early adopted any standards.

Material accounting judgements, estimates and assumptions

CARRYING VALUE OF INVESTMENTS IN SUBSIDIARY COMPANIES

Investments in subsidiaries are reviewed annually for impairment. This assessment required management to make significant judgements and estimates, including an initial assessment as to whether indicators are identified. When indicators are identified, determining whether the Company's investments in subsidiaries have been impaired requires estimations of the investment's value in use or consideration of the net asset value of the entity. These value in use calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. Where such calculations are required, they prepared in conjunction with the impairment test in relation to goodwill, details of which are provided in note 10 of the consolidated financial statements.

2. Directors' remuneration and interests

Information relating to Directors' emoluments and share options, including awards made during the financial year, is set out in note 8.7 of the Group's consolidated financial statements.

3. Dividends

	For the year ended 31 December	
	2025 £'000	2024 £'000
Ordinary final dividend for the year ended 31 December 2023 of 3.0p per share	–	1,803
Ordinary interim dividend paid for the year ended 31 December 2024 of 2.0p per share	–	1,216
Ordinary final dividend for the year ended 31 December 2024 of 3.0 p per share	2,070	–
Ordinary interim dividend paid for the year ended 31 December 2025 of 2.2p per share	1,517	–
	3,587	3,019

An interim dividend of 2.2 pence per share was paid in November 2025. 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.

4. Investments in subsidiary companies

Subsidiary undertakings

	2025 £'000	2024 £'000
Cost and net book value		
At 1 January	148,293	148,114
LTIP awards for subsidiary employees	403	179
At 31 December	148,696	148,293

Investments in subsidiaries are assessed annually to determine if there is any indication that these may be impaired.

Notes to the Company Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

4. Investments in subsidiary companies CONTINUED

A list of the subsidiary undertakings at the date of the statement of financial position, all of which are wholly owned, is given below.

Name	Country of registration or incorporation	Registered address	Principal activity	Class
Ecuphar NV	Belgium	Legeweg 157i, 8020 Oostkamp	Holding company, marketer of veterinary pharmaceuticals	Ordinary
Animalcare Limited ¹	United Kingdom	Moorside, Monks Cross, York YO32 9LB	Developer and marketer of veterinary pharmaceuticals	Ordinary
Ecuphar BV ¹	The Netherlands	Verlengde Poolseweg 16, 4818 CL Breda	Marketer of veterinary pharmaceuticals	Ordinary
Ecuphar Veterinary Products BV ¹	The Netherlands	Verlengde Poolseweg 16, 4818 CL Breda	Non-trading	Ordinary
Ornis SARL ¹	France	Rue de Roubaix 33, 59200 Tourcoing	Non-trading	Ordinary
Ecuphar GmbH ¹	Germany	Brandteichstraße 20, 17489 Greifswald	Marketer of veterinary pharmaceuticals	Ordinary
Euracon Pharma Consulting & Trading GmbH ¹	Germany	Max-Planck Str. 11, 85716 Unterschleißheim	Non-trading	Ordinary
Ecuphar Veterinaria SLU ¹	Spain	Carrer Cerdanya, 10, 12, 08173 Sant Cugat del Vallès, Barcelona	Developer and marketer of veterinary pharmaceuticals	Ordinary
Ecuphar Italia SRL ¹	Italy	Viale Francesco Restelli, 3/7, piano 1, 20124 Milano	Marketer of veterinary pharmaceuticals	Ordinary
Belphar LDA ¹	Portugal	Sintra Business Park , nº 7, Edifício 1-Escritório 2K, 2710 089 Sintra	Marketer of veterinary pharmaceuticals	Ordinary
Animalcare Australia Pty ¹	Australia	71 Milperra Rd, Revesby NSW 2212	Holding company	Ordinary
Randlab Australia Pty Ltd ¹	Australia	71 Milperra Rd, Revesby NSW 2212	Marketer of veterinary pharmaceuticals	Ordinary
Randlab Middle East Veterinary Medicines Trading LLC ¹	United Arab Emirates	Warehouse 5 Area 3, AL Qusais Industrial Estate, Dubai	Marketer of veterinary pharmaceuticals	Ordinary
Randlab (New Zealand) Ltd ¹	New Zealand	3/180 Montgomerie Road, Mangere, Auckland, New Zealand	Marketer of veterinary pharmaceuticals	Ordinary
Randlab Pty Ltd ¹	Australia	71 Milperra Rd, Revesby NSW 2212	Holding company	Ordinary

¹ These subsidiaries are indirectly owned through related undertakings in the list.

5. Trade and other receivables

Trade and other receivables include the following:

	As at 31 December	
	2025 £'000	2024 £'000
Current receivables		
Corporation tax – Group relief	2,485	2,843
Prepayments	23	58
Amounts due from subsidiaries	342	5,742
Total current receivables	2,850	8,643
Non-current receivables		
Amounts due from subsidiaries	57,668	19,448
Total non-current receivables	57,668	19,448
Total receivables	60,518	28,091

The corporation tax receivable reflects the relief allocated to fellow Group companies within the same tax group, arising from the cumulative taxable loss built up within the Company.

The Directors consider that the carrying amount of other receivables approximates to their fair value.

Non-current amounts due from Group undertakings at 31 December 2025 are unsecured, and repayment may only be made with the unanimous written consent of all Parties and only where such repayment would not impair solvency or liquidity. There is no expectation of repayment in the foreseeable future.

Current amounts due from Group undertakings are unsecured, have no fixed repayment date and are repayable on demand.

6. Cash and cash equivalents

	As at 31 December	
	2025 £'000	2024 £'000
Cash and cash equivalents	–	14

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less

7. Other financial liabilities

	Note	As at 31 December	
		2025 £'000	2024 £'000
Current liabilities			
Trade payables		119	296
Lease liabilities	8	7	12
Taxes and social security costs		139	126
Other creditors		140	201
Accruals		502	557
Amounts due to subsidiaries		94	–
Total current liabilities		1,001	1,192
Non-current liabilities			
Amounts due to subsidiaries		24,365	–
Lease liabilities	8	–	7
Total non-current liabilities		24,365	7
Total financial liabilities		25,366	1,199

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

Notes to the Company Financial Statements CONTINUED

YEAR ENDED 31 DECEMBER 2025

8. IFRS 16 Leases

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

	2025 £'000	2024 £'000
Vehicles	8	20
Total right-of-use assets	8	20
Current lease liabilities	7	12
Non-current lease liabilities	–	7
Total lease liabilities	7	19

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

	Vehicles £'000
Acquisition value/cost	
At 1 January 2025 and 31 December 2025	48
Accumulated depreciation	
At 1 January 2025	(28)
Depreciation charge for the year	(12)
At 31 December 2025	(40)
Net book value	
At 31 December 2025	8

The following amounts are recognised in the income statement:

	For the year ended 31 December 2025 £'000
Depreciation expense of right-of-use assets	(12)
Total amount recognised in the income statement	(12)

Below are the values for the movements in lease liability during the year:

	Lease liability £'000
As at 1 January 2025	(19)
Payments	12
As at 31 December 2025	(7)

Interest expense on lease liabilities recognised in the income statement amounted to less than £1k and is therefore not disclosed in the tables above. There was no expense incurred during the current or prior year in respect of short-term leases, low-value assets or variable lease payments.

9. Deferred tax asset

The following are the major components of the deferred tax assets recognised by the Company, and the movements thereon, during the current and prior reporting period:

	Accelerated tax depreciation £'000	Share-based payments £'000	Tax losses '000	FX gain/loss through OCI £'000	Other £'000	Total £'000
Balance at 1 January 2025	(2)	(488)	–	–	(81)	(571)
Credit to income	–	57	(318)	–	77	(184)
Credit to equity reserves	–	209	(63)	155	–	301
At 31 December 2025	(2)	(222)	(381)	155	(4)	(454)

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would move to 25% (rather than remain at 19%, as previously enacted). Deferred taxes as at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

10. Called-up share capital

Share capital

	As at 31 December	
	2025 Number	2024 Number
Allotted, called up and fully paid ordinary shares of 20p each	69,045,945	68,976,418

	As at 31 December	
	2025 £'000	2024 £'000
Allotted, called up and fully paid ordinary shares of 20p each	13,809	13,795

The Company does not have a limited amount of authorised share capital.

The following share transactions have taken place during the year ended 31 December 2025:

	2025	
	Number	£'000
At 1 January 2025	68,976,418	13,795
Exercise of share options	69,527	14
At 31 December 2025	69,045,945	13,809

11. Share-based payments

For details of the company's share-based payments arrangements see note 27 of the Group's consolidated financial statements.

12. Subsequent events

For details of the company's subsequent events see note 30 of the Group's consolidated financial statements.

Directors and Advisers

Board of Directors

Chair

Ed Torr

Chief Executive Officer

Jennifer Winter

Chief Financial Officer

Chris Brewster

Non-Executive Directors

Doug Hutchens

Sylvia Metayer

Marc Coucke

Alternate Director to Marc Coucke – Els Degroote

Company Secretary

Chris Brewster

Company Number

01058015

Registered Office

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York

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Nominated Adviser

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Broker

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Registrars

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The production of this report supports the work of the Woodland Trust, the UK's leading woodland conservation charity. Each tree planted will grow into a vital carbon store, helping to reduce environmental impact as well as creating natural havens for wildlife and people.



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