

NEXTEQ

A platform for success

Annual report
and accounts

Annual report and accounts
for the year ended 31 December 2025

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Introduction and highlights

Nexteq is a B2B technology company that enables customers in selected industrial markets to outsource the design, development and supply of non-core aspects of their product offering. We are the leading experts in delivering pioneering technology that empowers our partners to fulfil their creative visions.

Our values



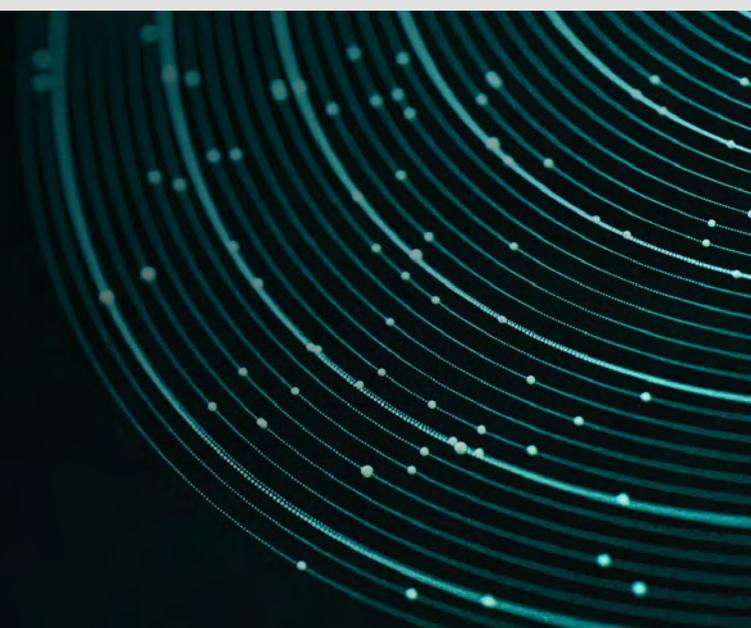
Innovation

We believe that success comes through innovation. We champion creative thinking within our group and actively seek new viewpoints.



Collaboration

We work together with our customers to truly understand their needs and support them. With our colleagues and partners, we're always friendly, honest and supportive.





Expertise

We value knowledge and take pride in our professionalism. We invest in skills and state-of-the-art thinking so our customers can depend on our expertise.



Determination

We don't cut corners even while we strive for efficiencies. We enjoy hard work and have an absolute commitment and determination to see a task to completion.



Responsibility

We believe in being accountable for our actions. We're open and honest about how we do business and are always accessible to shareholders, employees and customers.

Visit our corporate website at www.nexteqplc.com to access a wide range of investor materials including, the latest news and press releases, financial reports and publications, and detailed information about the Company.

Highlights

Financial highlights

Group revenue

↑ 4%

\$90.2m

(2024: \$86.7m)

Group gross margin

↓ 310bps

32.8%

(2024: 35.9%)

Adjusted profit before tax¹

↓ 25%

\$3.6m

(2024: \$4.8m)

Group profit before tax

↑ 88%

\$3.2m

(2024: \$1.7m)

Adjusted EBITDA¹

↑ 4%

\$6.2m

(2024: \$5.9m)

Adjusted diluted earnings per share¹

↓ 29%

3.63c

(2024: 5.08c)²

Diluted earnings per share

↑ 554%

3.14c

(2024: 0.48c)

Net cash from operating activities

↓ 73%

\$3.5m

(2024: 13.0m)

Net cash¹

↓ 14%

\$25.0m

(2024: \$29.1m)

¹ For details on adjusted measures refer to Note 1 and Note 9 of the financial statements.

Operational highlights

Product innovation and launches

- Deniston's ProDeck control solution won two awards at leading Broadcast tradeshows in 2025. The hardware has been integrated with key third-party software solutions and we continue to expand these integrations to support channel sales.
- Launchpad, our gaming software platform, was introduced at the G2E October 2025 and officially launched at ICE Barcelona 2026. This unique proposition enables customers to bring game content to market faster, provides Nexteq a recurring revenue software model and we have seen encouraging early pipeline momentum.
- Our latest Quixant gaming PC, the IQON 3, the first in our range developed with DDR5 memory, launched at G2E Las Vegas in October 2025, followed by the fanned IQON Air 3 at ICE Barcelona in January. Both systems received positive reviews and are generating a growing pipeline of opportunities.
- Interactive display units leveraging our proprietary tactile technology were delivered to our first two Tactila customers in the second half of the year, with work progressing towards mass production in Taiwan in Q2 2026.

Customer delivery and market engagement

- Quixant cabinets launched in UK casinos following the July 2025 government white paper, with Quixant designed and manufactured turnkey cabinets now being played by UK consumers. Cabinets also went live on Scandinavian cruise ships for the first time.
- Increased the number of \$1m customers to 14 (2024: 10), delivering better revenue diversification.

Supply chain and cost management

- Executed strategic buys of key components in H2 2025 to ensure supply and minimise the impact of sharply increasing prices in the memory market for DDR4.

Chairs statement



My introduction to Nexteq was as Non-Executive Director three years ago; it was a privilege to be asked to be Chair during 2025 and an opportunity to shape the future of the business, working with its very talented and engaging senior team to take advantage of the opportunities emerging from new technology innovations and territories, and refreshed strategy to reach wider audiences.

Nexteq is a diverse, ambitious and creative company, evolving confidently at pace in a global economic environment, which continues to be uncertain with well-documented headwinds impacting most technology-organisations.

Assisting and supporting the Nexteq Executive management team in delivering the commitments made in the three-year plan continues to be a balanced mixture of challenging, fascinating and rewarding. Quixant and Densitron serving our vertical markets through fit-for-purpose platforms that enable customers to focus on the user experience and delight their end users. The key to delivering our growth remains in the focus of developing new technology, and in delighting our customers through our innovation, supply chain excellence and our expert, dedicated and energetic team.

Review of 2025

2024 was a year of significant change within the organisation, therefore it was important in 2025 that the business settled into new leadership and was given new, clear and measurable goals to coalesce around multiple deliverables, with one mission.

In February 2025, the Group held a Capital Markets Day (CMD) to unveil a set of objectives designed to ensure the Group focussed on creating exciting new technology to drive growth in challenging market conditions, across our verticals. Progress has been made against these objectives despite the ‘headwinds’ in our markets around the impact of tariffs; continuing component shortages and cost increases, and the significant impact of our historically largest customer being acquired in 2025.

To have delivered revenue growth in a year in the midst of such external forces, demonstrates the resilience of the Group and the entire Nexteq team. Historically, revenue concentration in a single major customer meant that a rapid reduction in that business could have created meaningful short-term disruption and risked slowing our investment and growth plans. Instead, we responded by using the change as a catalyst to sharpen our strategy, accelerate new thinking, and translate insight into new products and commercial wins. The team have demonstrated resilience and creativity, which is the bedrock of a flexible and robust team focused on execution and sustainable growth.

The business delivered its revenue and adjusted PBT commitments, alongside delivering positive operating cashflow, ending the year with \$25.0m net cash (2024: \$29.1m), which included returning value to shareholders through its dividends of \$3.0m and \$0.6m via our share buyback programme. The Group moves into 2026 with exciting new products launching and a growing customer opportunity pipeline of new Nexteq IP based solutions.

Headwinds continue, but new products bring optimism

At the CMD in February 2025, the Group outlined its 'signposts to success', and its objective to hit \$108m revenue, gross margins of 35%-38% and adjusted EBITDA margins of 10%-15% by the end of 2027. Subsequent material news regarding the acquisition of the Group's historically largest customer, led to the market announcement in December 2025 outlining the impact on 2026 performance and on the timing of the three-year plan outcome, with the objectives now targeted for 2028.

The Executive leadership team is resolute that the business is making informed and high-quality decisions and will continue to focus on what is within its control, with a clear focus on delivering new technology innovation.

In October 2025, Launchpad™ — our software platform for land-based gaming — was introduced at G2E in the US. The Launchpad platform enables customers to accelerate time-to-market in regulated jurisdictions

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while focusing internal effort on content and player experience. The platform was officially unveiled to the wider market at ICE Barcelona in January 2026. Whilst delivering the essential differentiators to our customers, this software innovation allows us to generate software recurring revenue opportunities alongside the repeatable model of the gaming computers. The latest computer offerings of the IQON 3 and the IQON Air 3, bring true innovation and the latest technology to our customers, incorporating the latest DDR5 memory solution. The opportunity pipeline for Launchpad is developing, and we secured our first customer in February 2026 for this new software based revenue.

Equally exciting is the continuing development of Densitron's unique Tactila HMI solution, alongside the award winning ProDeck, providing Densitron's customers truly innovative, differentiated display, touch and tactile solutions. Throughout 2026 the growing customer base adopting Tactila will be on-boarded and is expected to contribute to Group revenue, as longer integration cycles complete.

With this as a backdrop you will see acceleration of our plans around targeting new market verticals with our 'OneNexseq' range of technologies and solutions, where we combine our embedded computing and HMI technologies to create new solutions for our customers. The thought leadership, and engineering capability in Nexseq is a truly inspirational combination, and will continuously drive the development of our product roadmaps.

We will continue to target M&A activity to accelerate capability development, market expertise, and revenue growth, but will do so in a structured way, and will be rightly demanding in what M&A opportunities can bring. Whilst the 'headwinds' will impact revenue and margin in 2026, the potential for exceptional growth in 2027 and beyond is clearly in sight.

Sustainable growth

Our commitment to long-term, sustainable value creation remains a central component of our evolution. In addition to being Carbon Neutral in 2025, the Group continues to make progress towards its target of achieving Net Zero emissions by 2050. The work completed against the five UN Sustainability Development Goals (SDGs) identified for the Group includes expanding apprenticeships and continuing our contribution to carbon reduction initiatives.

Dividend and share buyback programme

The Board has agreed to maintain the existing progressive dividend policy as this is supported by the healthy operating cash flow and strong cash balance. This strength enables us to fund investment and strategic change while continuing to return value to shareholders — position that is a rare privilege for AIM-listed companies in the current environment.

As a result, the Board considers it appropriate to recommend a full-year dividend of 3.9p per share (2024: 3.7 per share).

The Group's original share buyback programme, launched in H2 of 2024, returned \$0.6m of cash to shareholders during 2025 (the balance of the total \$7.6m bought back since 2024) with 100% of the approved buybacks having been completed by the first half of 2025. A subsequent share buyback programme was launched at the end of 2025, which has resulted in further buybacks in early 2026. On expiry of the current buyback programme, the Board intends to seek a new authority at the AGM for a further buyback programme. It is intended that the further buyback programme would be used selectively, if approved.

Looking ahead

Whilst we have continuing headwinds to deal with, we look forward to 2026 and beyond with a clear direction and true enthusiasm. By focussing on the things that we can control and having strategies to pivot around issues which we cannot, I believe that Nexteq can deliver an exciting future for its wonderful team of colleagues; its customers; partners and investors.

On behalf of the Board, I would like to express our gratitude to the OneNexteq team for their skills, energy and resilience, and I look forward to celebrating our successes in 2026 and beyond.



Carol Thompson | Chair



Chief executives report



2025 in summary

2025 was a year of successful delivery for Nexteq, and I am extremely proud of our achievements. We exceeded the commitments set out at our Capital Markets Day (CMD) in February, despite well-documented external headwinds including a significant change in the customer mix, tariffs, ongoing component supply-chain constraints, and unexpected end-of-life (EOL) issues. The business continued to perform strongly, underpinned by excellent customer service and the successful delivery of market-leading, technology-based products and solutions. Our ability to execute against our plans in a challenging environment demonstrates the resilience of our operating model, the strength of our customer and technology proposition, and the skill and determination of our team.

Nexteq is an exceptional technology product business. The 'OneNexteq' objective gathered momentum as we focussed on what sets us apart in our markets: our ability to combine all of the skills across the Group to deliver a unique innovation agenda.

Whilst 2025 did have its challenges, the Group delivered revenues of \$90.2m (FY24: \$86.7m), 5% ahead of guidance given at the Capital Markets event. This is testament to the Group's product development approach; customer relationships and effective management of three significant 'headwinds':

1. Tariffs

The Group implemented targeted actions ensuring the impact of tariffs was minimised. In the Gaming sector, the team managed to secure zero tariff impact, whilst in the Industrial Displays markets, a small increase to the original tariff level was seen, with the impact passed down the supply chain. The real impact was from tariffs on other components within customers' bills of materials which increased end-product costs and reduced customer demand, indirectly impacting Nexteq.

2. Component supply chain issues

Throughout 2025, the impact of growth in AI solution providers relating to server development has meant DDR4, DDR5 and SSD availability has been seriously impacted with the volume being devoured by these AI organisations. This has led to eye-watering and regular price increases across these products, resulting in Bill of Material (BoM) cost increases across our customer base. The Group has a strong track record of managing supply chains and customer demand through a combination of revised commercial terms and strategic component stock purchases, utilising the strength of Nexteq's balance sheet to ensure integrity of supply for our customers and minimising the impact of Nexteq's gross margin.

3. Customer mix changes

The biggest impact on 2025 outcome was the changing customer mix. The Group's historically largest customer was acquired by private equity in 2025, leading to a significant reduction in their volume in 2025. Whilst this acquisition was known from the start of the year, the volume risk crystallised sooner, and more dramatically than predicted. We assumed a prudent 25% board volume reduction, but the reduction was actually 70%, as the new organisation aggressively rationalised its product range to deliver operating cost savings. It is important to note that this customer was historically the Group's largest customer from a revenue and margin perspective, highlighting the outstanding performance to deliver the revenue growth of 4% for the Group in 2025.

Nonetheless, operational challenges can be the catalyst for innovation. Through the launch of a new gaming hardware platform, we deepened an existing customer relationship, helping to mitigate some of the impact of the sudden volume reduction. The innovative new platform delivered enhanced graphics performance, supporting our customers' product development and enabling them to win significant volume, and generating new revenue for the Group. This new revenue was significant, but with a lower margin yield, and this will continue to be a 'new reality' for Nexteq to deal with on a continuing basis.

2025 was a year of integrating key business structures as we pushed ahead with our OneNexteq agenda, to collaborate as much as possible to best utilise the tremendous skills we have. We have combined our skills across the Product teams, Operations and customer technical support to make us operationally efficient, and highly effective in delivering new product roadmaps.

Positive operating cash generation continues

Nexteq operates a highly efficient business model, resulting in strong and consistent operating cash generation across the Group. In 2025, this underpinned the dividend payment of \$3.0m, and the return of \$0.6m back to shareholders through our first share Buyback programme. Even with this, the Group ended with \$25.0m of net cash, giving us the flexibility to introduce a further share Buyback programme, consider targeted 'bolt-on' M&A, and invest in sourcing critical components through strategic stock purchases.

Growth strategy: performance vs strategic objectives

At the CMD in February, we outlined the ‘signposts to success’ for the three-year plan (pushed back from 2027 completion to 2028), with the key objectives for customer and product development to support long-term growth. These have become the driving force behind OneNexteq’s delivery agenda. We made progress across our signposts to success and I am delighted with the focus the business has on these pillars of achievement.

Signposts to success:

1. Pipeline growth

Under our new OneNexteq sales leadership focus, and with the new Group Customer Relationship Management (CRM) system in place, the business had set an objective to deliver 50% growth to total contract value (TCV) of \$630m by the end of 2027. We are on track to deliver this challenging objective, developing our pipeline to a value of over \$480m by year end 2025.

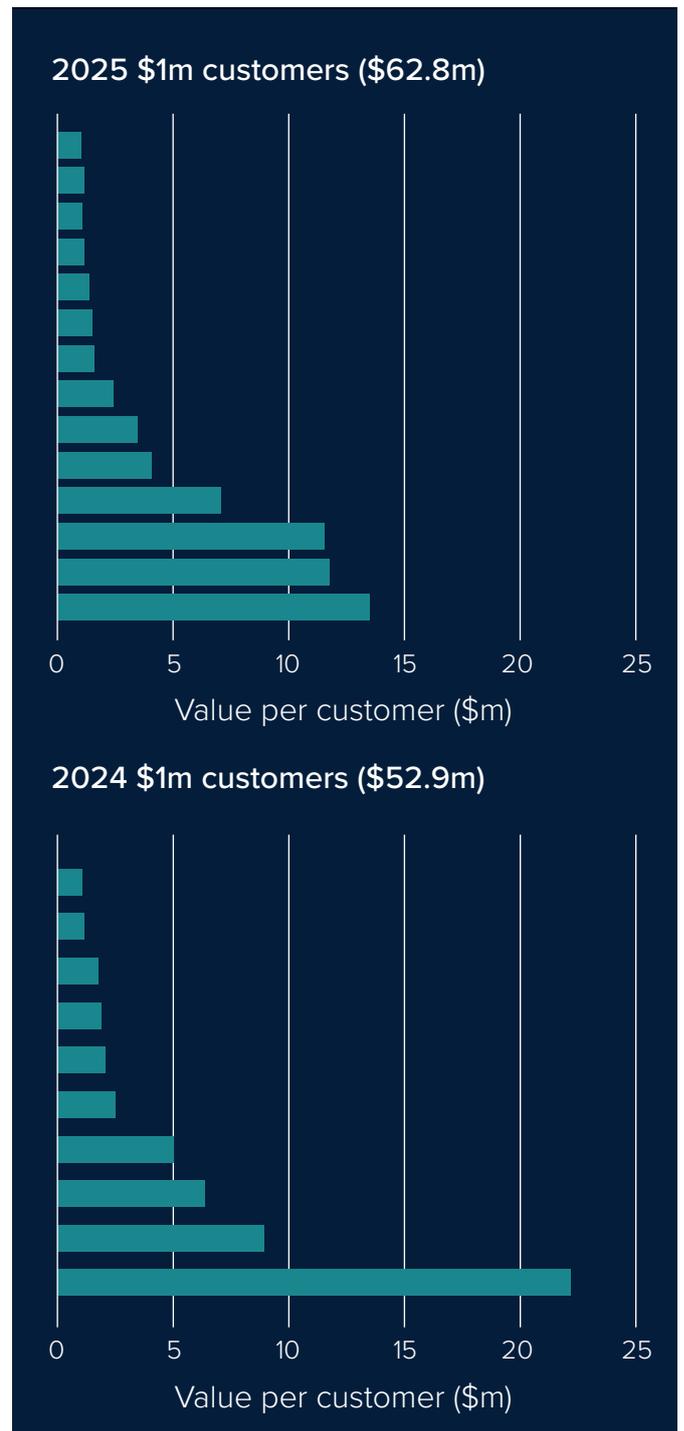
2. Nexteq IP revenue.

The development of proprietary intellectual property is a core pillar of the Group’s product strategy. The Group set the objective to generate \$10m of revenue from newly created Nexteq IP by FY2027. \$3m new Nexteq IP revenue was achieved through the Group’s gaming turnkey cabinet solutions and its innovative HMI offering, particularly through its award winning ProDeck solution. With committed orders in place for 2026 and new innovations being introduced, the Group is well positioned to deliver further progress towards this objective.

3. Number of \$1m customers.

Diversification of our revenue is a constant focus and growing the number of \$1m customers from both the Quixant and Densitron brands, will make our business healthier in the long term and reduce customer concentration. In 2024, the Group had ten \$1m-value customers, and this grew to 14 in 2025, with growth delivered across both brands. Quixant had eight \$1m customers (2024: seven) and Densitron had six (2024: three). A clear focus on organic growth in current

accounts, supported by product development efforts has enabled us to deliver this. We are onboarding several customers wins that are expected to scale to deliver the 2027 goal of 20 \$1m-value customers.

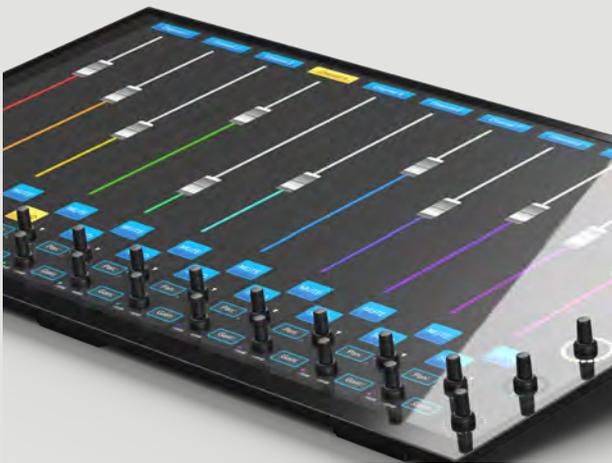


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Product Innovation: progress against 2025 objectives

The Group's three-year plan defined key product deliverables for 2025, supporting the execution of its longer-term strategy.



Tactila

Develop and launch Tactila HMI solution - Achieved

Three top ten broadcasters have adopted the market leading Rotary Dial technology and are being on-boarded through Q1 and Q2 of 2026. Revenue will commence in H2 2026 as planned, with mass production taking place in Taiwan. We also celebrated several prestigious industry awards in recognition of the innovation and performance of our ProDeck solution.

Grow the core business of Densitron by 10% - Still in progress

The Core Densitron business had a difficult 2024, with both North America and Rest of the World regions being impacted by key components going End of Life (EOL). New business was secured during 2025, however, given Densitron's long product development and customer integration cycles, the revenue impact will be weighted to 2026 and beyond.

Develop new gaming platforms for the two largest customers - Achieved

We successfully developed and delivered bespoke new platforms for our two largest customers in 2025. Both platforms utilise the latest technology to allow maximum creativity in support of impressive new game content that will drive cabinet sales for them, incorporating the new Quixant computer. The new platform in our historically largest customer is a game changer, however, following the acquisition described above, volumes are expected to reduce in the near term, while presenting a significant opportunity to broaden our relationship with the acquirer.

Delivering Tactila, ProDeck, IQON 3 and Launchpad demonstrates renewed momentum in product development across Nexteq. We have focused on innovation and clear market differentiation, with the benefits of this investment expected to be realised through 2026 and beyond.



IQON³

Develop a ground breaking new gaming hardware platform - Achieved

The IQON 3 and IQON Air 3 are our next-generation gaming computers, delivering market-leading AMD processing at a competitive price point. Available in fan and fanless configurations, they provide greater power and performance, and unlock new market opportunities by supporting a wider range of customer deployments.

Crucially, these solutions were the first we delivered without shortage-driven design compromises, instead engineered for long-term supply chain resilience and incorporating the latest DDR5 memory. The offering was launched in the USA at G2E in October 2025 and brought to the European market at ICE 2026, with strong market feedback and early customer validation.



LAUNCHPAD from Quixant

Successful market launch of our software solution Launchpad - Achieved

In 2025, Quixant delivered meaningful innovation in gaming software with the launch of Launchpad, a platform designed to transform how customers deploy and manage gaming content. By enabling customers to outsource both the hardware and software platform, Launchpad allows them to focus resources on game development — supporting stronger content, increased cabinet sales, and higher demand for Quixant solutions.

Launchpad is offered alongside our hardware platforms and provides opportunity to generate recurring revenue for Nexteq. Importantly, the platform also enables online gaming companies to bring their content into land-based environments, opening access to new market opportunities.

Gaming review – Quixant

Quixant is a market-leading provider of technology solutions to the land-based gaming market, predominantly dealing with game manufacturers that sell slot machines to a range of operators, from Casinos through to individual leisure venues. Quixant supplies gaming computers, monitors and full turnkey cabinets and has expanded its offering to include software platforms - enabling customers to focus their R&D investment on creating better game content.

Our customers succeed through outstanding gameplay and content; Quixant provides the specialist technology that enables game designers to maximise creativity and performance. We offer a broad portfolio spanning different price points and graphics capabilities, underpinned by a common Quixant Software Suite across our computer range. This standardised platform allows customers to deploy different PCs within their estate to match game performance requirements, while maintaining a consistent development and operational environment.

Since 2020, when the pandemic started, Quixant has become an expert in managing the impact of component shortages. Through our internal team of engineers, we are able to switch between component manufacturers based on availability, which means that our customers can ensure continuity of supply in supply constrained component circumstances. Component supply issues continued throughout 2025, with DDR4 memory and SSDs the latest challenge as AI-driven demand tightened availability and increased pricing. DDR4 supply was further constrained as the market transitioned to newer standards, with manufacturers prioritising higher-value DDR5 production and phasing DDR4 toward end-of-life. Switching suppliers of memory takes considerable engineering resources for us and our customers, and we work with them to minimise the impact of these changes. However, sharply rising costs have impacted percentage margins, as price increases have been passed through to customers without generating incremental margin on the higher cost base. This is an essential element of how we work with our partners – we believe in the long-term benefit of partnership, with a very loyal and stable customer base as a result.

Throughout 2025, Quixant focussed on regaining the innovation leadership in the gaming sector. The division made strong progress against this objective through the development of new gaming hardware platforms and the launch of its innovative gaming software offering, described above. This enabled new customer wins and expansion, contributing to revenue growth of 10% to \$60.2m (2024: \$54.8m), offsetting significant volume reductions from the division's historically largest customer. As a result, Quixant increased its share of Group revenue to 67% in 2025 (2024: 63%). North America continues to be Quixant's largest market, representing 77% of divisional revenue (2024: 75%).

Growth was driven by two key factors: the addition of a new largest customer in North America, and the successful deployment of turnkey cabinets into the UK market for the first time.

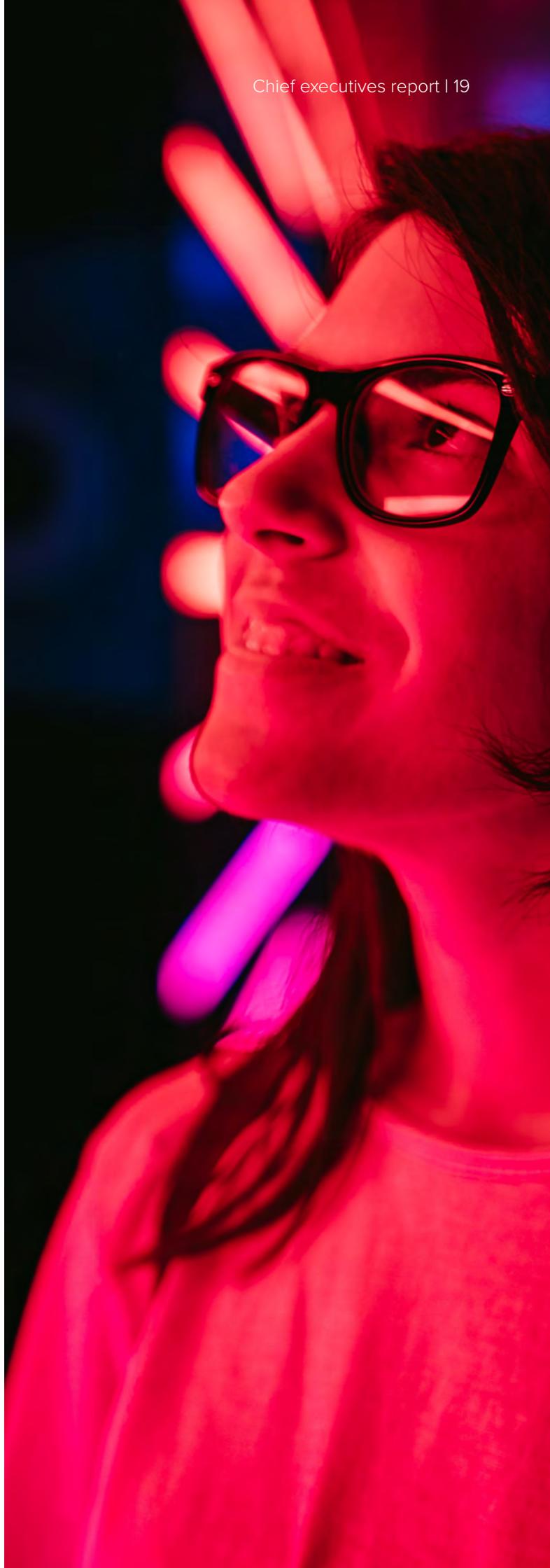
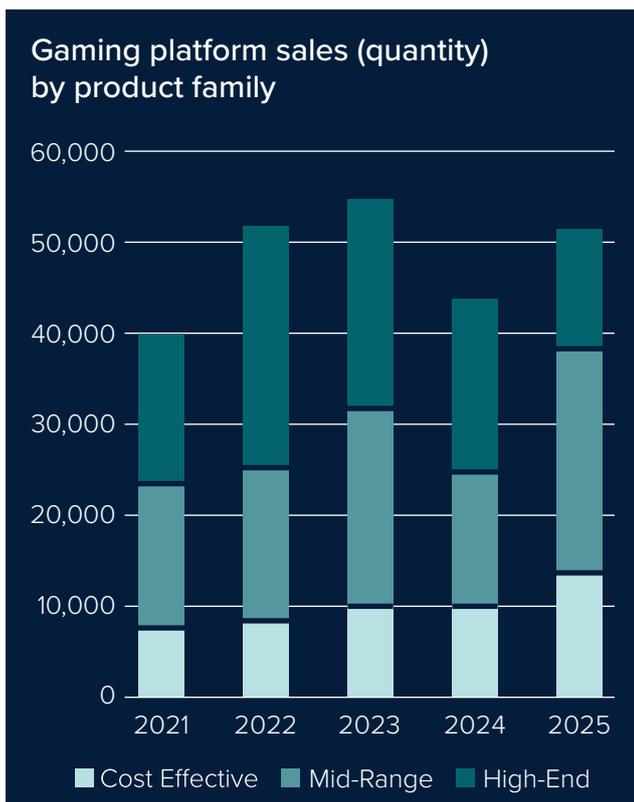
Gross margins were impacted by the DDR4 challenges and the replacement of revenue from our historically largest customer. The supply challenges around DDR4 necessitated the testing of a substantial number of alternative DDR4 solutions to ensure continuity of supply and optimised pricing. This also required coordinating our customers to test the new DDR4 variants to ensure compliance with their regulatory requirements.

The development of the Launchpad software solution is a true piece of gaming innovation and opens up a new opportunity for the business through recurring revenue models, as well as the potential of allowing online game content providers an entry point into the land-based environment. Quixant, as ever, is driving the technology agenda through its unique position in this market.

Quixant creates Hardware Platforms relevant to market requirements for power: price ratio. It has three core ranges of solutions:

- **IQ:** Cost effective range – designed for performance at a competitive price.
- **IQON:** Mid-range – more power; drives more screens, offering great performance value.
- **QMAX:** Customised solutions to ensure maximum performance.

As can be seen below, the total number of gaming hardware platforms sold increased significantly in 2025 vs 2024. The 18% increase was driven by a sharp increase in the IQ range as we secured market share across the USA and LatAm; and the IQON range introduced a new product with which we secured significant growth from an existing customer, giving a 67% uplift in this mid-range product family. The QMAX solutions declined as a result of the changes in ownership of the historically largest customer.



Industrial displays review – Densitron

Our Densitron brand is critical to our OneNexteq strategy, where computer backed displays give specific opportunity across multiple target verticals, and will drive growth through the remainder of the three-year plan.

The brand, having celebrated its 50th anniversary, is a true expert in creating advanced HMI solutions and the development and supply of display technologies tailored to customers' specific requirements. Our engineering teams are focused on the development of new IP-based solutions, which we are taking across multiple market verticals. Our supply chain expertise provides customers with a clear advantage in quality, responsiveness and speed to market.

Densitron operates globally, with North America being its largest market. Revenue declined by 6% year-on-year in 2025, driven by EOL component complexity, ongoing customer de-stocking, and tariff-related pressure on customer end markets. Customer engagement remains strong across development cycles, positioning the business well for a recovery as market conditions improve.

Complementing this is a new Sales and Marketing structure designed to provide more presence across the sales regions and specifically targeted campaigns to our target verticals, including Medical and Life Sciences, Test and Measurement and Broadcast and ProAV. These are already showing excellent promise, and the business expects future growth from these market tailored campaigns.

Margin management continues to be a focus of the business. Densitron continued its progress increasing margins to a record position after multiple years of margin increase. We are winning new business at strong margins through our focus on delivering fully integrated display solutions, embedding more of our technology capability into our customers end products, which adds more value to them.

Driven by an innovation agenda, we have delivered the Tactila and ProDeck platforms. Tactila continued its transition from development into commercialisation during 2025, progressing customer wins towards mass production. Consistent with the typically long sales cycles in these markets, revenue is expected to build through 2026, with a focus on converting a strong pipeline for this key innovation.



2026 Focus areas

Nexteq will focus on a core set of objectives to develop our OneNexteq approach and to continuously delight our customers:

1. **Exceptional new product delivery.** Our Tactila; Launchpad; ProDeck and IQON solutions will be delivered flawlessly.
2. **Continued focus on R&D.** We are world class engineers. Solving customer problems with new solutions across OneNexteq is what we live for.
3. **Collaboration.** As a global organisation, create and develop exceptional teams who have a customer-led approach and who have a 'talk to each other' mentality.
4. **Be easy to do business with.** Make the business run like clockwork. Do one thing better every day and make the Densitron customer experience continuously amazing.
5. **Effective supplier management.** Working with our suppliers to create new products and solutions which aid our R&D efforts.

Summary and outlook

Nexteq is now in the second phase of the growth plan, as presented at the Capital Markets Day in February 2025. We achieved our financial commitments in 2025, despite the decline in volume from our historically biggest gaming customer being steeper than forecasted, following its acquisition. As with the recent post pandemic years, the trading environment remained complicated, with the potential tariffs and global geopolitical uncertainty impacting customers confidence.

Against this backdrop, we have been proactive in managing both the availability and rising cost of DDR4 memory, a key component of our gaming hardware platforms. These dynamics emerged through the second half of 2025 and continue into 2026 as AI-driven demand absorbs supplier capacity. Building on Nexteq's strong track record of navigating supply chain disruption, we have taken decisive mitigating actions, including qualifying alternative supply

options, running a structured customer testing and validation programme for alternative DDR4 sources, and implementing price actions to reflect higher manufacturing costs and protect gross margins. We continue to monitor this into 2026.

Throughout 2025, we remained focused in progressing our technology 'building blocks' essential for pipeline and revenue growth, with the commitment to innovation, and momentum from the successful product launches of Launchpad, IQON 3 and display solutions development. Trade shows early in 2026 have built pipeline opportunities for our innovations, resulting in our first order for Launchpad software licenses, with further customer win news flow expected.

It is a true honour to lead, and work with such a talented, committed and energetic group of people. They are a constant source of inspiration, and we are confident that Nexteq, with its OneNexteq agenda, will go from strength to strength as our new products and solutions progress our revenue diversification and growth potential.



Duncan Faithfull | Chief Executive Officer

Business overview

Nexteq is a technology business that enables global industrial electronic equipment manufacturers in selected vertical markets to outsource the design and development of their embedded computing and human machine interface.

We provide the technology that is often invisible to the end-user but nonetheless forms a critical part of our customers' products and the user experience. By utilising our technology, customers can focus their development efforts on realising new products and accelerate market entry.

QUIXANT

Quixant is focused on the casino gaming and slot machine markets, designing, developing and manufacturing gaming platforms and display solutions for this thriving sector.

Through Quixant, major gaming video slot manufacturers can outsource those aspects of their machines that offer limited commercial differentiation, including the computer platform and low-level software. Recently, Quixant has also launched a range of turnkey cabinets that enable customers to exclusively focus on their research and development resources on game design, which is critical to enhancing the player experience - and in turn, our customers' commercial success.

DENSITRON

Densitron services the broad industrial marketplace as a specialist in Human Machine Interaction. It brings innovative displays, control surfaces, and control systems to a wide range of global industrial markets.

Through Densitron, we aim to execute our business strategy of diversifying into new sectors and migrating up the value chain within those sectors. The Broadcast and Medical sectors have been identified as particular markets of focus, and we are already revolutionising the control of devices in this sector bringing the advantages of touchscreens while overcoming the challenges in using them.

Revenue by geography



■ North America \$55.7m ■ EMEA and ROW \$34.5m

Revenue by sector



■ Gaming \$59.5m ■ Medical \$4.5m
■ Industrial Displays \$20.6m ■ Broadcast \$5.6m

Global locations

Our 212 employees are located across offices in six countries



Nexteq Marketplace

Traditionally, Nexteq’s revenue has derived 60% from the Quixant gaming business and 40% from Densitron, supplying intelligent display solutions into various industrial markets, including Broadcast, Medical, Transport, Intralogistics and Agriculture, to name a few.

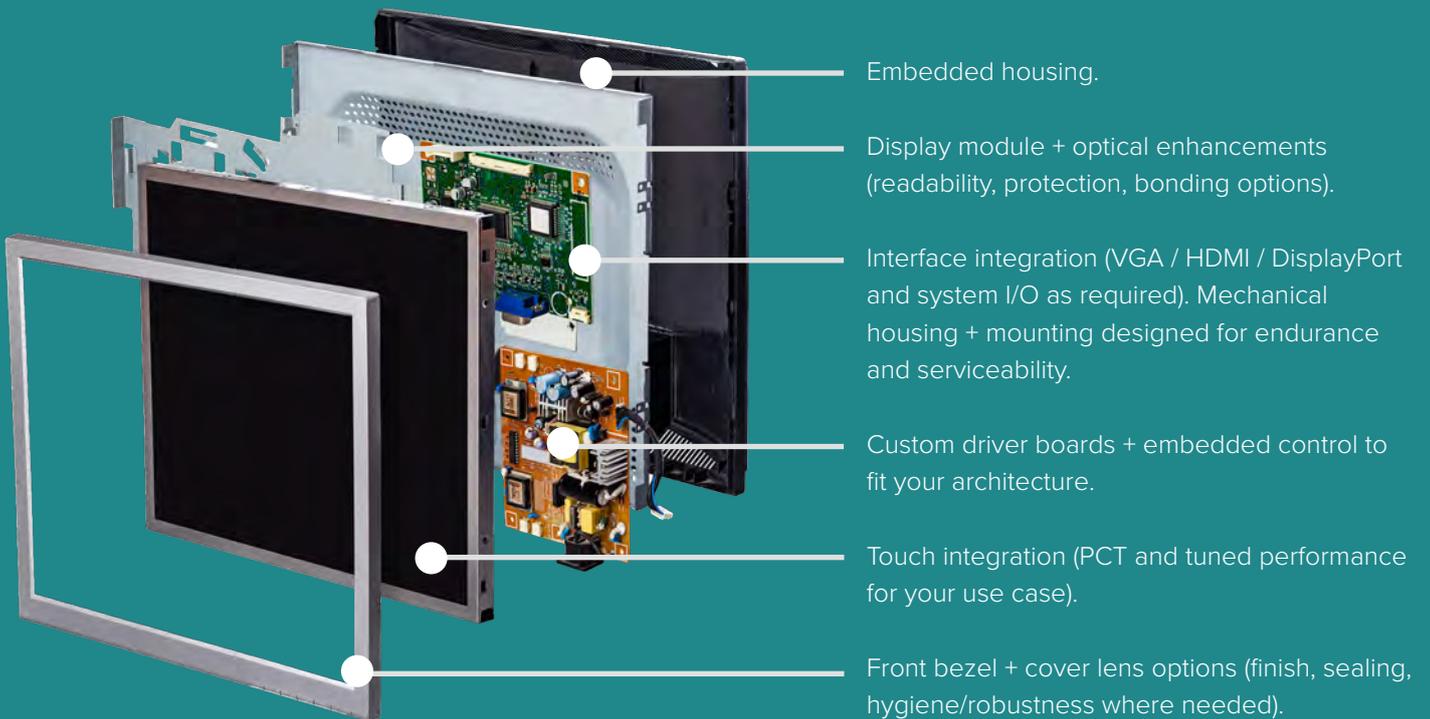
As a Group, we are moving beyond offering traditional displays to deliver higher-value, integrated platform solutions that reduce customer complexity and improve end-user experience. Across industrial markets, demand is shifting from standalone screens to complete systems — combining touch, control electronics, connectivity, ruggedisation and seamless platform integration. By bringing together Densitron’s display, HMI and

tactile expertise with Quixant’s high-performance embedded compute platforms, Nexteq can deliver fully integrated display-and-compute subsystems that accelerate OEM product development, strengthen long-term supply assurance and increase our share of system value.

This strategy opens up a greater share of various industrial end markets for Nexteq, with c.\$5bn in addressable display opportunities, including Medical (c.\$3bn), Broadcast (c.\$200m), and now Gaming (c.\$1bn).

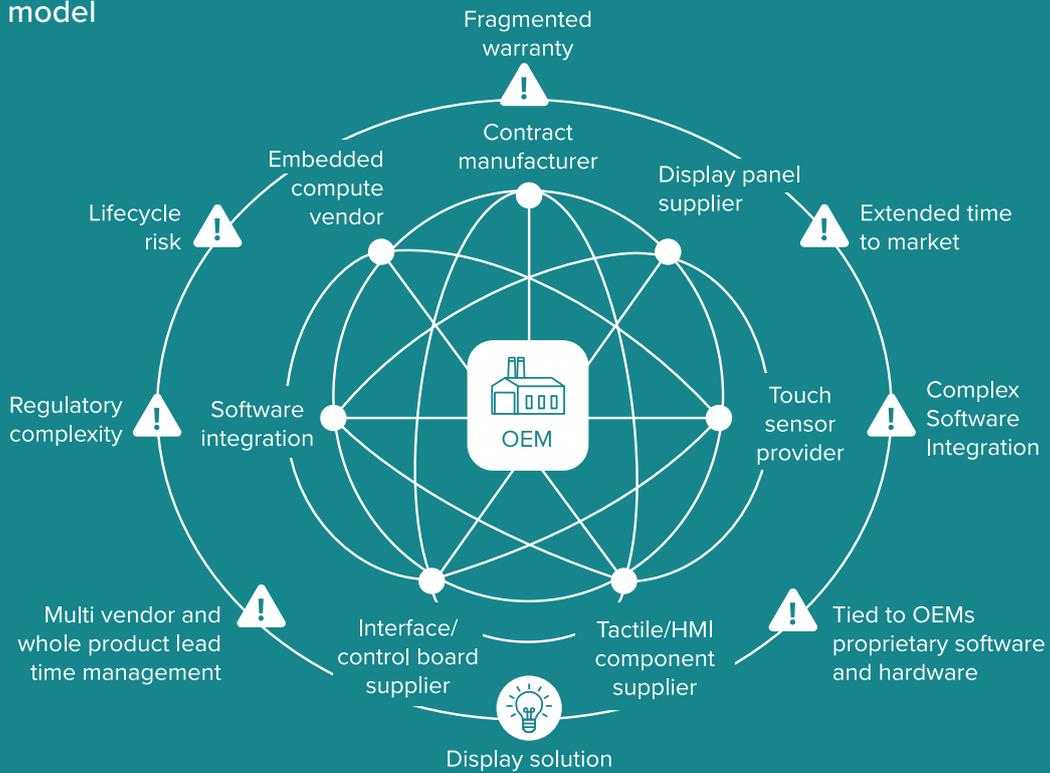
Our integrated solution framework is illustrated below.

Integrated solution framework

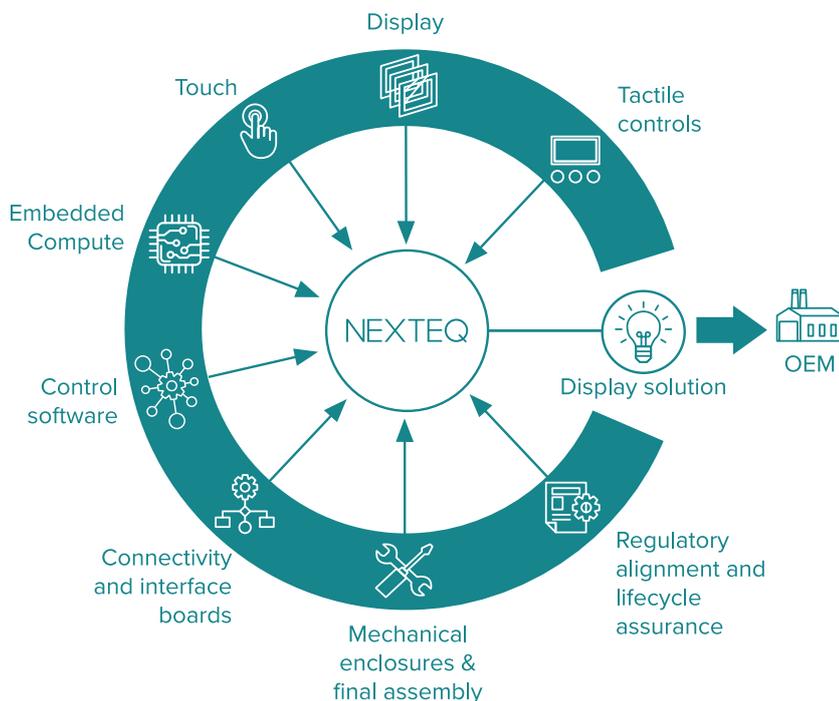


From multi-vendor complexity to a single integrated subsystem

Traditional model



Nexteq integrated subsystem



- ✓ OEM resources focused on their unique value add activities.
- ✓ Pre-integrated and validated.
- ✓ Accelerated development timeline.
- ✓ Single delivery commitment.
- ✓ Full supply chain management delivering long-term supply.
- ✓ System level testing for reduced integration risk assurance.
- ✓ Single accountable partner.
- ✓ Simplified certification.

Our verticals

Our integrated approach enables us to serve diverse vertical markets through a single, scalable model.





Medical focus

We are already seeing strong traction with medical OEMs, delivering customised, long-life display and HMI solutions that mitigate end-of-life risk and support backward compatibility — from compact wearable modules to rugged ambulance tablets using high-clarity displays.

OEMs and medical innovators partner with us for medical-grade quality and full traceability—backed by ISO 13485 certification, IEC 60601 -aligned safety, and long-term supply stability. Our solutions enable engineers to simplify regulatory change management, reduce integration risk and provide a scalable platform that supports product evolution across generations. Acting as a single, trusted partner, we help accelerate development timelines and streamline certification.

As outlined at the CMD, much of the design work for new medical devices is led by Medical Design Houses, who often specify and control the bill of materials — making collaborations here an effective, scalable route to influence technology partner selection and build momentum.



Broadcast solutions

Since establishing a dedicated Broadcast market strategy, we are accelerating growth in this advanced human-machine interface (HMI) and control systems market. With more than 200,000 production control rooms in operation worldwide —and each one requiring multiple display and audio-control touchpoints — Broadcast represents an addressable market of ~c.\$200m. In these environments, every second matters: system users need fast, intuitive solutions that provide precise tactile, haptic feedback that they can trust.



For rapid deployment, we have developed off-the-shelf, configurable control panels — including our ProDeck desktop and rack-mounted (RU) ranges — which can be tailored to specific workflows, branding and system requirements. For more complex requirements, we design and deliver fully customised interface and control systems, combining high-performance touch displays, embedded compute and tactile controls into a single, production-ready solution. Whether modular or fully customised, we create the exact interfaces our customers need.

A key differentiator has come through our innovations in advanced tactile technologies. By integrating precision rotary knobs and encoders, physical buttons and haptic feedback directly into the display and compute stack, we deliver accurate, repeatable user interaction in mission-critical broadcast environments — where operators must work by feel as much as by sight.

Customers can also leverage IDS — our intelligent, software-driven control solution — to manage multi-display environments and complex workflows from a single interface, unifying devices, data feeds and applications to monitor, automate and coordinate operations.



“

In Broadcast, every second matters — operators need fast, intuitive control they can trust. ”

“

One future-proof foundation. One technology partner end-to-end.”



ProAV integrations

We have seen our technology capabilities extend seamlessly into adjacent ProAV applications — including digital signage, smart buildings, home automation, education, government, houses of worship and courtroom and control-room deployments — providing a stable, future-proof foundation with one accountable technology partner end-to-end. By integrating our IDS solution — and widely adopted third-party platforms such as Q-SYS and Bitfocus Companion — into our finished hardware products such as the ProDeck, we have strengthened our partner-led sales motion and enabled integrators to incorporate our solutions into broader software-ecosystem deployments.



Adjacent growth verticals

Beyond Medical, Broadcast and ProAV, we are seeing wins across rugged industrial and mobility applications — delivering safety-critical, configurable display modules with high-brightness and high-contrast performance and integrated interface boards, extending into defence, EV, agricultural and construction markets.



Gaming market opportunities

Every gaming cabinet needs one or more monitors — a central part to the player experience. Whilst Quixant sold monitors pre-pandemic, this was de-prioritised during the component shortage period as we focused on computers. Now, our combined Densitron and Quixant expertise enables clear differentiation as a true OneNexteq solution — complementing OEMs’ hardware platform requirements with integrated display, touch and HMI solutions across slots, table games, player tracking, sports betting terminals, kiosks and signage, with proven success in player tracking and table games. We are progressing new monitor solutions through 2026 to capture a share of this c.\$1bn market.

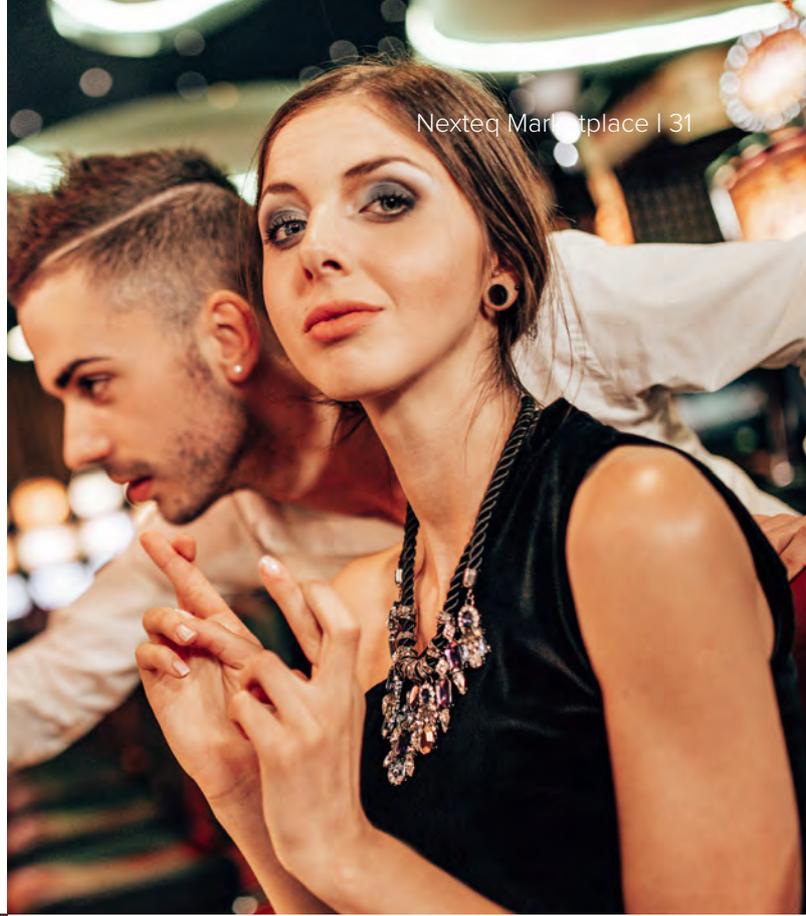
The true addressable market for Quixant’s core gaming hardware platforms is c.\$200m, of which Quixant currently serves c.25%. The wider gaming market is dominated by five major global game manufacturers, that largely design and contract manufacture their own computers. Around c.75% of total market volume sits within these integrated OEMs and is not included in the addressable market figure above. Whilst the 2025 acquisition of our historically largest customer has materially reshaped the landscape — creating near-term disruption, it is also a potential opportunity for that customer group to outsource all platform development. The combined entity is estimated to distribute c.35,000 cabinets per year, so the longer-term opportunity remains significant.

Supporting our current hardware platform range, our latest solutions are built to capture this land-based opportunity: the IQ 2 is a powerful, cost-effective platform designed for price-sensitive deployments across a wide range of gaming and sports betting requirements, while our first DDR5 platforms, the IQON 3 and the IQON Air 3, extend our reach into segments that demand higher performance, greater power efficiency and enhanced graphics. For customers needing tailored solutions, our QMAX offering enables them to develop custom hardware configurations to meet specific cabinet, regulatory or performance requirements. With the global online gaming market valued at ~\$225bn in 2025, we see a major opportunity to



“

A unified OneNexteq solution — from displays to full gaming platforms.”



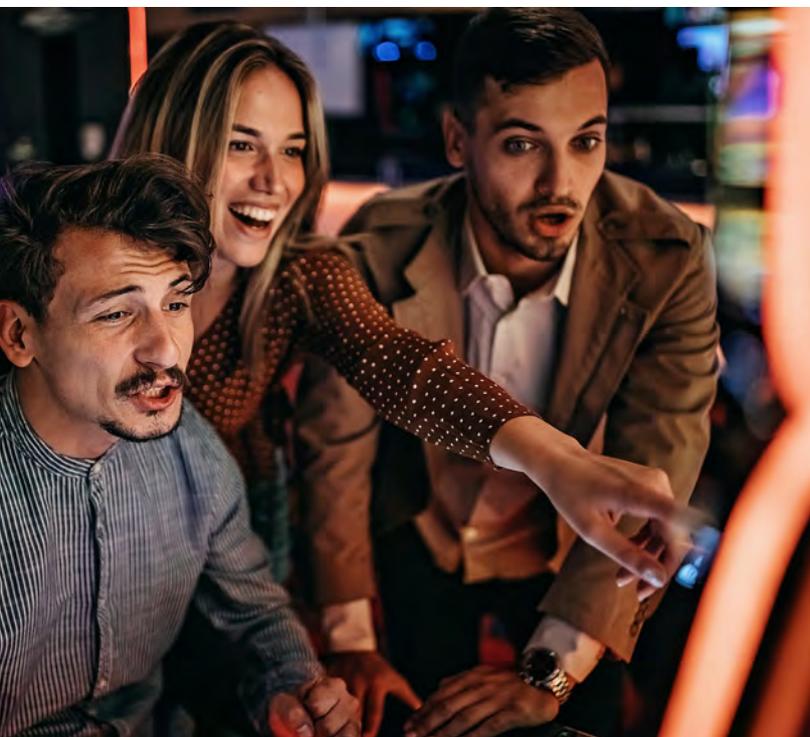
help online native game studios bring proven content into regulated land-based gaming. According to data from the American Gaming Association, sports betting and online gaming revenues are growing significantly faster than traditional casino gross gaming revenue, with online segments up ~20–30%+ year-over-year compared with mid-single-digit growth in traditional casino GGR — highlighting the acceleration of digital channels. While land-based growth remains relatively modest, overall gaming spend continues to be supported by the expansion of regulated sports betting across North America and shifting consumer behaviour as the “iPhone generation” increasingly engages with digital-first experiences.

These trends create clear opportunities for the Group, as we identify where our product development can support growth in these expanding segments. Sports betting kiosks require both compute and display capability, and online gaming providers are increasingly looking to extend successful content into land-based environments to reach new audiences. Our advantage is a complete end-to-end stack — hardware platforms, cabinets, displays, and Launchpad turnkey software — giving customers a faster, lower-risk path from concept to casino floor. Launchpad is a GLI-evaluated base software platform, dramatically reducing timelines to launch a game by enabling certification in weeks rather

than years and removing the hurdles of building a platform from scratch. We have already secured early adopter customers that recognise the speed-to-market and differentiation advantage this delivers.

Across the global gaming market, there are opportunities in emerging markets. In Brazil, whilst the Federal gaming law looks unlikely to be passed in the upcoming government session, the ongoing lottery opportunity is growing, with a potential market of c.150,000 cabinets becoming available over the next two years. VLT expansion is already progressing by State, accelerating across Paraná, Rio de Janeiro, Paraíba, and Maranhão, laying the regulatory, operational and technical foundations for broader land-based gaming as casino and bingo legalisation progresses. We have already supported customers entering the Brazilian VLT market, providing purpose-built, long-lifecycle platforms for regulated deployments — helping manufacturers and game studios scale without compromising compliance, performance, or long-term stability. We have partnered with the major game manufacturers that will win market share in Brazil, and their early success in this region will see us win new market share.

In North America, the Route, Amusement and COAM markets represent an installed base of c.500,000 gaming cabinets. These segments typically include gaming machines deployed outside traditional casinos — such as in bars, restaurants, convenience stores, truck stops and other distributed entertainment venues — operating under state or local regulatory



“

From concept to casino floor — faster and with lower risk.”

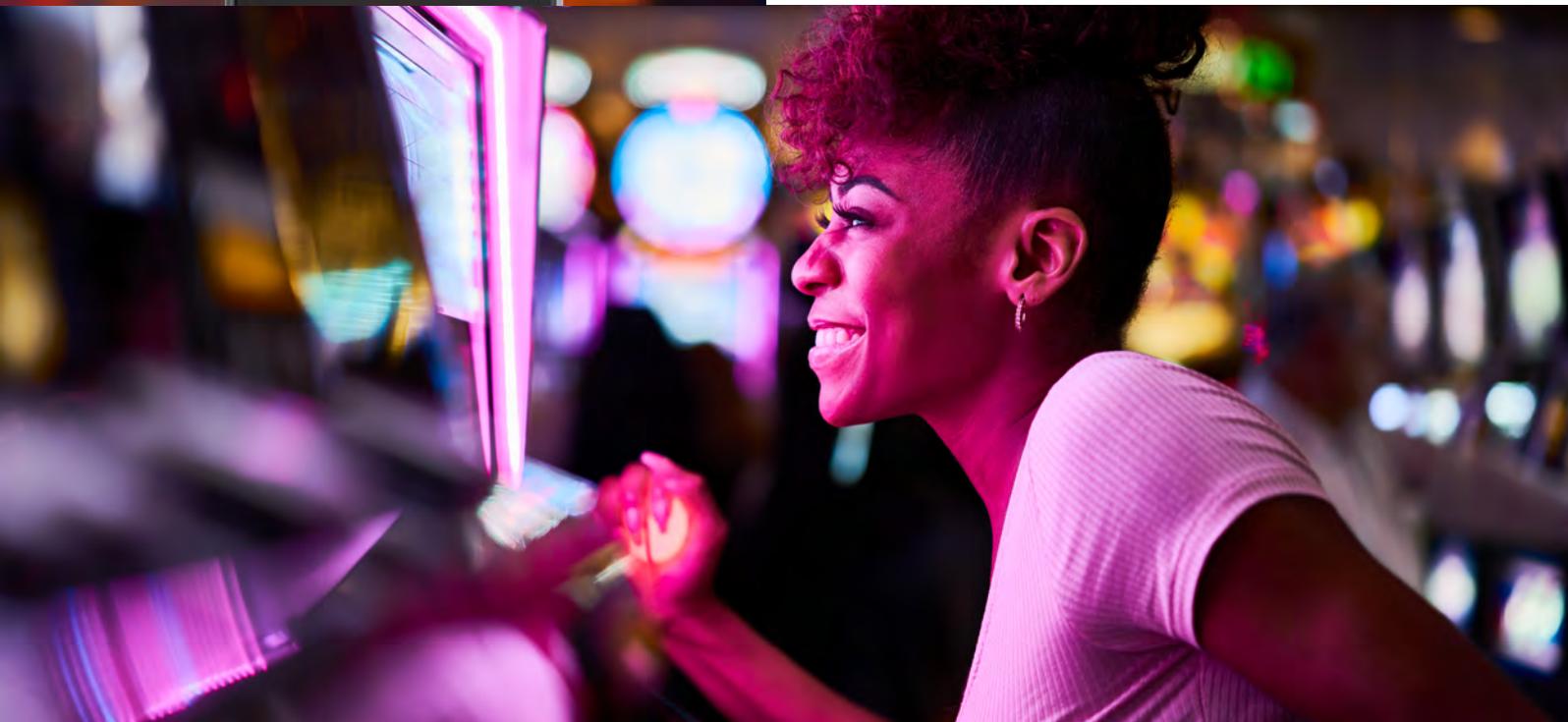
“

We're positioned to win in a reshaped global gaming landscape, leveraging deep domain expertise, long-lifecycle platforms and a full display–compute–software ecosystem to unlock major growth opportunities through 2026 and beyond. ”



frameworks. With product development specifically targeted at this segment, Quixant is already seeing traction, leveraging our deep gaming-domain expertise and ability to deliver specialist, fit-for-purpose platform solutions. This positions us well to convert a meaningful share of this opportunity as customers refresh and expand their offering, and we will continue to execute a roadmap that is suited to the evolving needs of the market.

The addressable markets are clear. While tariffs and component cost increases have impacted sales levels across the Group, our targeted product development and focused marketing are strengthening momentum — expanding our pipeline and making these opportunities increasingly accessible for Nexteq.



Business Model

Delight our customers
by empowering our
key resources . . .

Key resources

Our People

- World class hardware and software engineers.
- Market led in everything we do – product development based upon need.
- Global scale – Local Management – vertical expertise.
- Close to our customers – market leading customer service.

Our Structure

- ‘One Nexteq’ allows brand specialism backed up by local management.
- All engineering resources available to all product and commercial teams.
- Local customer focus with regional engineering customer support.
- Shared central services to support growth and customer service locally.

Our Products

- Market leading and innovative PC and industrial display solutions through Quixant and Densitron brands.
- Focussed on Gaming; Broadcast; Medical and Industrial verticals.
- Outsourced solutions tailored to our customers’ needs.
- Innovation with Quality – both equally critical.

Our technology and innovation

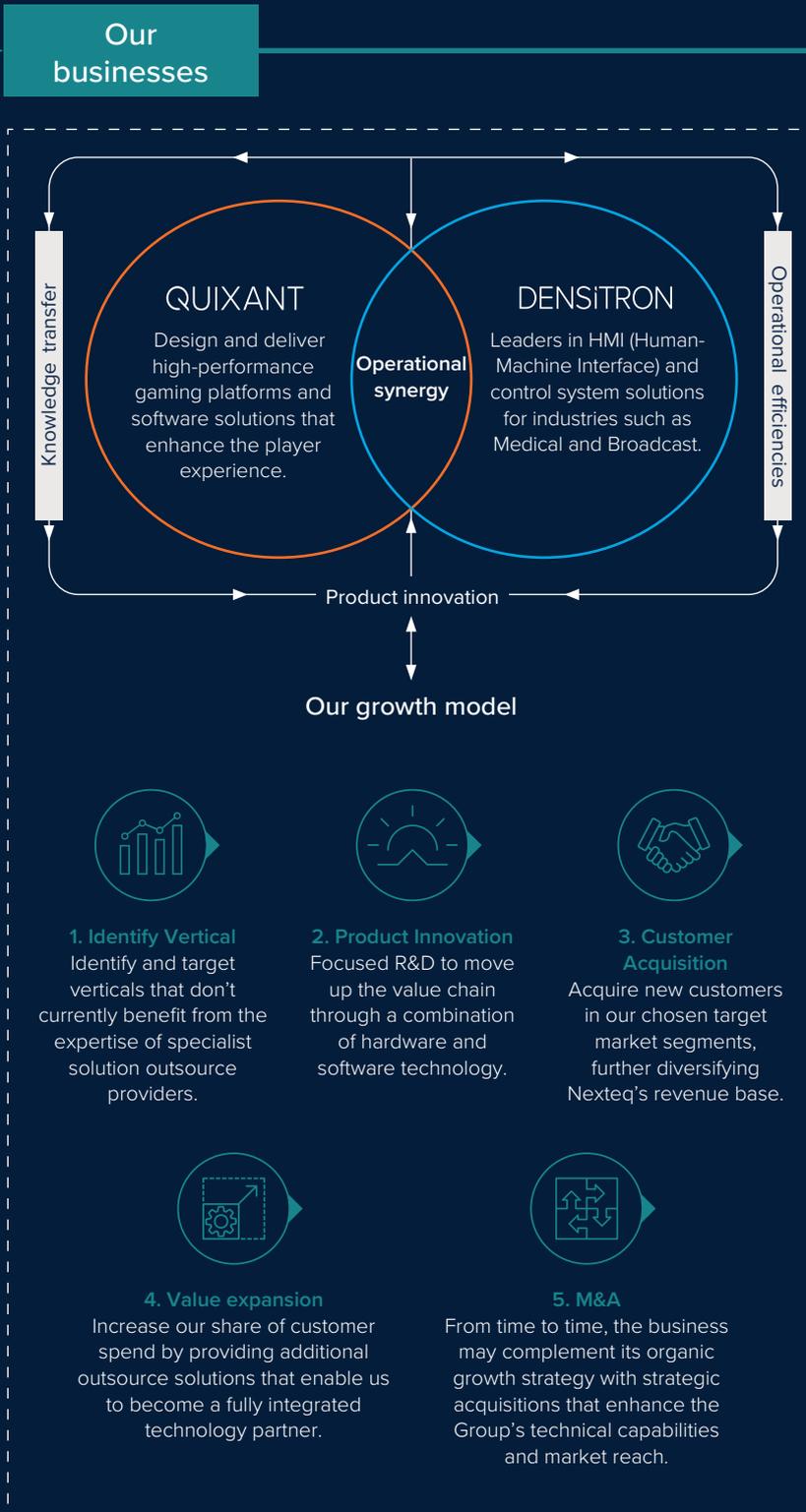
- IP based product solutions with 22 patents.
- 29 Trademarks.
- Game changing Gaming hardware platforms – products designed for reimagining game performance across a range of solutions with world class graphics partners.
- Revolutionising the HMI (Human Machine Interface) experience – taking touch to new levels.
- Reimagining the supply chain – getting our products in our customers hands in record time.

Solid Financial Foundation

- Efficient business model of internal engineering; outsourcing final production delivers consistent cash balance generation.
- Allows investment in R&D; fuelling innovation.
- Innovative stock management solutions – breaking traditional availability assumptions.
- Deliver targeted bolt on M&A to accelerate strategic vertical growth agenda.

... to deliver innovative solutions through our expertise as we adapt to change ...

... and diversify our value proposition for a brighter future.



Our People

- Enjoy the thrill of being part of a growing, multi vertical organisation.
- Opportunities to grow careers across brands and geographies.
- Celebrate sharing success and wealth creation.
- Continue to recruit the best people in our markets.
- A Great place to work.

Our Customers

- Market leading technology being constantly improved.
- Cross vertical application of engineering solutions.
- Software solutions to delight their customers.
- Trusted to deliver.

Our investors and shareholders

- Consistent growth and development.
- Proven reason to believe in the technology delivery.
- A consistent cash cycle growth.

Our Suppliers and partners

- Consistent growth fuelled by innovation.
- Open and honest joint product and solution development.

Wider society and community

- Consistent & committed focus on our environment.
- Investment in local charities...globally.

Strategy

1. Re-build

Deliver the 'One Nexteq' structure and invest in R&D specialists to deliver innovation agenda, and one the back of true innovation secure organic growth to deliver positive trajectory and confidence of the team.

2. Re-focus

We are experts in Gaming. We are experts in Industrial displays. Using our technical expertise will deliver IP based growth via our own solutions into Broadcast and Medical, while we explore new markets through our new regional approach, utilising the technological breakthroughs that we have made.

3. Re-energise

We win when we are confident. We are confident when we are brave; we are brave when we innovate; when we innovate, we win. We will focus on our core DNA – creating brilliant products which delight our customers.

Nexteq has a pathway to grow, delivering on four areas of execution.

Nexteq has a pathway to grow, delivering on four areas of execution:



Structure

- One Nexteq.
- R&D investment.
- FAE expansion.
- Great place to Work.



Retention

- Retain 100% of core customers.
- Focus on accounts which can help deliver new markets.
- Top five account strategies.



Organic growth

- Deliver agreed innovation.
- Deliver committed Broadcast NPD.
- Integrate new business wins.
- Cross sell across verticals.



Diversify

- Launch Gaming software solution at G2E 2025.
- Launch new transformational Gaming hardware platform.
- Targeted bolt on M&A in selected market verticals.

Organic growth – signposts to success

#1 - Pipeline growth

Goal

- Deliver significant growth in the multi-year sales pipeline across all verticals.

Baseline



2027 Target

Deliver 50% growth in pipeline to \$630m of opportunities.

#2 - New IP revenue

Goal

- Increase revenue from products with new Nexteq IP.

Baseline

- <\$1m revenue from new Nexteq IP across each of last four years.

Definition – new Nexteq IP

- Products launched in last three years.
- New technology developed.
- Opens new addressable market.

2027 Target

\$10m revenue from new Nexteq IP products.

#3 - \$1m customers

Goal

Grow number of customers delivering \$1m annual revenue.

Baseline



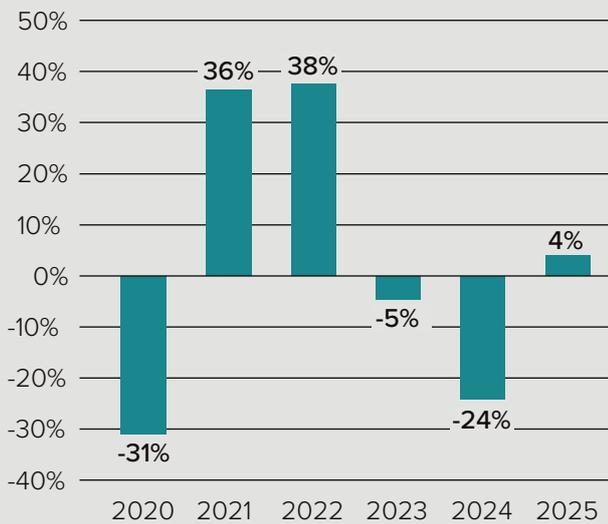
2027 Target

100% increase in customers delivering \$1m+ revenue to 20.

Key Performance Indicators

The Board uses the key performance indicators (KPIs) to measure the performance of the business against the Group’s strategy.

Revenue growth (%)



Purpose

Measures the Group’s ability to continue to grow our business.

Definition

Group revenue in current year divided by Group revenue in the prior year.

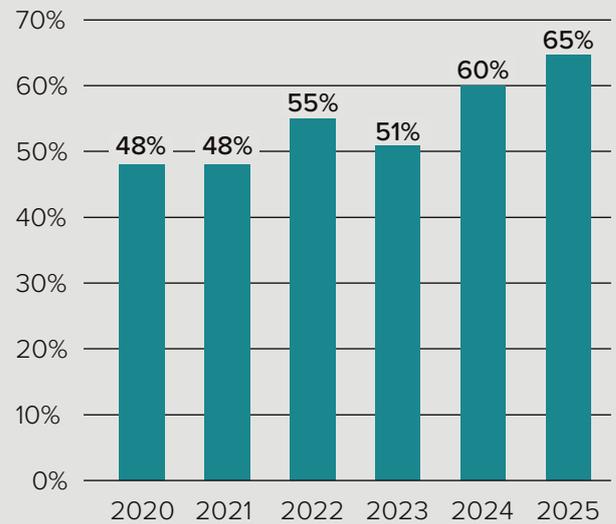
Target

We target double-digit growth over the medium term.

Performance in 2025

Revenue growth was driven by an existing customer scaling to become the Group’s largest customer in the year.

Revenue from top ten customers (%)



Purpose

Demonstrates the Group’s ability to diversify our revenue streams, which forms part of the Group’s strategy.

Definition

Revenue from ten largest customers as a % of total Group revenue.

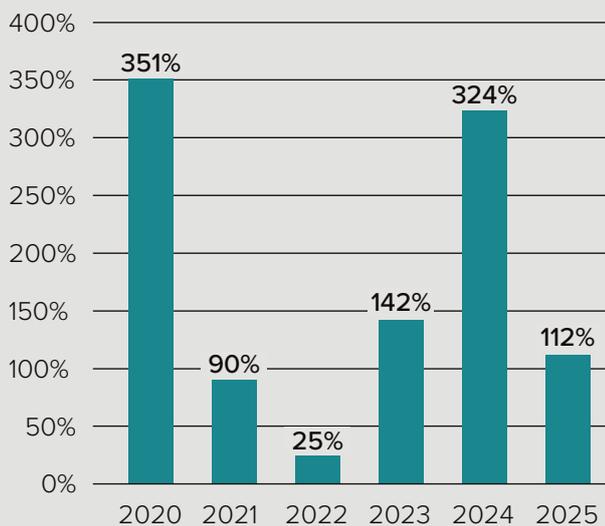
Target

We expect % of revenue from our top ten customers to reduce as we pursue our strategy of revenue diversification.

Performance in 2025

Revenue from top ten customers increased to 65% in 2025 (2024: 60%), with a stronger diversification across the top ten.

Adjusted operating cash conversion (%)



Purpose

Demonstrates the Group's ability to effectively manage its working capital.

Definition

Operating cash flow, adding back tax payments, divided by adjusted profit before tax.

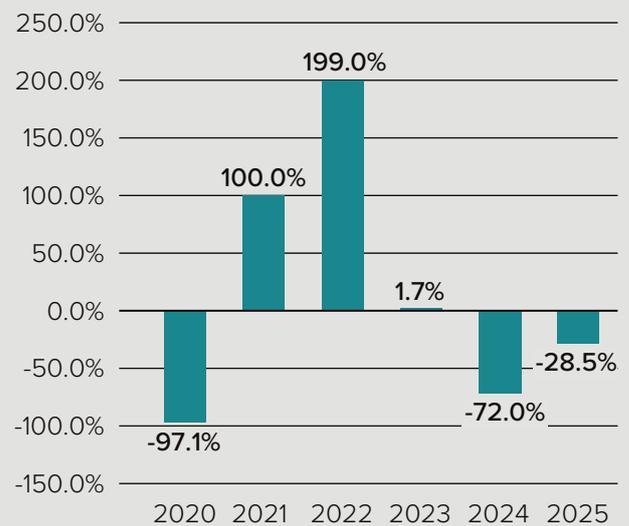
Target

We target adjusted operating cash conversion approaching 100%.

Performance in 2025

The Group achieved cash conversion of 112% (2024: 324%) as trade receivables increased with the Group returning to its historic trend of H2-weighted revenues.

Adjusted diluted earnings per share growth (%)



Purpose

Measures the Group's ability to deliver profitable growth to Shareholders.

Definition

Adjusted profit after tax, divided by the weighted average number of shares in issue in the year.

Target

We target double-digit EPS growth each year.

Performance in 2025

Adjusted profit before tax reduced by 25% year-over-year, driven by the impact of lower margins resulting from changes in the customer and product mix, alongside component pricing pressures.

Financial Review



Statutory results

Group revenue was \$90.2m, 4% higher than the \$86.7m delivered in 2024. Gross profit was \$29.6m (2024: \$31.1m), a reduction of 5% over the prior year, with gross margins at 32.8% (2024: 35.9%). Operating expenses were \$27.3m (2024: \$30.8m), resulting in operating profit of \$2.3m (2024: \$0.3m). Net finance income was \$0.8m (2024: \$1.4m), resulting in profit before tax of \$3.2m (2024: \$1.7m) and an income tax expense of \$1.2m (2024: \$1.4m), equivalent to an effective tax rate of 39.0% (2024: 82.0%). Basic earnings per share (EPS) were 3.21c (2024: 0.48c), an increase of 569%. Diluted EPS were 3.14c (2024: 0.48c), an increase of 554%.

Revenue

Quixant revenues were \$60.1m, an increase of 10% on the prior year (2024: \$54.8m). Unit sales increased to 51,247 platforms delivered in the year, increasing 18% on the prior year (2024: 43,569). Demand for our mid-range PCs grew substantially, with growth in the cost-effective range also, but there was lower demand for our high-end products in 2025. The increase in overall Quixant revenues was largely due to the increased unit sales.

Densitron delivered revenue of \$30.1m, a decrease of 6% on the prior year (2024: \$31.9m), with demand continuing to be impacted by end-of-life challenges. New business revenues for Densitron were at substantially higher average selling prices as a result of the Group's focus on delivering full solutions rather than standalone displays.

Gross profit and gross profit margin

The Group generated gross profit during the year of \$29.6m (2024: \$31.1m) representing a gross margin of 32.8% (2024: 35.9%). Densitron delivered a historic high gross margin supported by new business wins delivering customer solutions at higher margins, whilst Quixant gross margin reduced as a result of customer and product mix changes, and component memory price challenges.

Adjusted operating expenses

Adjusted operating expenses decreased by 3% to \$26.8m (2024: \$27.8m). See Note 1 to the financial statements for a reconciliation of adjusted operating expenses to operating expenses. The Group continued to invest in sales activities with travel and marketing spend at \$2.4m (2024: \$2.6m), the reductions reflecting an increased focus on digital marketing activities. The reductions in headcount implemented at the end of 2024 resulted in average employees reducing to 212 in 2025 from 223 in 2024. Payroll costs were \$19.6m, in line with the prior year (2024: \$19.6m), reflecting the impact of inflation, performance related bonuses and severance costs off-setting the reduction in headcount.

During the year, Group expenditure on R&D increased to \$4.9m (2024: \$4.6m). These costs relate to investment activities principally undertaken in Taiwan, Italy, and the UK. Of these costs, \$2.3m were capitalised (2024: \$1.8m) as the Group continued to focus on developing innovative new products including Launchpad and Tactila, with amortisation for the year on total capitalised development costs of \$1.4m (2024: \$1.2m). During the year the Group abandoned in-progress development projects with a carrying value of \$0.7m (2024: \$0.1m). This was following internal review, where it was determined that the projects no longer met the criteria to capitalise product development cost as set out in IAS38. These projects were primarily focused on solutions incorporating DDR4 memory where availability and pricing challenges have impacted the viability of the intended products.

Impairment of trade receivables remained low, with an impairment loss recorded in the current year of \$0.1m compared with \$0.2m in 2024. The Group also recognised exchange rate gains of \$0.4m (2024: \$0.4m exchange rate gains). Management continued its measures to have natural hedges in place to limit the impact of foreign exchange fluctuations, which were more volatile than the previous financial year.

Adjusted operating expenses also benefited from a \$0.1m R&D tax credit (2024: \$0.1m charge). Since 2023 the Group qualified for the large company Research and Development

Expenditure Credit (RDEC) regime due to the size of the Company's balance sheet. Under the RDEC scheme the tax credits are recognised within operating expenses in line with the R&D expense.

Valuation of Aruze-related assets

Balances related to Aruze Philippines Manufacturing Inc. ('APMI'), have been provided for in previous years, including a receivable balance of \$1.0m owed by APMI to the Group arising from the sale of goods. The Group continues to take steps to recover this balance as part of APMI's voluntary liquidation procedure, which has been in progress in the Philippine courts since 22 August 2023.

During the year, the Group sold the final balance of raw materials, which had previously been written down to a value of \$0.2m that were originally earmarked for use by APMI. The raw material inventory was sold for its recoverable value of \$0.2m. Finished goods with \$0.2m (2024: \$0.2m) are included in Nexteq Group's balance sheet at 31 December 2025, with \$Nil (2024: \$2.2m) inventory provision remaining at 31 December 2025 in respect of APMI.

Net finance income

Finance income decreased to \$0.8m (2024: \$1.4m) as central banks lowered interest rates driving a lower return on the Group's cash balances, alongside a reduction in the average cash balance compared with the previous year. Finance expense of \$0.2m (2024: \$0.0m) principally related to leases.

Adjusted profit before tax

Adjusted profit before tax reduced by 25% to \$3.6m (2024: \$4.8m). The adjustments to statutory profit before tax of \$0.5m (2024: \$3.1m) consisted of:

- Share-based payments charge of \$0.5m (2024: \$0.8m credit). During the year, the Group granted further Long-Term Incentive Plan (LTIP) shares to employees. The LTIP awards vest in three years providing continuous employment during the period, and attainment of performance conditions relating to earnings per share (EPS), as outlined on [page 126](#) of the Annual Report.

- Amortisation of acquired intangibles charge of \$0.2m (2024: \$0.3m). This charge relates to intangible assets recognised in the acquisition of Densitron and IDS.
- Gain on disposal of investment property of \$0.2m (2024: \$Nil). During the year, the Group disposed of an area of land owned by the Group at Blackheath in London. The Group had written off the previously booked value of the land.

On 9 July 2025 the property was sold and cash proceeds of \$205,846 were received on disposal. In addition to this, directly attributable legal fees of \$4,982 were incurred, resulting in net proceeds of \$200,864.

Taxation

The Group recognised a corporation tax charge of \$1.2m in the year, compared with \$1.4m in 2024. The tax charge consists of a current tax charge of \$1.1m (2024: \$0.9m) and a deferred tax charge of \$0.1m (2024: \$0.5m) relating to the movement in deferred tax assets and liabilities in the current year.

The effective tax rate on statutory profit before tax decreased to 39.0% (2024: 82.0%). The prior year tax rate was higher due to \$3.2m of tax losses being derecognised due to uncertainty over the recoverability. Going forward, we expect the effective tax rate to decrease to be approximately 16%–19% as profits increase, depending on the regional mix of profits and product mix sold, which impact the UK patent box claims.

Earnings per share

Basic EPS increased by 569% to 3.21c per share (2024: 0.48c per share). Adjusted diluted earnings per share decreased by 29% to 3.63c per share (2024: 5.08c per share).

Balance sheet

Non-current assets decreased to \$20.5m as at 31 December 2025 (31 December 2024: \$22.1m) mainly due to the \$1.1m reclassification of the Group's property in Balsham, Cambridge as an asset held for sale.

Current assets increased to \$68.5m at 31 December 2025 (31 December 2024: \$63.4m) mainly due to a significant increase in trade and other receivables to \$25.6m at 31 December 2025 from \$16.5m at 31 December 2024, reflecting the strong trading activity at the end of the year. This was partly offset by a decrease of Cash and cash equivalents by \$4.2m from \$29.5m at the start of the year to \$25.3m at 31 December 2025.

Cash flow

The Group generated \$3.5m cash from operating activities in the year (2024: \$13.0m). Adjusted operating cash flow, which excludes tax payments, was \$4.1m (2024: \$15.5m), which represented 112% of adjusted profit before tax (2024: 324%). This exceeded the Group's 2025 cash conversion KPI target of 100% (see Director's Remuneration Report on [pages 70-72](#)).

The Group capitalised \$2.3m of development costs (2024: \$1.8m), which reflects the continued development of new products as the Group expands its product portfolio.

The Group finished 2025 with net cash of \$25.0m (2024: \$29.1m), comprising cash and cash equivalents of \$25.3m (2024: \$29.5m) and gross debt of \$0.3m (2024: \$0.4m). The debt relates to a mortgage over the Group's offices in Taiwan.

Dividend

The Board proposes a dividend for the year ended 31 December 2025 of 3.9p per share (2024: 3.7p per share). This dividend will be payable on 30 May 2026 to all Shareholders on the register on 2 May 2026. The corresponding ex-dividend date is 1 May 2026.

Foreign exchange

The Group reports its results in US Dollars as this is the principal currency in which it trades with customers, with approximately 90% (2024: 93%) of our revenues denominated in US Dollars.

The Group's reported results are impacted by US Dollar movements against currencies in the territories in which it operates, principally Pounds Sterling, Euros and Taiwan

Dollars. The following are the average and closing rates for the current and prior year:

Income statement	Average rate	
	2025	2024
USD/GBP	1.32	1.28
USD/Euro	1.13	1.08
USD/TWD	0.032	0.031

Balance sheet	Closing rate	
	2025	2024
USD/GBP	1.35	1.26
USD/Euro	1.18	1.04
USD/TWD	0.032	0.031

As most of the Group's revenues are denominated in US Dollars, the impact of foreign exchange movements on reported revenues was minimal in 2025 and 2024. The impact on foreign exchange movement on profit before tax is mostly due to operating expenses incurred in Pound Sterling and Taiwan Dollars.

The average US Dollar exchange rate against currencies in the territories in which the Group operates for 2025 were similar to 2024 levels, resulting in a negligible impact on adjusted operating expenses, when compared to 2024 average rates. The Group recognised translational foreign exchange rate gains of \$0.4m in 2025 (2024: \$0.4m exchange rate gain), with \$Nil impact year over year.

Alternative performance measures (APMs)

Throughout this Annual Report, alternative performance measures (APMs) are used to describe the Group's performance. These are not recognised under UK-adopted international accounting standards or other generally accepted accounting principles (GAAP). When reviewing Nexteq's performance, the Board and management team focus on adjusted results in addition to statutory results.

APMs are non-GAAP measures and provide supplementary information to assist with the understanding of the Group's financial results and with evaluation of operating performance for the periods presented in the Annual Report. APMs, however, are not a measure of financial performance under IFRS and should not be considered a substitute for measures determined in accordance with IFRS. APMs have been provided for the following reasons:

1. To present users of the Annual Report with a clear view of what we consider to be the results of our underlying operations, enabling consistent comparisons over time and making it easier for users of the report to identify trends.
2. To provide additional information to users of the Annual Report about our financial performance or financial position.
3. To show the performance measures that are linked to remuneration for the Executive Directors.

The following APMs appear in this Annual Report.

	Reason for use	Reconciliation
Adjusted profit before tax	1,3	Note 1
Adjusted profit after tax	1,2	Note 1
Adjusted operating expenses	1,2	Note 1
Adjusted EBITDA	1,2	Note 1
Adjusted operating cash flow	1,2	Note 1
Adjusted diluted EPS	1,2	Note 9
Net cash	1,2	Note 1



Matt Staight | Chief Financial Officer

Risk Management and Principal Risks

Risk management process

The Board is ultimately responsible for the Group's risk management framework. It has established a formal risk management process, under which it identifies, evaluates and monitors the principal risks facing the Group and the effectiveness of the controls and procedures in place to mitigate against them. This includes:

- The Board's approval of a detailed corporate risk register, which identifies the principal risks and is prepared and kept under review by the Audit and Risk Committee.
- An assessment of the Group's risk appetite for categories of risk, as a basis against which to assess whether the principal risks are being mitigated against to an acceptable level.

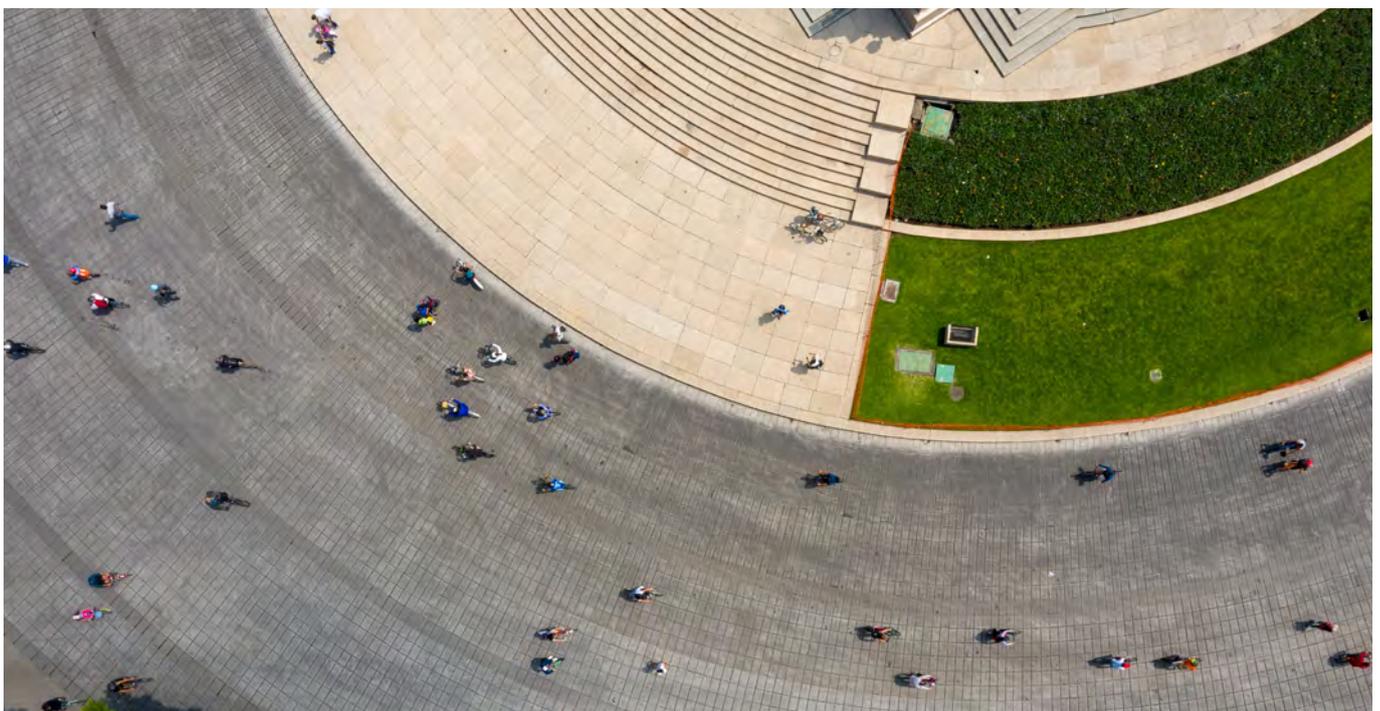
The Audit and Risk Committee reviews the risk register at least annually. The review includes:

- Any substantial changes to the principal risks, including new or emerging risks.

- Changes in risk impact and risk likelihood.
- Financial impact assessment for each risk.
- Progress with mitigating actions that have been agreed.

Principal risks

Nexteq shares the same generic macroeconomic risk profile as other companies in our geographies and sectors. We take particular care to identify and mitigate internally controllable risks and have plans for externally controlled and originating risks. The table below shows the principal risks and uncertainties that could have a material adverse impact on the Group. This is not an exhaustive list and there may be risks and uncertainties of which the Board is not aware, or that are believed to be immaterial, which could have an adverse effect on the Group. Since the 2024 risk review cycle, the Group has included climate-related risks as the Group continues to expand on its sustainable business strategy.



Risk	Description	Mitigation	Comment	Change in the year
Key persons	The Board recognises the importance of its key employees and the risk of losing the expertise and knowledge that they possess.	The executive officers are subject to long-term contracts. Key staff have contractual arrangements designed to develop and incentivise. Key roles can be replaced.	Key persons recruited and retained within the business, often through the use of long-term share incentives. Recruitment of CPO to establish, alongside other strategic people initiatives, long-term employee development and succession planning.	Increased. Given the changes in Key persons during 2024 and establishment of a new ExCo in quarter 3 of 2025, which included two new senior hires, there is increased risk from internal people stepping up into key roles.
Geopolitical	Threatened conflict or outbreaks of war between countries in which Nexteq or its customers and suppliers operate, causes disruption and financial impact to the business. We have globally diverse operations but a concentration of manufacturing and product development teams in Taiwan and a large proportion of customer revenue from the USA.	To mitigate the possible disruption from this risk the Group has established a second manufacturing facility in Malaysia, with production delivered since 2023.	The Group will continue to focus its operations on those countries that provide the best opportunity for growth and avoid those countries that pose significant country risk.	Unchanged Tensions between Taiwan and China have remained at high levels in 2025. The second manufacturing facility in Malaysia does mitigate the risk to the Group. Key display manufacturing partners are developing facilities outside of China, but these are not yet fully operational.
Trade tariffs	The Group has a globally diverse customer base in jurisdictions where trade tariffs impact the price paid by customers.	Management monitor changes in legislation across the markets where key customers operate. The Group's supply chain actively sources products from multiple markets.	The Group will continue to source products from multiple end markets and seeks to diversify its supplier base to provide flexibility in sourcing components and products.	Increased. Whilst there was no change in 2024, there has been an increasing pattern of trade tariffs added at short notice at the start of 2025.
Key customer dependency	The Group generates a significant portion of its revenue from key gaming customers.	Diversification of Group revenues is a strategic focus of the Board. This is achieved through diversification of the gaming revenue base through new customers and new products such as gaming cabinets, and the growth in the Densitron business.	In 2025, customers with revenue over \$1m increased from 10 to 14, with the introduction of a new largest customer providing greater diversification of revenue compared with 2024.	Reduced. Customer diversification improved in 2025, with reduced reliance on the key historically largest gaming customers.
Product quality	Products sold to customers needs to be of a high quality.	Continual assessment of quality processes; Board regularly reviews quality control reports. Ensure new product introductions are adequately tested before delivery to customers.	The Group will continue to focus on ensuring products are of the highest quality.	Unchanged. The Group is progressing the Tactila technology towards mass production for the first time. Inherent with any new product introduction, this carries additional risk of design quality issues but the Group has successfully introduced many other new products over the years and has a well evolved DQA team to mitigate this.

Risk	Description	Mitigation	Comment	Change in the year
Component supply and price inflation	The Group relies on a steady supply of components used in the manufacture of its products.	<p>Supply chain constraints increased in 2025 with regards to DDR4 memory, which has resulted in supply availability challenges and significant price increases, impacting gaming products.</p> <p>The Group has increased its network of memory suppliers and uses strategic purchases to ensure supply availability at competitive prices, alongside accelerating the development of DDR5 based solutions.</p>	The Board expects this issue to continue to be relevant in 2026 and is regularly briefed on the latest market conditions alongside execution of the product roadmap to deliver DDR5 based solutions.	Increased. Component market shortages and price increases have elevated this risk in 2025.
Commercial	The marketplace for the Group's display products is highly competitive.	The Group has identified certain areas of the displays business where it considers that it can develop a competitive advantage and is investing in these areas.	The Group has the capabilities and skills to create highly engineered, optimised products targeted at specific markets.	Unchanged.
	Quixant customers may decide to design their computer platforms in-house or source from another supplier.	The Group works closely with its customers to ensure its product roadmap is robust, technologically advanced and ahead of the competition.	The Group maintains an ongoing dialogue with its customers to maintain the relationships that it has developed and foster new ones.	Increased. Acquisition of the Group's largest customer has elevated this risk, whilst also creating opportunities.
Regulation	Additional laws and regulations may be enacted covering issues such as law enforcement, pricing, taxation and quality of products and services.	The Group monitors prospective changes in local laws and regulations that may impact its business.	The Group is a member of professional bodies, where applicable, in the regions in which it operates to ensure that it stays informed of any legal or regulatory changes.	Unchanged.
Technological	The Group's business is dependent upon technology that could be superseded by superior technology, more competitively priced technology or a shift in working practices, which could affect both potential profitability and saleability of the Group's products.	The Group works closely with its technology partners to provide products that incorporate the most advanced technology available to our market. The Group also develops its own innovations to incorporate into new products.	The Group recognises the technology requirements of its customers and works with them to provide the products that they need in their business.	Unchanged.
Intellectual property protection	The Group may be unable to successfully establish and protect its intellectual property. The intellectual property rights may or may not have priority over other parties' claims to the same intellectual property.	The Group seeks to establish and protect its intellectual property rights by patents and other protection mechanisms.	The Group works with professional external patent attorneys to protect its intellectual property rights.	Unchanged.

Risk	Description	Mitigation	Comment	Change in the year
Cyber risks	Cyber risk causes disruption to the business or loss of IP following a cyber-attack. This could cause interruption of internal- or external-facing systems, including interruption to the business caused by a loss of data and reputational damage from a loss of personal or confidential data. The cost or effort to reconstitute data and commercial loss from the theft of commercially sensitive data, including IP.	<p>Deploying the latest generation of firewall protection.</p> <p>Ongoing improvement in the rigour of authentication processes, including wider use of single sign-on and multi-factor authentication.</p> <p>Improved protection of confidential data on portable computers.</p> <p>Improved process of system patching to close security loopholes.</p> <p>Regular training is undertaken by all employees to drive awareness of the threat and underpin appropriate behaviours.</p>	Cyber risk is constantly increasing through AI enabling attacks at a faster pace. No major issues were reported in 2025 but we maintain ongoing vigilance.	Increased.
Business interruption	An event that results in the temporary or permanent loss of a manufacturing facility would be a serious issue. This could include climate-related events such as severe weather or government-imposed restrictions.	<p>The Group now has a second manufacturing facility in Malaysia, meaning it could transfer some production from Taiwan if needed.</p> <p>In addition, insurance coverage for business interruption is in place.</p>	No issues reported in 2025.	Unchanged.
Emerging and changing environmental regulations	New and evolving regulations being introduced with non-compliance leading to fines and reputational damage.	The Group has a regular review of regulations applicable to the size of organisation and engages advisors specialising in this area.	Sustainable Development Goals identified and processes established to capture additional emissions data.	Unchanged.
Flood risk	The greatest risk relates to typhoons in Taiwan where employees may be injured and the Group properties become unsafe for operations due to damage, impacting the Group's ability to manufacture and distribute its products.	Review of Taiwan weather alerts and opportunity for employees to work from home during events. Second source manufacturing provides a certain level of mitigation.	Work from home procedures enacted during Taiwan typhoons in 2025.	Unchanged.
Increased temperatures	Increased carbon output due to additional air conditioning consumption mains electricity. Highest risk identified for Las Vegas and Italy offices.	Annual review of latest forecast temperatures and opportunity to install solar panels on owned buildings.	No issues reported in 2025.	Unchanged.



Section 172(1) statement – How we engage with our stakeholders

The Board recognises the importance of setting high standards of corporate governance and complying with all legal requirements. Section 172 of the Companies Act 2006 requires a Director of a company to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires a Director to have regard, among other matters, to:

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

The Directors give careful consideration to the factors set out above in discharging their duties under section 172. The stakeholders we consider in this regard are the people who work for us, buy from us, supply to us, own us, regulate us, and live in the societies we serve and the planet we all inhabit. The Board recognises that building strong relationships with our stakeholders will help us to deliver our strategy in line with our long-term values and operate the business in a sustainable way. The Board is committed to effective engagement with all its stakeholders.

Key decisions in the year

Key decisions made by the Board during the year ended 31 December 2025 include:

- Ensuring supply of products is key for Nexteq, with supply chain constraints and price increases a regular threat. The Board considered the strategic purchase of DDR4 memory, a key component in our Gaming PC's,

which has seen a period of constrained supply and escalating prices. The Board considered and approved the establishment of a strategic purchase mandate for DDR4 memory proposed by the CEO and CFO to ensure continuity of supply and consistency of price.

- A key decision for the Board in the year has been in relation to returning value to shareholders. Following completion of the Group's first buyback program, the Board considered and approved a second share buyback program, permitting the repurchase of up to 5,990,849 shares from existing shareholders.
- In returning value to shareholders, the Board has adopted a progressive dividend strategy, which considers the Company's liquidity position, shareholders' expectations and the capital required in execution of the Group's strategy.
- Acquisitions remain key to our growth strategy, and the Board considers the impact on existing stakeholders. During the year, the Board considered acquisition opportunities but did not complete an acquisition. The CEO and CFO provide detailed proposals for review to assess the Group impact. This enables the Board to make informed investment decisions on how an acquisition aligns to our cash flow, capital investment and cultural objectives.

The Board regularly receives reports from management on issues concerning customers, the environment, communities, suppliers, employees, regulators, governments and investors, which it considers in its discussions and in its decision-making process under section 172. In addition to this, the Board seeks to understand the interests and views of the Group's stakeholders by engaging with them directly as appropriate.

The following table summarises our principal stakeholders, why they are important, how we engage with them and the key outcomes and actions during the year ended 31 December 2025.

	Our Colleagues	Our Customers
Why we engage	<ul style="list-style-type: none"> Our employees’ expertise, innovation and commitment are fundamental to our success. Attracting, developing and retaining talented people across engineering, operations and commercial roles ensures we sustain our technical capabilities, operational excellence and ethical culture across our global footprint. 	<ul style="list-style-type: none"> Our customers rely on Nexteq to deliver high-quality, reliable technology solutions for demanding industrial and specialist applications. Close collaboration ensures we understand evolving technical requirements, regulatory standards and lifecycle expectations, enabling us to maintain long-term partnerships and deliver sustainable revenue growth.
How we engage	<ul style="list-style-type: none"> Regular business visits between offices. Quarterly Town Hall business updates delivered by the Executive Committee. Internal communications through OneNexteq Teams channel. Employee Pulse Survey. Employee Assistance program – providing confidential support and resources. 	<ul style="list-style-type: none"> Structured key account management. Technical collaboration during product development. Customer satisfaction surveys and performance reviews. Ongoing technical and after-sales support. Industry trade events and conferences. Long-term relationships.
Outcomes/action taken	<ul style="list-style-type: none"> Investment in leaders through targeted training and coaching to support role changes. Recruitment of Chief People Officer in the year. Values Workshops, which involve all employees in shaping our future culture. Great Place to Work Pulse, with full survey being reintroduced in 2026. Achieved attrition rate of 9%, significantly below global average of around 20%. 	<ul style="list-style-type: none"> Product innovations across . Gaming, Broadcast and other market verticals. Customised solutions to meet customers’ specific requirements. Customer visits to provide on-site technical training and support.

Our supply chain	Our investors	Environment and communities
<ul style="list-style-type: none"> • Nexteq works with several hundred direct suppliers that assist us in meeting our business and customer needs. We rely on complex and multilayer supply chains with our direct suppliers, therefore we encourage our suppliers to maintain transparent and collaborative partnership with us. 	<ul style="list-style-type: none"> • Our shareholders provide the capital that underpins Nexteq’s long-term growth and strategic execution. Open and transparent dialogue enables the Board to understand investor expectations regarding performance, capital allocation, risk management and ESG priorities, while ensuring alignment on our strategy and long-term value creation objectives. 	<ul style="list-style-type: none"> • Operating responsibly and reducing environmental impact are integral to our long-term strategy. We recognise our responsibility to address climate change, promote responsible consumption and production, and support the communities in which we operate.
<ul style="list-style-type: none"> • Supplier Code of Conduct aligned to Responsible Business Alliance principles. • Pre-contractual due diligence and risk assessment. • Supplier quality audits led by expert procurement teams in Taiwan. • Ongoing supplier performance reviews. • Monitoring modern slavery, bribery and corruption risks. 	<ul style="list-style-type: none"> • Full year and half year results presentations and investor roadshows, presented by the CEO and CFO. • Regular meetings with institutional shareholders and analysts. • Annual General Meeting • Trading updates, regulatory news items and website updates. • Capital Markets Day presentation. 	<ul style="list-style-type: none"> • GHG reporting in accordance with the GHG Protocol (Corporate Standard). • Energy benchmarking and emissions monitoring. • Workplace behavioural change initiatives to reduce energy consumption. • Community and charitable initiatives across global offices.
<ul style="list-style-type: none"> • Continued supplier compliance confirmations and monitoring. • Maintained zero-tolerance approach to modern slavery. • Strengthened direct supplier oversight in higher-risk areas. • Ongoing review of supplier environmental and safety standards. • Expanding the number of key suppliers and sourcing new suppliers that fulfil technology gaps. 	<ul style="list-style-type: none"> • Enhanced materials providing investors deeper insights into Nexteq. • Ongoing dialogue to improve understanding of business performance and strategy. 	<ul style="list-style-type: none"> • 21% reduction in total gross CO₂e emissions year-on-year. • 25% reduction in UK emissions following Balsham office closure. • Continued shift away from long-haul and business air travel. • Supported local charities in our jurisdictions, including Japan Red Cross earthquake appeal, Crawley Open House, Breakthrough T1D Walk and Limitless Youth. • Ongoing contributions to food banks and educational initiatives.



Sustainability Report

At Nexteq, our approach to sustainability and ESG is grounded in responsibility, accountability and long-term value creation. As a global business, we recognise the role we play in addressing climate change, supporting our people and communities, and operating with integrity across everything we do.

These commitments are not separate from our commercial strategy; they are fundamental to how we run and grow our business.

Over the past year, we have continued to strengthen our ESG foundations. We have improved the way we measure and understand our environmental impact, allowing us to set clearer priorities and take more informed action to reduce emissions across our operations and supply chain. Alongside this, we have deepened our focus on responsible sourcing, ethical governance and creating a workplace where diversity, inclusion and wellbeing are actively supported.

Progress in ESG is rarely achieved in isolation. Collaboration remains central to our approach, whether through partnerships, engagement with our customers and suppliers, or the involvement of our employees across the organisation. These collective efforts help ensure that our actions are practical, measurable and aligned with recognised frameworks, including the UN Sustainable Development Goals.

The Board is clear that ESG is not a one-off initiative or a compliance exercise. It requires sustained leadership, transparent reporting and continuous improvement. To support this, ESG objectives are embedded within our business priorities, and clear ownership and governance structures are in place to drive progress and accountability.

Importantly, we view ESG as a way of thinking rather than a checklist. It challenges us to make better decisions, balance short- and long-term considerations, and define success not only by financial performance, but by the positive impact we have on people and the environment.

I am proud of the progress we have made, but equally conscious of the work still ahead. Sustainability is a journey, and expectations will continue to evolve. At Nexteq, we are committed to learning, adapting and improving — ensuring that we build a resilient, responsible business that creates lasting value for all our stakeholders.



Duncan Faithfull | Chief Executive Officer

Sustainable development goals

The 17 Sustainable Development Goals (SDGs), adopted by the United Nations in 2015, aim to create a better and more sustainable future for all. Our business has aligned with five of these SDGs, which have been identified as material to our operations.

Sustainable transformation

Operating responsibly



1. Quality Education (SDG 4):

Ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all.

2. Responsible Consumption and Production (SDG 12):

Ensuring sustainable consumption and production patterns.

3. Climate Action (SDG 13):

Taking urgent action to combat climate change and its impacts.

4. Decent Work and Economic Growth (SDG 8):

Promoting sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

5. Peace, Justice, and Strong Institutions (SDG 16):

Promoting peaceful and inclusive societies for sustainable development, providing access to justice for all, and building effective, accountable, and inclusive institutions at all levels.

Striving for a positive impact on the SDGs is a commendable approach. By focusing on key aspects of our business operations that align with these globally recognised initiatives, we can effectively contribute to meaningful change. While it is not feasible to address all SDG targets, prioritising those within our sphere of influence is a strategic and impactful way to make a difference.

Environmental matters

Nexteq is committed to a programme to assess and reduce its environmental impact more accurately. This aligns to UNSDG 13 'Climate Action'.

We manufacture electronic products in facilities that are geographically adjacent to the manufacturing plants of the raw materials to reduce energy footprint in our supply chain. We seek to utilise sea freight wherever possible over air freight in shipping finished goods to customers. Our global operations comply with the Waste Electrical and Electronic Equipment (WEEE) Directive to ensure safe reuse or disposal of depreciated product.

We have continued to drive several initiatives from last year, which have helped towards improving our environmental footprint, in addition to adding more, these include:

- Enhanced benchmarking efforts this year to improve data accuracy and track progress more effectively.
 - Exploring strategies to reduce reliance on oil.
 - Expanding cost-effective energy efficiency measures, including implementing timers for air conditioning and heating systems in all global offices to align with working hours.
 - Continuing to drive workplace behavioural change initiatives, promoting energy-conscious habits to further reduce emissions.
-

Energy Consumption and Emissions Data

	2025			2024			Change		
	UK	Rest of World	Group Total	UK	Rest of World	Group Total	UK	Rest of World	Group Total
Energy use (kwh)									
Electricity	93,098	453,059	546,157	91,164	480,394	571,558	-2%	6%	4%
Fuel oil for heating	20,598	-	20,598	31,927	-	31,927	35%	0%	35%
Fuel for transport	48,951	16,988	65,939	65,685	18,667	84,352	25%	9%	22%
Total energy use	162,647	470,047	632,694	188,776	499,061	687,837	14%	6%	8%
GHG emissions (kg CO2e)									
Electricity	16,282	79,235	95,517	18,875	99,466	118,341	14%	20%	19%
Fuel oil for heating	5,080	-	5,080	9,842	-	9,842	48%	0%	48%
Fuel for transport	12,581	3,962	16,543	16,526	4,339	20,865	24%	9%	21%
Total gross CO2e emissions	33,943	83,197	117,140	45,243	103,805	149,048	25%	20%	21%
Intensity ratio									
Average number of employees	59	153	212	70	152	222	-16%	-1%	-5%
Total GHG emission per employee (kg CO2e / employee)	575	544	553	646	683	671	11%	20%	18%

The methodology used to produce emissions reporting is the GHG Reporting Protocol (Corporate Standard). The primary change from last year is a 29% reduction in air travel emission factors, which has lowered the reported flight emissions for 2025.

As anticipated in last year's report, the Balsham office was decommissioned at the end of March 2025, resulting in lower Scope 1 and 2 emissions. The Balsham office used oil to heat parts of the building. Since relocating to Crawley at the end of March 2025, fuel usage has dropped significantly and is expected to fall to zero next year once the property is sold.

Alongside lower underlying flight emission factors, we saw a reduction in total flight activity and a continued shift away from long-haul and business travel. We continue to explore opportunities to minimise emissions and enhance operational efficiency as part of our broader global sustainability strategy.

Our people

We believe the Company has a role to play, both as an employer and as a good corporate citizen, to help our stakeholders through the period.

Listening to our people

At Nexteq Group, listening to our employees is fundamental to building trust and shaping a culture where every voice matters. While we have postponed our full Great Place to Work survey until March 2026 to give it the attention it deserves, we remain committed to hearing from our people regularly. In June 2025, we ran a global pulse survey to check in during a year of significant change.

The pulse survey asked 15 questions and included open comments, providing valuable insights into how employees were feeling about working at Nexteq and the Company's direction. Key findings included:

- **Strengths:** Increased collaboration, improved communication and transparency from senior leaders, and a stronger sense of unity as One Nexteq.
- **Areas for Improvement:** A clearer vision and roadmap for the future, more opportunities for face-to-face connection, better understanding of roles and functions, and clearer personal development pathways.

We have taken several steps in response to employee feedback:

- **Leadership Development:** Continued investment in leaders through targeted training and coaching to support role changes.
- **Employee Forums:** Began developing regional forums to explore issues between surveys and share solutions collaboratively.
- **Role Clarity:** Our half-year reviews focused on how teams and leaders see their roles, their career aspirations and training requests.

- **Communication and Transparency:** Strengthened Town Hall updates and leadership visibility, reinforcing openness and trust.
- **Values Workshops:** Preparing to involve all employees in shaping our future culture.

Employee retention

At Nexteq, we believe that retaining talented people is about more than numbers — it's about creating an environment where individuals feel valued, supported, and inspired to grow. A stable, engaged workforce enables us to deliver on our vision and sustain long-term success. While we are proud that our voluntary attrition rate is just 9%, well below the global average of around 20%, this achievement reflects deliberate steps we've taken to strengthen the employee experience.

Over the past year, we have focused on building clarity and confidence for our people. This includes reviewing roles and launching a succession planning process to support career development, creating an employee forum to ensure every voice is heard, and investing in targeted training for managers to enhance leadership capability. As an Executive Committee, we have revisited our values and worked to articulate a clearer vision for the future — because we know that purpose and alignment matter. Looking ahead, we are also commencing a review of our compensation and benefits to ensure our offering remains competitive and fair.

Employee retention is not a single initiative; it's a commitment to listening, learning, and acting in ways that help our people thrive. That commitment will continue to guide us as we grow.

Employee volunteering

The employee volunteering that was introduced last year has been built on strongly in 2025, with over 15 days taken globally, supporting a variety of great causes that the employees have picked themselves.

Charitable activities

This year, our teams across the globe took part in various charitable initiatives. Our Japanese colleagues participated in a walking challenge, raising ¥27,600 to support earthquake appeals for the Japan Red Cross, while the UK team continued their support for local charities including Crawley Open House, cooking meals and donating food. Our US team joined the Breakthrough T1D Walk for a third year and, in the UK, we provided funding and equipment, including laptops to Limitless Youth to support education and leadership. Additionally, we supported Balsham Nursery and Primary School and contributed to food banks across all offices, helping those in need.

Diversity and inclusion

At Nexteq Group, we recognise that diversity, equity, and inclusion (DEI) are essential to building a workplace where everyone feels respected, valued, and able to thrive. While the first half of the year was focused on operational priorities, we have since taken steps to listen more closely to our global teams and align our approach in a way that respects regional cultures while promoting shared values.

We acknowledge that representation in technology remains a universal challenge, and our own data reflects this reality. Women make up 36% of our workforce overall, yet only 13% of senior leadership roles are held by women. At board level, we have strengthened representation with two female Non-Executive Directors out of six, and our Executive Committee now includes two women out of five members. These figures highlight both progress and the work still ahead.

Our commitment is to address these challenges thoughtfully and systemically. Over the past six months, we have begun creating a more consistent framework for DEI across regions, embedding inclusive practices into recruitment and leadership development, and ensuring that employee voices are heard through forums and engagement initiatives. We believe that meaningful change requires more than targets — it requires cultural alignment, education, and leadership accountability.

Why DEI matters to our sustainability strategy

Diversity, equity, and inclusion are not only social imperatives — they are strategic drivers of innovation, resilience, and global competitiveness. As a technology company operating across multiple regions, we know that diverse perspectives fuel creativity and enable us to design solutions that meet the needs of a global customer base. Inclusive teams are better equipped to adapt to change, solve complex problems, and anticipate emerging trends, all of which are critical to long-term sustainability.

Equity ensures that opportunities for growth and advancement are accessible to all, helping us attract and retain the best talent in a competitive market. By fostering a culture of belonging, we strengthen collaboration and engagement, which in turn supports productivity and wellbeing. In short, DEI is integral to our ability to thrive as a business and to contribute positively to the societies in which we operate.

Operating responsibly

We are committed to ensuring our business operates ethically, lawfully and with integrity and believe doing so is critical to our long-term success. This aligns with UNSDG 8 'Decent Work and Economic Growth', 12 'Responsible Consumption and Production' and 16 'Peace, Justice and Strong Institutions'.

Supply chain integrity

We work with several hundred direct suppliers that assist us in meeting our business and customer needs. We rely on complex and multilayer supply chains with our direct suppliers often having multiple suppliers of their own, that in turn rely on multiple suppliers. We manage the integrity of our supply chain by analysing and acting upon various legal, social, ethical, and environmental risks and encourage our direct suppliers to adopt sustainable business practices and work to our Supplier Code of Conduct, which is developed around the principles in the Responsible Business Alliance Code of Conduct.

Safety in our supply chain is critically important, comprehensive measures are in place and designed to make sure that everyone who works for us does so in a safe and lawful way. We reinforce this culture across our supply chains through close working relationships and contractual arrangements to meet the standards that Nexteq requires.

We believe that engaging directly with suppliers through regular review and monitoring is one of the most effective ways of improving performance in our supply chain and work, where evidence of non-conformance is identified, with improvement plans to strengthen our interaction and working practices together.

Supply chain risks

Some of the highest-level risks along the supply chain in the electronics industry include injury to people working operationally in the field, forced labour, disposal of harmful substances, corruption and human rights abuse in the mining of metals and minerals.

Our Supplier Code of Conduct and periodical supplier reviews seek to challenge our direct suppliers to demonstrate their adherence to our mandatory ethical, workforce and environmental standards. We expect all suppliers to adhere to our Supplier Code of Conduct and uphold lawful business practices.

Our suppliers are responsible for managing risks within their organisations and understand that we expect them to hold their suppliers accountable to the same, high standards. They are also responsible for maintaining their upstream suppliers to the same standards.

When selecting suppliers or continuing to work with existing suppliers, we assess their compliance to our Supplier Code of Conduct, achievement of environmental and social activities and successful management of health and safety in the same way that we assess commercial factors such as cost, quality, and achievement of service level agreements. Each supplier is analysed, and risk assessed.

Levels of influence

We manage the provision of new suppliers to support the needs of our business and complete regular supplier reviews.

A supplier cannot be engaged without appropriate due diligence being completed prior to entering contractual arrangements. For all component suppliers, these audits are completed by expert supplier management and procurement personnel in our Taiwan office.

We have relationships with international, national and local suppliers. Our support for local businesses has a positive impact on communities local to our offices through providing employment near to our operating locations.

Monitoring our suppliers' compliance against our Code of Conduct is a complex activity and can be challenging because of the multiple suppliers and their suppliers within our supply chain. The level of influence we have over businesses in our supply chain can vary significantly and we concentrate on the management of our direct suppliers where impact would be felt most by our customers and our business.

Minerals in the supply chain

Nexteq does not purchase raw materials such as minerals or ores.

All electronic products contain numerous components that may contain one or more of the 3TG metals (tin, tantalum, tungsten, and gold):

- Tin is used for soldering metal and electronic components.
- Gold and tantalum are used in components such as connectors or capacitors.
- Cobalt is used within lithium-ion batteries.

For example, smelters and refiners mine and process cobalt. It is then supplied to component manufacturers, assemblers and onward sold as part of a unit.

The minerals come from many locations across the globe, some with an opaque supply chain. The smelters, refiners and miners are many supply chain tiers away from the Group and we have little, if no, influence on the provision of these minerals.

We work with suppliers to identify components and products likely to contain these minerals and ask them to understand and influence the provision through reviewing standards and onward ethical process adherence.

Monitoring compliance

We expect our suppliers to monitor their compliance to our Code of Conduct and address any failures immediately. Our approach to monitoring is determined by the nature of the risks and the supplier activities involved. In general, our suppliers are expected to confirm compliance to our Code of Conduct and be open to regular audits by the Group.

Modern slavery

As a responsible and ethical business, the Group has a zero-tolerance approach to all types of activities that pertain to slavery and human trafficking within our business and supply chain.

We are committed to ensuring that there is not modern slavery or human trafficking in our supply chain and, if we become aware of any such practice, we act immediately and decisively to highlight and remedy the issue.

Our anti-slavery position reflects our commitment to acting ethically and with integrity in all our business relationships and this is supported by our policies on bribery and corruption, and whistleblowing.

Our payment practices

Our payment terms consider the size of the supplier, the contractual arrangements and the nature of the service or product provided. We have suppliers ranging from small- and medium-sized enterprises to global organisations.

Health and safety

The Group has an excellent record in our approach to health and safety (H&S) and takes appropriate steps to keep our employees safe. We are committed to managing H&S effectively to protect our employees and other persons with whom we interact because we recognise that we have not only a moral and legal duty, but also that our employees are our greatest asset. Our commitment to H&S does not differentiate between our employees, contractors, or suppliers and their onwards contractors. We want everyone to work in a safe and healthy way, every day.

A fully inclusive and consultative approach to H&S is embedded across our organisation. All employees can input to and discuss safety concerns and decisions.

H&S performance

Continual monitoring of our safety performance is essential to ensure the safety of everyone working with us and for us, it also helps us focus on and address any risks that are identified.

Accident and near-miss data is collected centrally, and all accidents and near-misses must be investigated, mitigated, and reported.

We continued to maintain our low accident rate throughout 2025.

Anti-bribery and corruption

Bribery and corruption are, unfortunately, a feature of corporate and public life in many countries across the world. It is widely accepted that corruption inhibits economic growth, damages businesses both financially and reputationally and may result in criminal or civil liabilities and penalties for organisations and individuals.

We do not tolerate any form of bribery and corruption and are committed to operating responsibly and engaging with stakeholders to manage the social, environmental, and ethical impact of our activities in the various markets in which we operate.

We have a clear gifts and entertainment policy that all employees are bound by.

This Strategic Report has been prepared solely to provide additional information to Shareholders to assess the Group's strategies and the potential for those strategies to succeed. The Directors, in preparing this Strategic Report, have complied with section 414c of the Companies Act 2006.

The Strategic Report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward looking information.

This Strategic Report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to Nexteq plc and its subsidiary undertakings when viewed as a whole.

This report was approved by the Board of Directors on 17 March 2026 and signed on its behalf by:



Duncan Faithfull | Chief Executive Officer





Governance

Chair's Introduction to Governance



Dear Shareholder,

I am pleased to present the Group's Corporate Governance Report for the year ended 31 December 2025. This statement provides details of our current governance framework and practices and how we discharge our governance duties.

The Board has a collective responsibility and legal obligation to promote the interests of the Group and for the overall leadership of the Group, setting the vision, purpose, values and standards. As the Chair of Nexteq plc, I am ultimately responsible for the corporate governance of the Group, but the Board considers that good corporate governance is a key driver in the success of the business and accountability to the Company's stakeholders, including Shareholders, customers, suppliers and employees is a vital element in that governance.

The corporate governance statement and committee reports on the following pages outline the Company's approach to corporate governance. The Board follows the principles set out in the Quoted Companies Alliance Corporate Governance Code (the 'QCA Code'). The QCA Code follows ten basic principles that require companies to provide an explanation of how they consider that they are meeting those principles through a set of disclosures on their website and in their Annual Report. The Board considers that it does not depart from any of the principles of the QCA code. A complete index of the disclosures required by the QCA Code, including those on the Company's website, can be found at nexteqplc.com/sustainability/#governance.

A handwritten signature in blue ink, appearing to read 'Carol Thompson', written over a faint, light blue circular stamp or watermark.

Carol Thompson | Chair of the Board

Board of Directors



Carol Thompson

Chair

Appointed: 12 September 2022

Committees: Member of the Remuneration Committee and the Audit and Risk Committee

Skills and experience:

Carol brings significant finance expertise to Nexteq following a 20-year career in senior finance roles in both private and public companies, as well as strong technology industry experience. Between 2011 and 2015 she held the position of Chief Financial Officer at SSP Plc, a global software company. Prior to SSP Plc, she was Chief Financial Officer at Electricity North West, and also served as Group Finance Director at The Tote and IT and finance director at Stanley Leisure Plc.

Carol is chair of the audit and risk committee and member of the remuneration committee at Foresight Solar and Technology VCT Plc. Carol also acts as a strategic and transaction adviser to private equity firms.

Carol has an honours degree in Economics from Manchester University and a Masters in Business Strategy from Manchester University.

Carol is a fellow of the Chartered Institute of Management Accountants.



Nicholas Jarman

Non-Executive Deputy Chair

Appointed: 16 March 2005

Skills and experience:

Nick is a founding Director of Nexteq and was the Group's Chief Executive Officer until 2018 when he became Deputy Chair. An engineer himself, Nick has a background in the technology industry, and prior to founding Nexteq was employed by Densitron Technologies Plc for 22 years during which time he held numerous roles in design, engineering, sales and, finally, as group technical director.

Nick has an honours degree in Electronic Engineering from the University of Sheffield.



Gary Mullins
Non-Executive Director

Appointed: 11 January 2006

Skills and experience:

Gary is a founding Director of Nexteq and was Sales Director until 2020 before becoming a Non-Executive Director. Gary has a proven track record in global technology sales and marketing, establishing the Quixant brand in the gaming industry and securing business from the Group's first major customers.

Prior to founding Nexteq, Gary was sales director at Ntera, a nanotech electronic displays business and before that was employed by Densitron Technologies Plc in sales and marketing for over ten years.

Gary has an honours degree in Electronic Systems from the Royal Military College of Science.



Duncan Penny
Independent Non-Executive Director

Appointed: 12 September 2022

Committees: Chair of the Remuneration Committee and member of the Audit and Risk Committee

Skills and experience:

Duncan has an exceptional track record of scaling businesses and delivering shareholder value. Duncan served as Chief Executive Officer at XP Power Plc from February 2003 to December 2020 and was previously Finance Director from April 2000 to 2003. He led the business through transformational growth to being a constituent of the FTSE 250 with a market cap in excess of £1bn.

Duncan has also served as Non-Executive Director on the board of Videndum Plc (formerly The Vitec Group Plc) until May 2022. Earlier in his career, Duncan held senior roles with Dell Computer Corporation and LSI Logic Corporation.

Duncan has an MA in Chemistry from Oxford University.



Deborah Wilkinson
Independent Non-Executive Director

Appointed: 30 October 2025

Committees: Chair of the Audit and Risk Committee

Skills and experience:

Deborah brings significant finance and commercial expertise to Nexteq from both private and public companies, as well as strong technology industry experience. She served as Chair of the Audit and Risk Committee and thereafter the Chair of the Remuneration Committee up until June 2025, at Pennant International Group plc, a company providing training equipment and software solutions to the defence sector. Prior to Pennant, she held several Executive Board positions at IrvinGQ Limited, a defence engineering and manufacturing company, including Finance Director, Sales & Marketing Director and CEO.

Deborah is currently a Non-Executive Director Novomorphic Ltd and at Compound Semiconductor Applications Catapult Limited, where she is Chair of the Audit and Risk Committee.

Deborah is a Fellow of the Institute of Chartered Accountants England and Wales, having trained with Deloitte and holds a BEng (Hons) in Mechanical Engineering.



Duncan Faithfull
Chief Executive Officer

Appointed: 29 August 2024

Skills and experience:

Duncan has 30 years' experience in commercial roles, with over 10 years at board level, and has worked across various industries, including finance, logistics and pharmaceuticals. Duncan joined Quixant in early 2020, and as Chief Commercial Officer is responsible for the business' corporate strategy development and enhancing the customer journey.

Duncan brings with him a thorough understanding of modelling and delivering outsourced solutions that allow our customers the room to focus on effectively delivering their own customer strategies.

Duncan has a Degree in Biology and Sports Science from Newcastle University.



Matt Staight
Chief Financial Officer

Appointed: 31 October 2024

Skills and experience:

Matt is a Chartered Accountant with extensive experience working within international technology businesses, having also worked in medical devices and financial services. Matt joined Nexteq in August 2022, and as Group Financial Controller was responsible for group reporting, treasury and compliance, having also played a key role in developing the Group's growth initiatives.

Prior to joining Nexteq, Matt held a senior finance role at City Storage Systems expanding multiple business streams into European and Middle East markets.

Matt qualified as a Certified Chartered Accountant with PwC and has an honours degree in business management from Nottingham Trent University.



Corporate Governance Report

Board structure

The Board is made up of five Non-Executive (two independent) and two Executive Directors and has devolved responsibility for certain matters to two committees, an Audit and Risk Committee and a Remuneration Committee, each of which has clear terms of reference. It does not operate a separate Nominations Committee, with all Board members being responsible for the appointment of new Directors. The biographies of the Directors can be found on [pages 64 to 67](#).

The Chair and Chief Executive Officer have separate, clearly defined roles. The Chair is responsible for leading the Board, setting the agenda for Board meetings (with the Company Secretary) and for ensuring the Board operates effectively and with integrity.

The Chief Executive Officer is responsible for setting and implementing the Group's strategy, for leading and developing the Executive team and for managing the Group's day-to-day operations, ensuring that Board decisions are implemented effectively.

Company culture

Our long-term growth is underpinned by our corporate culture and core values. As part of our employee starter pack all new employees are provided with our Code of Conduct and Policy Handbook, which include a clear statement of the Group's values and purpose.

Our culture is characterised by five pillars. These are the values that have helped us achieve our success:

- **Innovation:** We believe that success comes through innovation. We champion creative thinking within our Group and actively seek new viewpoints.
- **Collaboration:** We work together with our customers to truly understand their needs and support them. With our colleagues and partners, we're always friendly, honest and supportive.
- **Expertise:** We value knowledge and take pride in our professionalism. We invest in skills and state-of-the-art thinking so our customers can depend on our expertise.
- **Determination:** We don't cut corners even while we strive for efficiencies. We enjoy hard work and have an absolute commitment and determination to see a task to completion.
- **Responsibility:** We believe in being accountable for our actions. We are open and honest about how we do business and are always accessible to Shareholders, employees and customers.

We believe that creating a thriving, dynamic, inclusive and welcoming environment fosters creativity and unlocks career potential, which in turn brings benefits to our Shareholders, customers and suppliers. The Group has policies in the following areas to help promote ethical values and behaviour: whistleblowing, anti-bribery, anti-slavery, fraud, equal opportunities, disciplinary and grievance procedures, health and safety. These policies form part of a globally applicable Group Policy Handbook and Code of Conduct.

Board meetings

Generally, 10–11 Board meetings are held each year, and Directors are expected to attend as many as practicable, either in person or by video or telephone conference arrangements. Meetings held between January 2025 and December 2025 and the attendance of Directors are summarised below:

	Board	Audit and Risk Committee	Remuneration Committee
N C L Jarman	10/10	1/4	4/6
G P Mullins	10/10		1/6
D J Penny	10/10	4/4	6/6
C Thompson	10/10	4/4	6/6
D Faithfull (appointed in August 2024)	10/10	4/4	6/6
M Staigh (appointed in October 2024)	10/10	4/4	6/6
D Wilkinson (appointed in October 2025)	2/10	1/4	1/6

The Board is provided with Board papers in advance of the meetings and minutes of the meetings are provided to the Board following the meeting. The Chair is responsible for ensuring that the Directors receive the information that they require for decision-making and each member of the Board understands the information that they are expected to provide. The Board meetings have a cycle of matters that are reviewed annually, and these are spread throughout the programme of meetings in the year.

Advice for Directors

All Directors have access to the advice and services of the Company Secretary, who ensures that the Board's procedures are followed, and that applicable rules and regulations are complied with.

Re-election of Directors

To comply with the revised QCA Corporate Governance Code, it has been agreed that, with immediate effect, all Directors will stand for re-election annually at the AGM.

Directors' time commitments

Non-Executive Directors are expected to devote sufficient time to the Company to meet their responsibilities. This includes preparation for, and attendance at scheduled Board and Committee meetings, as well as ad hoc meetings or calls as required. The Board confirms that each of the Non-Executive Directors can commit the necessary time to fulfil their roles.

Directors' training

All members of the Board attend seminars and regulatory and trade events to ensure that their knowledge is up to date and relevant. Where the Board considers that it does not possess the necessary expertise or experience, it will engage the services of professional advisers. The Directors receive regular updates from the Company Secretary and other external advisers on legal requirements and regulations, remuneration matters and corporate governance best practice.

Board committees

The Board has established Audit and Risk and Remuneration Committees, which operate under written terms of reference. The terms of reference for both committees are reviewed and updated regularly. The current approved versions can be found on the Company's website. The reports of these committees can be found on [pages 70 to 85](#).

Directors' Remuneration Report

Annual Statement

Dear Shareholder, On behalf of the Remuneration Committee ("the Committee"), I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2025. This report is divided into three sections, being:

- This **Annual Statement**, which summarises the work of the Committee, remuneration outcomes for 2025 and how the Remuneration Policy will be operated in 2026.
- The **Remuneration Policy Report**, which summarises the Company's Remuneration Policy.
- The **Annual Report on Remuneration**, which discloses how the Remuneration Policy was implemented in the year ended 31 December 2025 and how the Committee intends to operate the Policy for the year ending 31 December 2026.

As the Company is listed on the Alternative Investment Market, it is not required to comply with the provisions of the UK Corporate Governance Code 2018 ("Code") issued by the Financial Reporting Council, however, we continue to provide additional remuneration disclosures over and above the AIM Rule 19 disclosure requirements and comply with Principle 9 of the QCA Corporate Governance Code 2023 to enable shareholders to understand and consider our remuneration arrangements. In line with best practice, we also voluntarily submit this report to an advisory shareholder vote each year at our Annual General Meeting.

Committee members

The Committee is comprised of not less than two Independent Non-Executive Directors, meets at least once a year and is responsible for setting the remuneration policy for the executives and senior management of the Company. The Remuneration Committee currently comprises Duncan Penny (Chair), Carol Thompson and Deborah Wilkinson and it invites Executive Directors to attend as it considers necessary.

FIT Remuneration Consultants LLP ("FIT") provided independent advice to the Committee during 2025, having been appointed by the Committee during 2021. Advice was provided on AIM market and best practice, share plan operations and support provided to management with undertakings such as producing this Directors' Remuneration Report. FIT did not provide any other services to the Group during the year and the Committee is satisfied that the advice received was objective and independent. FIT is a member and signatory of the Remuneration Consultants Group and voluntarily operates under the Code of Conduct in relation to executive remuneration consulting in the UK, details of which can be found at www.remunerationconsultantsgroup.com.

Activities during the year

- Agreed Executive Director remuneration packages.
- Reviewed the 2024 Directors' Remuneration Report prior to its approval by the Board and subsequent approval by shareholders at the 2025 AGM.
- Reviewed performance against the 2024 annual bonus plan targets and resulting awards and agreed the metrics and targets for the 2025 bonus plan.
- Reviewed LTIP award levels and performance metrics/targets for the 2025 LTIP and below Board Restricted Share Awards.

Key remuneration decisions for 2025

Annual Bonus

The annual bonus for 2025 was based on achieving an adjusted profit before tax (PBT), adjusted operating cash conversion and the attainment of strategic objectives. The table below summarises performance against the Group performance targets set by the Remuneration Committee for the year.

	Weighting	Threshold	On-Target	Max	Actual	% achieved
Adjusted PBT	65%	\$4.0m	\$5.0m	\$8.0m	\$3.7m	0%
Adjusted operating cash conversion	5%	75%	90%	100%	112%	5%
Strategic objectives	30%	See below			0%	20%
% of salary	100%	25%	50%	100%	0%	25%

The table below summarises the strategic team objectives for the CEO and CFO in the year.

	Percentage	Duncan Faithfull	Matt Staight	2025 Performance assessment
The Customer Relationship Management (CRM) system in place with one unified sales pipeline by 31 December 2025.	5%	Objective met	Objective met	The CRM consolidation was completed at the end of Q3 2025.
Launch the Launchpad system at the G2E show in Las Vegas, taking place in October 2025.	10%	Did not meet objective	Did not meet objective	The full launch of Launchpad software was delayed until ICE show in January 2026. Only a 'soft' launch occurred at the G2E show in October 2025.
Ship \$2m of new Nexteq IP products (released in the last two years) during 2025.	5%	Objective met	Objective met	The Group shipped over \$3m of new Nexteq IP products in 2025.
Reduce customer concentration by increasing customers with revenue of \$1m million or greater revenue in 2025 to 13.	10%	Objective met	Objective met	The Group had 14 customers with \$1m or greater of revenue in 2025.

Progress was made against the majority of strategic targets (see previous page), resulting in the Executive Directors being eligible for bonuses totalling £120,000. In light of the Company's performance and wider stakeholder considerations, the Directors voluntarily waived entitlement to 50% of the amount.

2022 LTIP award

The threshold EPS and TSR performance conditions for the LTIPs granted on 6 May 2022 were not met and therefore these awards lapsed in full during 2025. The threshold EPS and TSR performance conditions for the LTIPs granted on 2023 are not expected to be met and therefore these awards are likely to lapse in 2026. Further details of the share option awards are set out in the Annual Report on Remuneration overleaf.

Implementing the Policy for 2026

In respect of the implementation of the Remuneration Policy for 2026:

- Base salaries for Duncan Faithfull and Matt Staight will be increased by 4.0% from £288,400 to £300,000 and by 5.3% from £190,000 to £200,000 respectively with effect from 1 April 2026. These increases are higher than the average 3.0% as these salaries are bought closer in line with the benchmarks for these positions.

- Pension provision will remain at 10% of salary.
- Bonus potential will remain capped at 100% of salary. 65% will be based on sliding scale adjusted profit targets, 5% will be based on sliding scale cash targets and 30% will be based on strategic targets. While the targets are currently considered to be commercially sensitive, they will be disclosed retrospectively in next year's Directors' Remuneration Report.
- The Committee intends to make LTIP awards in 2026 for Executive Directors over shares equal to up to 100% of salary. The Committee will determine the number of awards at the grant date and will have regard to the prevailing share price, potential for windfall gains and the level of stretch in respect of the performance targets. Awards will normally vest after three years from grant subject to continued employment and performance targets based on three-year, sliding scale, EPS and Total Shareholder Return performance targets which will be set in advance of grant. In addition, a two-year post vesting holding period will apply. Details of the approach adopted in respect of award levels and the performance targets will be set out in the RNS published immediately following the grant date.



Remuneration Policy Report

Executive Director Remuneration Policy

Executive remuneration packages are prudently designed to attract, motivate and retain Directors of a high calibre needed to effectively execute the Company's strategy and to reward them for enhancing value to Shareholders. The Committee considers the remuneration packages of Executive Directors and key senior management and discusses policy on annual reviews with the Board. The Remuneration Committee considers a number of factors in setting remuneration policy including:

- Salary and benefits packages awarded to executives of comparable companies.
- Our ability to attract and retain executives with the necessary skills and capabilities to enable the Group to operate successfully.
- Encouraging executives to deliver long-term sustainable growth using share-based incentives.

Component	Purpose and link to strategy	Operation	Maximum	Performance
Base salary	To ensure that the Company can recruit and retain high-caliber Executives to deliver on the Company strategy in the interest of the shareholders.	Base salary is paid monthly and reviewed annually, with any increases normally applying from 1 April. In deciding appropriate levels, the Remuneration Committee considers the Company as a whole and benchmarks against salaries of executives in comparable companies with equivalent skills and experience.	Not applicable.	Not applicable.
Benefits	To provide a market-competitive package.	Offered in line with market practice, and may include a car allowance, private medical, auxiliary medical benefits and death in service insurance.	Not applicable.	Not applicable.
Pension	To provide an appropriate level of benefits that allow for retirement planning.	Pension contributions are made by the Company to a defined contribution scheme.	10% of salary.	Not applicable.
Annual bonus	To reward performance against annual targets which support the strategic direction of Group.	The Committee sets annual performance targets.	100% of salary.	Sliding scale financial (majority) and strategic targets (minority).

Component	Purpose and link to strategy	Operation	Maximum	Performance
LTIP	To drive and reward the achievement of longer-term objectives to deliver sustainable earnings growth. To support the retention and promote share ownership for Executive Directors.	Nominal cost share options. Vesting is normally subject to the achievement of challenging performance conditions, normally over a period of three years. Dividend equivalents may be awarded to the extent awards vest. Awards are subject to malus/ claw back provisions at the discretion of the Committee, up to two years after the date of vesting.	200% of salary (although normal grant policy is to make annual awards up to 100% of salary).	Performance metrics may be linked to financial and/or share price and/or strategic performance.

The Directors' service contracts incorporate notice periods of not less than six months' notice from the Executive to the Company and not less than 12 months' notice from the Company to the Executive.

Non-Executive Director Remuneration Policy

Component	Purpose and link to strategy	Operation	Maximum	Performance
Base salary	To attract Non-Executive Directors with relevant experience and skills to oversee the development and implementation of the Group's strategy.	Fees are normally reviewed annually considering the level of responsibility and relevant experience. Fees may include a basic fee and additional fees for further responsibilities. Fees are normally paid in cash. Travel and other reasonable expenses incurred while performing their duties may be reimbursed. Non-Executive Directors may also receive pension contributions.	There is no prescribed maximum. The Board is guided by general increase in the market for Non-Executive Director roles and the broader employee population.	Not applicable. Non-Executive Directors do not participate in variable pay arrangements.

Non-Executive Directors' service contracts incorporate notice periods of not less than three months' notice from the Non-Executive to the Company and vice-versa.

Annual Report on Remuneration

Total Directors' Remuneration (audited)

	Year	Salary \$000	Pension ⁹ \$000	Benefits ¹⁰ \$000	Bonus ¹¹ \$000	Shares ¹² \$000	Total \$000
Executive Directors							
Duncan Faithfull ¹	2025	379	38	2	48	-	467
	2024	121	12	-	-	-	133
Matt Staight ²	2025	247	25	1	32	-	305
	2024	18	2	-	-	-	20
Jon Jayal ³	2025	67	2	-	-	-	69
	2024	406	13	1	-	-	420
Johan Olivier ⁴	2025	75	1	-	-	-	76
	2024	307	5	1	-	48	361
Total Executive Directors	2025	768	66	3	80	-	917
	2024	852	32	2	-	48	934
Non-Executive Directors							
Nick Jarman ⁵	2025	80	8	2	-	-	90
	2024	84	8	1	-	-	93
Gary Mullins	2025	67	7	1	-	-	75
	2024	64	6	1	-	-	71
Carol Thompson	2025	117	3	2	-	-	122
	2024	64	-	-	-	-	64
Duncan Penny	2025	67	1	2	-	-	70
	2024	62	-	1	-	-	63
Francis Small ⁷	2025	-	-	-	-	-	-
	2024	74	-	2	-	-	76
Deborah Wilkinson ⁸	2025	12	-	-	-	-	12
	2024	-	-	-	-	-	-
Total Non-Executive Directors	2025	343	19	7	-	-	369
	2024	348	14	5	-	-	367
Total Board	2025	1,111	85	10	80	-	1,286
	2024	1,200	46	7	-	48	1,301

¹ Appointed Group Chief Executive Officer on 29 August 2024.

² Appointed Group Chief Financial Officer 31 October 2024.

³ Stepped down from the Board as Group Chief Executive Officer on 29 August 2024.

⁴ Stepped down from the Board as Group Chief Financial Officer on 31 October 2024.

⁵ Appointed Interim Chair on 14 August 2024, returning to role of Non-Executive Deputy Chair on 2 April 2025.

⁶ Appointed Chair on 2 April 2025, having been a Non-Executive Director prior to the Chair appointment.

⁷ Stepped down from the Board as Chair on 14 August 2024.

⁸ Appointed Non-Executive Director on 30 October 2025.

⁹ Pension contributions were paid as a combination of pension contribution paid and salary supplements (with the latter reduced by the employers' national insurance payable by the Company).

¹⁰ The Directors received private medical insurance in line with other UK employees.

¹¹ Annual bonus awards for the year ended 31 December 2025 were based on achievement of targets as set out on [pages 70 to 72](#).

¹² Share options fully vested under the Company LTIP scheme and exercised during the year.



Board changes

In respect of:

- Jon Jayal's leaving arrangements, he received his salary, benefits and pension up until his departure from the Company on 28 February 2025. He was not entitled to an annual bonus for the year ended 31 December 2024 and his unvested LTIP awards, will continue to vest on the normal vesting dates, subject to performance and time pro-rating.
- Johan Olivier's leaving arrangements, he received his salary, benefits and pension up until his departure from the Company on 31 March 2025. He was not entitled to an annual bonus for the year ended 31 December 2024 and his unvested LTIP awards, will continue to vest on the normal vesting dates, subject to performance and time pro-rating.
- Francis Small's leaving arrangements, he received his fee up until his departure from the Company on 14 August 2024.

Directors' share options (audited)

The interests of Directors at the year-end in options to subscribe for ordinary shares of the Company, together with details of any options granted during the year, are as follows:

	Award Type	Date of Grant	1 January 2025	Granted	Lapsed ⁷	Exercised ⁸	31 December 2025	Exercise Price (p)	First date normally exercisable	Last date normally exercisable
Duncan	EIP ¹	20.05.21	100,000	-	-	-	100,000	158.5	31.03.24	31.03.31
Faithfull	LTIP ²	06.05.22	132,275	-	(132,275)	-	-	0.1	09.05.25	09.05.32
	LTIP ³	22.03.23	117,798	-	-	-	117,798	0.1	22.03.26	22.03.33
	LTIP ⁴	30.04.24	69,767	-	-	-	69,767	0.1	22.05.27	22.05.34
	Below Board RSA ⁶	02.05.24	34,884	-	-	-	34,884	0.1	22.05.27	22.05.34
	LTIP ⁵	30.04.25	-	447,132	-	-	447,132	0.1	30.04.28	30.04.35
	Deferred Bonus ⁵	30.04.25	-	77,519	-	-	77,519	0.1	30.04.28	30.04.35
	Matt Staight	LTIP ²	06.05.22	19,169	-	(19,169)	-	-	0.1	09.05.25
LTIP ³		22.03.23	20,128	-	-	-	20,128	0.1	22.03.26	22.03.33
LTIP ⁴		30.04.24	21,558	-	-	-	21,558	0.1	22.05.27	22.05.34
LTIP ⁵		30.04.25	-	294,574	-	-	294,574	0.1	30.04.28	30.04.35
Jon Jayal	LTIP ²	06.05.22	199,934	-	(199,934)	-	-	0.1	09.05.25	09.05.32
	LTIP ³	22.03.23	169,831	-	(78,944)	-	90,887	0.1	22.03.26	22.03.33
	LTIP ⁴	30.04.24	200,864	-	(167,662)	-	33,202	0.1	22.05.27	22.05.34
Johan Olivier	Recruitment ⁵	06.10.21	100,000	-	(100,000)	-	-	190	2023 results	25.10.31
	LTIP ²	06.05.22	148,810	-	(148,810)	-	-	0.1	09.05.25	09.05.32
	LTIP ³	22.03.23	126,404	-	(58,758)	-	67,646	0.1	22.03.26	22.03.33
	LTIP ⁴	30.04.24	149,502	-	(124,790)	-	24,712	0.1	22.05.27	22.05.34

¹ The Options are exercisable subject to terms of the 2013 Equity Incentive Plan (EIP) and are fully vested as at 31 December 2024.

² The Options were exercisable subject to vesting of 70% of awards (the EPS Part), dependent on the Company's adjusted earnings per share (EPS) performance for the financial year ending 31 December 2024. 25% of the EPS Part would have vested for EPS of \$0.068, increasing pro-rata to full vesting of the EPS Part for EPS of \$0.102 pence or higher. The vesting of 30% of awards (the TSR Part) was dependent on the Company's total shareholder return (TSR) over a three-year period commencing on the grant of the awards. 25% of the TSR Part would have vested for TSR over the measurement period equal to 10% p.a., increasing pro-rata to full vesting for TSR of 20% p.a. As a result of the threshold EPS and TSR targets not being met, these awards lapsed in full.

³ The Options are exercisable subject to vesting of 70% of awards (the EPS Part), dependent on the Company's adjusted earnings per share (EPS) performance for the financial year ending 31 December 2025. 25% of the EPS Part would have vested for EPS of \$0.206, increasing pro-rata to full vesting of the EPS Part for EPS of \$0.307 pence or higher. As a result of the threshold EPS target not being met this portion of the award will lapse. The vesting of 30% of awards (the TSR Part) are dependent on the Company's total shareholder return (TSR) over a three-year period commencing on the grant of the awards. 25% of the TSR Part vests for TSR over the measurement period equal to 10% p.a. increasing pro-rata to full vesting for TSR of 20% p.a. If the share price remains at the current level the TSR target will not be met and this portion of the award will lapse. If vested, a two-year post vesting holding period applies in respect of awards granted to Executive Directors.

⁴ The Options are exercisable subject to vesting of 70% of awards (the EPS Part), dependent on the Company's adjusted earnings per share (EPS) performance for the financial year ending 31 December 2026. 25% of the EPS Part vests for EPS of \$0.209, increasing pro-rata to full vesting of the EPS Part for EPS of \$0.275 pence or higher. The vesting of 30% of awards (the TSR Part) are dependent on the Company's total shareholder return (TSR) over a three-year period commencing on the grant of the awards. 25% of the TSR Part vests for TSR over the measurement period equal to 10% p.a. increasing pro-rata to full vesting for TSR of 20% p.a. Once vested, a two-year post vesting holding period applies in respect of awards granted to Executive Directors.

⁵ See "Long-term incentives granted during the year" section below.

⁶ RSAs normally vest three years from grant subject to continued service.

⁷ Share options lapsed in the year includes dilution relating to the former Executives share options resulting from the time pro-rating adjustment.

⁸ No share options were exercised by the Directors in 2025.

The Directors follow the guidance set out by Rule 21 of the AIM Rules relating to dealings by Directors in the Company's securities and, to this end, the Company has adopted an appropriate share dealing code.

Long-term incentives granted during the year (audited)

The following share awards were granted as nominal cost options on 30 April 2025 under the Nexteq plc 2022 Long-Term Incentive Plan:

Executive	Type of awards	Basis of award	Share Price	Number of shares over which award was granted	Face value of award	Performance Period
Matt Staight	LTIP	100% salary	£0.645	294,574	£190,000	EPS - Three financial years to 31 December 2027 TSR - Three years from grant
Duncan Faithfull				447,132	£288,400	
	Deferred Bonus	Defined bonus		77,519	£50,000	Three years' continual service from grant

LTIP performance targets

The vesting of 70% of awards (the EPS Part) are dependent on the Company's adjusted earnings per share (EPS) performance for the financial year ending 31 December 2027. 25% of the EPS Part vests for EPS of \$0.0676, increasing pro-rata to full vesting of the EPS Part for EPS of \$0.0878 pence or higher. The vesting of 30% of awards (the TSR Part) is dependent on the Company's total shareholder return (TSR) over a three-year period commencing on the grant of the awards. 25% of the TSR Part vests for TSR over the measurement period equal to 5% p.a., increasing pro-rata to full vesting for TSR of 15% p.a. Once vested, a two-year post vesting holding period applies in respect of awards granted to Executive Directors.

Deferred bonus award

As set out in last year's Directors' Remuneration Report, Duncan Faithfull was awarded a deferred cash bonus of £50,000 in April 2024 prior to his appointment as CEO. Payment was subject to continued employment up to the first anniversary of the award date. With the agreement of Duncan Faithfull, the Company converted the award into a deferred share bonus to an equivalent value which will vest over three years from the date of grant, subject to continued employment.

Duncan Penny | Chair of the Remuneration Committee
17 March 2026

Audit and Risk Committee Report

Dear Shareholder,

I am pleased to report on the activities of the Audit and Risk Committee ('the Committee') during the year under review after taking on the role of Chair on 30 October 2025.

Role of the Committee

The Committee is responsible for monitoring the Group's risk management framework, the integrity of financial reporting and audit process and overseeing the maintenance of internal control.

The Committee comprises three independent non-executive directors: Deborah Wilkinson (Chair), Carol Thompson and Duncan Penny. The current Committee members are all independent Non-Executive Directors and have financial and/or related business experience gained in senior positions in other organisations. The Board considers that Deborah Wilkinson has recent and relevant financial experience in accordance with the Quoted Companies Alliance (QCA) code.

Key responsibilities of the Committee

1. Risk assessment and management

- On behalf of the Board, review and monitor the Company's risk register and risk management framework.
- Consider the appropriate risk appetite for the Company across all major activities, taking into account the overall strategy of the Company, its future plans and other internal information, as well as the external environment, including economic, political and industry information.
- Oversee and advise the Board and Remuneration Committee on how the remuneration of Executives shapes their view of risk.
- On an annual basis, ensure that a robust assessment of the emerging and principal risks facing the Company has been undertaken (including those risks that would threaten its business model, future performance, solvency or liquidity and reputation), that procedures are in place to identify emerging risks and provide advice on the management and mitigation of those risks.

- Oversee the current and prospective risks faced by the Company and its strategy in relation to future risks.
- Ensure that risk management is properly considered in Board decisions.
- Review the methodology for reporting risk to the Board.
- Set triggers for reporting and escalation of significant emerging risks that may be critical to the Company and assess the Company's ability to manage new risks.
- Consider whether risks have been properly considered in relation to all major transactions, as defined by the Board, by the Company including, but not limited to, mergers and acquisitions, disposals, joint ventures, significant expenditure on property, plant and equipment and material multi-year service contracts. This should involve consideration of whether all due diligence and/or procurement processes have been carried out, including obtaining external advice, as well as an assessment of whether the transaction meets the Company's risk appetite criteria and the implications for future risk tolerance.
- Review all material adverse crystallisation of risks, including those involving breaches of the Company's procedures, carrying out root cause analysis and introducing lessons learned into the risk management framework.

2. Internal control

- On behalf of the Board, review the Company's internal financial controls and internal control systems and, at least annually, carry out a review of their effectiveness.

3. Financial reporting

- Monitor the integrity of the financial statements of the Group, including its Annual and Interim Reports, preliminary results' announcements and any other formal announcements relating to its financial performance, reviewing significant financial reporting issues and judgements which they contain. The Committee shall also review summary financial statements, significant financial returns to regulators and any financial information contained in certain other documents, such as announcements of a price sensitive nature.

- Review and challenge where necessary:
 - The consistency of and changes to accounting policies.
 - The methods used to account for significant and unusual transactions where different approaches are possible
 - Whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, considering the views of the External Auditor.
 - The clarity of disclosure in the Company’s Financial Reports and the context in which statements are made.
 - All material information presented with the financial statements, including the information in the Strategic Report and the Corporate Governance Statement (insofar as it relates to the audit and risk management).
- Oversee the relationship with the External Auditor including (but not limited to):
 - Approval of their remuneration, whether fees for audit or non-audit services and that the level of fees is appropriate to enable an adequate audit to be conducted.
 - Approval of their terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit.
 - Assessing annually their independence and objectivity considering relevant UK professional and regulatory requirements, the Financial Reporting Standard's Revised Ethical Standard 2019 (Ethical Standard) and the relationship with the Auditor as a whole, including the provision of any non-audit services.

4. Fraud and whistleblowing

- Review the Group's arrangements for its employees, contractors, and external parties to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.
- Review the Group’s procedure for detecting fraud.
- Review the Group’s systems and controls for the prevention of bribery and receive reports on non-compliance.
- Satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the Auditor and the Company (other than in the ordinary course of business).
- Agreeing with the Board a policy on the employment of former employees of the Company’s Auditor, considering the Ethical Standard and legal requirements, then monitoring the implementation of this policy.
- Monitoring the Auditor’s compliance with relevant professional guidance and the Ethical Standard on the rotation of audit partners, the level of fees paid by the Company compared with the overall fee income of the firm, office and partner and other related requirements.

5. External audit

- Consider and make recommendations to the Board for approval at the AGM as regards the appointment, re-appointment and removal of the Company’s External Auditors.
- Assessing annually their qualifications, expertise and resources and the effectiveness of the audit process, which shall include a report from the External Auditor on their own internal quality procedures.
- Oversee the selection process for new External Auditors and, if an External Auditor resigns, the Committee shall investigate the issues leading to this and decide whether any action is required.

- Meet regularly with the External Auditor, including once at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the External Auditor at least once a year, without management being present, to discuss their remit and any issues arising from the audit.
- Review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement.
- Review the findings of the audit with the External Auditor. This shall include, but not be limited to, the following:
 - A discussion of any major issues which arose during the audit.
 - Any accounting and audit judgements.
 - Levels of errors identified during the audit.

6. Reporting responsibilities

- The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- The Committee shall compile a report to Shareholders on its activities to be included in the Company's Annual Report.

7. Other matters

- The Committee shall:
 - Have access to sufficient resources to carry out its duties, including access to the Company Secretary for assistance as required.
 - Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
 - Give due consideration to laws and regulations, the provisions and recommendations of the Quoted Companies Alliance's Corporate Governance Code, as well as the UK Corporate Governance Code and the requirements of the London Stock Exchange Plc (the AIM Market) as appropriate.
 - Oversee any investigation of activities that are within its terms of reference and act as a court of the last resort.
 - At least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
 - Consider such other matters as may be requested by the Board.

The terms of reference of the Committee are available in the Governance section of the Company's website at www.nexteqplc.com.

Meetings of the Committee

The Committee met four times during the year with attendance as set out in the table on [page 69](#). Although not members of the Committee, the Chief Executive Officer and Chief Financial Officer attended all meetings. The External Auditors, BDO, attended all meetings, apart from the November meeting as the focus of this meeting was the review of the Company risk register. The Committee also discussed matters with the External Auditor without the Group's management present.

The Committee supports the Board and reports to it on a regular basis, certainly no less frequently than at every Board meeting following a Committee meeting.

The following specific business was dealt with at each meeting held in 2025:

March	<p>Annual results for 31 December 2024, including:</p> <ul style="list-style-type: none"> • Accounting issues report from the CFO. • Full-year Report from the External Auditor including Auditor's Report to be included in the 2024 Annual Report. • Consolidated financial statements for the year ended 31 December 2024. • Principal risks and uncertainties. • Consideration of the going concern basis for preparation of the financial statements. <p>Reviewed the going concern statement.</p> <p>Assessed and agreed the independence of the External Auditor.</p> <p>Recommendations to the Board on:</p> <ul style="list-style-type: none"> • Consolidated financial statements. • Going concern statement.
September	<p>Interim results for the six months ended 30 June 2025, including:</p> <ul style="list-style-type: none"> • Accounting issues report from the CFO. • Interim financial statements for the six months ended 30 June 2025.
October	<p>Reviewed scope for the external audit for the 2025 audit.</p> <p>Review of key accounting matters for 2025 Annual Report.</p>
November	<p>Review of Group risk register, including environmental and IT risk registers.</p> <p>Review of internal controls.</p>

Significant risks and judgements in financial reporting

In relation to the 31 December 2025 annual financial statements included in this report on [pages 102 to 162](#), the Committee considered the topics listed below. It considered these areas to be significant, considering the level of materiality and the degree of judgement exercised by management. The Committee questioned and challenged the judgements and estimates made on each of the significant issues detailed below and resolved that they were appropriate and acceptable.

Significant matter	Committee actions taken
Revenue cut-off	<p>In 2025, there were a higher number of revenue transactions occurring closer to Year end than in the prior year and a larger amount of revenue was recognised in the month of December. Revenue is recognised based on the contractual terms agreed with the customer, typically either on a Delivered At Place (DAP) or Ex-works (EXW) basis. Management performed additional procedures to ensure that revenue was recognised in the correct financial period, with particular focus on ex-works shipments. These procedures included reviewing customers' collection of ex-works shipments around the year end date and ensuring that the customer had taken control of the goods at the balance sheet date.</p> <p>The Committee reviewed management's procedures and was satisfied that there were no material misstatements of revenue recognition.</p>
Impairment of goodwill and intangible assets	<p>The carrying value of goodwill is a significant item within the Group's balance sheet. Impairment assessments, performed annually, require judgements in relation to discount rates and future growth forecasts to generate discounted cash flows for the cash-generating units.</p> <p>The Committee challenged the appropriateness of judgements and forecasts used in management's impairment assessment. In particular, the Committee enquired and challenged the assumptions made regarding forecasted growth rates and profit margins and understanding the discount rates.</p> <p>In addition, the Committee reviews the calculation to ensure that sensitivity analysis is performed by management, which reflects reasonable downside scenarios. It also assesses the carrying value in the context of the Group's wider net asset value and market capitalisation.</p> <p>The Committee considered the impact of changes in the Group structure implemented to deliver the three-year plan communicated to investors at the capital markets day in February 2025. The Committee reviewed and challenged the appropriateness of management's assessment to group the four Densitron CGU's that existed in previous years into one Densitron group of CGUs. The Committee agreed with management's assessment that the grouping of Densitron CGUs was aligned with the revised management structure of the Group and consistent with how financial performance is reviewed and cash flows are monitored.</p>

Valuation of inventory

In 2025, raw material inventory levels decreased slightly from the previous year though a key focus on stock levels and the increased revenue in December 2025 ensured expected orders shipped.

The Committee considered the provision policy, provision levels and the nature and condition of inventory at the balance sheet date and was satisfied that appropriate provisions for loss and delinquency were made, including management's assessment of higher risk inventory.

Physical inventory was validated through wall-to-wall stock counts held at Year end, covering key sites where the Group holds inventory. These counts were attended by the External Auditor and the results reported to the Committee. The Committee was satisfied that the counts were conducted appropriately.

Recognition of deferred tax asset for UK tax losses

The value of deferred tax assets is a significant item within the Group's balance sheet. Management prepares an assessment annually regarding the utilisation of the UK tax losses, which are the major component of the deferred tax asset, to determine the amount expected to be utilised in future years.

The Committee challenged the appropriateness of judgements and forecasts used in management's assessment. In addition, the Committee reviews the calculation to ensure the probability analysis performed by management, reflects historic performance and forecasts. It also assessed the deferred tax asset value in the context of tax returns. The Committee agreed with management's view to continue the recognition of a deferred tax asset on tax losses for the year ended 31 December 2025, with no change to the tax value of losses not recognised of \$0.8m (2024: \$0.8m).

Going concern

The Committee reviewed management's assessment of the Group's ability to continue as a going concern for a period of at least 12 months from the date of signing the financial statements. In reviewing management's assessment, the Committee considered the Group's latest budgets and financial position and concluded that the assumptions used in the going concern review were appropriate.

The Committee also reviewed management's downside scenario to the above going concern forecast. Under the downside scenario, which is severe but plausible, the Group continues to have sufficient liquidity to operate. The Committee believes that there is no material uncertainty in the use of the going concern assumption.

External audit

The Committee has primary responsibility for overseeing the relationship with the External Auditors, BDO LLP. This includes monitoring and reviewing their objectivity and independence on an ongoing basis, recommending their appointment, re-appointment and removal, and approving the scope of the statutory audit and fees. BDO LLP presented to the Committee its detailed audit plan for the 2025 financial year, which outlined its audit scope, planning materiality and its assessment of key audit risks. The Committee also received reports from BDO LLP on its assessment of the accounting and disclosures in the financial statements and financial controls.

In 2025, the most significant risks identified were ex-works revenue recognition fraud risk overcut-off, valuation of inventory on a customer/contract level in the Quixant gaming CGU and Nexteq plc standalone Company accounts, and management override of controls. The Committee reviewed and challenged BDO LLP on these matters and reviewed their reporting and feedback from management on the effectiveness of the audit process. No major concerns over the effectiveness of the audit process were raised by management.

Non-audit services

The Committee approves all non-audit services provided by the Auditors before they are undertaken and reviews the level of these services to ensure BDO's independence is not compromised. BDO provided tax advice to the Group in Taiwan. The total fees for non-audit services paid to BDO during the year was \$4,000 (2024: \$3,000), which is considered immaterial when compared with the audit fees of \$501,000 (2024: \$444,300).

Risk management

The Board is responsible for the Group's risk management framework and the Committee has been delegated responsibility for reviewing the overall process of assessing business risks and managing the impact on the Group. The Board retains overall responsibility for the level of risk the Group is willing to take and for allocating sufficient resources to the management of business risk.

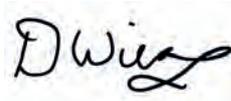
The Executive Directors review the Company risk register regularly and report any proposed changes to the Committee and the Board. As part of the ongoing assessment of the business's principal risks and uncertainties, the Committee has considered several factors including the macroeconomic landscape, supply chain disruption and cyber and technology risks.

The review of risks facing the Group is shown on [pages 44 to 47](#).

Internal controls

The Group has clearly defined lines of accountability and delegation of authority, which are closely adhered to, policies and procedures that cover financial planning and reporting, accounts preparation, information security and operational management. During the year, management undertook its controls self-assessment programme covering all sites. Management provided the Committee with a summary of the key findings from the self-assessment questionnaire, which was issued to the business in Q4 2025. Control observations and management's response to matters raised were reviewed by the Committee during their meeting in November 2025.

The reporting and review processes provide regular assurance to the Board as to the adequacy and effectiveness of internal controls. The Committee also reviewed and agreed financial control issues that arose during the audit with the External Auditor. The resolution of those financial control issues is ongoing, and progress will be reported to the Committee at future meetings. The Committee has determined that an internal audit function is not currently required by the Group and that there are other monitoring processes applied to provide assurance that internal controls are functioning satisfactorily.



Deborah Wilkinson | Chair of the Committee

Directors' Report

The Directors present their Annual Report and Accounts for the year ended 31 December 2025.

Principal activities, results and likely future developments

The principal activities of the Group are:

- The design, development and manufacture of gaming platforms and display solutions for the gaming and slot machine industry.
- The design, development and delivery of electronic displays and control solutions into the industrial marketplace.

The profit for the year after taxation amounted to \$1.9m (2024: \$0.3m). Further comments on the development of the business are included in the Chair's Statement, Chief Executive Officer's Report and Financial Review on [pages 8 to 43](#).

The Group has adopted the Corporate Governance Code of the QCA. Further comments are included in the Chair's Introduction to Governance on [page 63](#).

Engagement with suppliers, customers and others in a business relationship with the Company are also disclosed in the Governance Report.

The Group has made disclosures in the Sustainability Report on [pages 53 to 61](#) regarding greenhouse gas emissions, energy consumption and energy efficiency of the business.

Statutory information

Nexteq plc (the 'Company') is a Public Limited Company incorporated in the United Kingdom (Registration number: 04316977). The Company's ordinary shares are traded on the Alternative Investment Market of the London Stock Exchange (AIM).

The Company has a branch, located in Taiwan, whose operations and results are included in the standalone financial statements of the Company.

Details of the share capital of the Company are set out in Note 22 of the consolidated financial statements.

Annual General Meeting

The date and other details of the next Annual General Meeting (AGM) of the Company are contained within the notice of this meeting. The Board proposes a dividend for the year ended 31 December 2025 of 3.9p per share (2024: 3.7p per share).



Substantial shareholdings

Based on the share register analysis as at 31 December 2025, unless otherwise notified, the Company was aware of the following interests in 3% or more of the issued ordinary share capital of the Company:

	Shares held: Ordinary shares of £0.001 each	% of issued share capital
N C L Jarmany and his wife	11,131,163	18.58%
Lombard Odier Investment Managers	7,484,315	12.49%
Liontrust Asset Management	7,283,067	12.16%
Mr J and Mrs S Mullins	3,887,095	6.49%
Mr JJ Lin	3,446,559	5.75%
Crucible Clarity Fund	2,764,156	5.11%
G P Mullins and his wife	2,215,653	3.70%
Alexander Taylor	2,058,958	3.44%
Octopus Investments	1,835,975	3.06%

Directors

The Directors who served during the year and their interests in the share capital of the Company were as follows:

	Shares held Ordinary shares of £0.001 each	
	2025	2024
N C L Jarmany	11,131,163	11,131,163
G P Mullins	2,215,653	2,215,653
C Thompson	20,000	-
D J Penny	30,000	30,000
D Faithfull (appointed 29 August 2024)	-	-
M Staight (appointed 31 October 2024)	7,989	7,989
D Wilkinson (appointed 30 October 2025)	-	-

Subsequent to the year end, there was a change in the Directors' interests where D Wilkinson acquired 12,228 shares on 19 January 2025. There was no other change in the interests set out above between 31 December 2025 and 18 March 2026.

Directors' indemnity arrangements

The Group has made qualifying third-party indemnity provisions for the benefit of its Directors, which were made during the year and remain in force at the date of this report. The Group has purchased and maintained throughout the year Directors' and Officers' liability insurance in respect of itself and its Directors.

Share buyback authority

The share buyback programme that received the requisite shareholder and regulatory approvals in April 2024 concluded in March 2025 when the final \$0.6m of share buybacks was completed.

The Board took the steps required to enable the Company to commence a subsequent share buyback programme. The buyback authority was exercised where the Directors regarded such purchases as being in the best interests of all shareholders to provide liquidity in the market, while helping to moderate volatility in the Company's shares and minimising dilution as a result of the exercise of employee options.

The subsequent share buyback programme received the requisite shareholder and regulatory approvals at a General

Meeting of the Company on 18 September 2025 and runs until the Company's AGM. The subsequent share buyback programme did not give rise to additional share buybacks in 2025, however, between 31 December 2025 and 18 March 2026, share buybacks totalling \$3.9m were completed.

The Board intends to take the steps required to enable the Company to commence a further share buyback programme, for which a further announcement will be made in due course setting out details of the proposed share buyback and details of the requisite shareholder and regulatory approvals ahead of authority being sought at the Company's AGM. The buyback authority will only be exercised in circumstances where the Directors regard such purchases as being in the best interests of all shareholders in order to provide liquidity in the market, while helping to moderate volatility in the Company's shares and minimising dilution as a result of the exercise of employee options.

Research and development

The Group continues to undertake R&D to develop and enhance its products and the Group will continue to commit a significant level of resources and expenditure as appropriate to development efforts.



Use of financial instruments

Information on both the Group's financial risk management objectives and the Group's policies on exposure to relevant risks in respect of financial instruments are set out in Note 23 of the consolidated financial statements.

Political contributions

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year (2024: Nil).

Going concern

In assessing the appropriateness of adopting the going concern basis in the preparation of these financial statements, the Directors have prepared cash flow forecasts and projections for a period of at least 12 months from date of signing the financial statements. Following careful consideration of the base case forecasts and the application of severe but plausible downside scenarios to these forecasts, the Directors have a reasonable expectation that the Group has adequate resources to continue to operate within the level of its current facilities for a period of at least 12 months from the date of this report. Therefore, the Directors continue to adopt the going concern basis of accounting in preparing the Group and Company financial statements.

Further details on going concern are provided in Note 1 of the Group financial statements, which is incorporated by reference and forms part of this Directors' Report.

Disclosure of information to the Auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

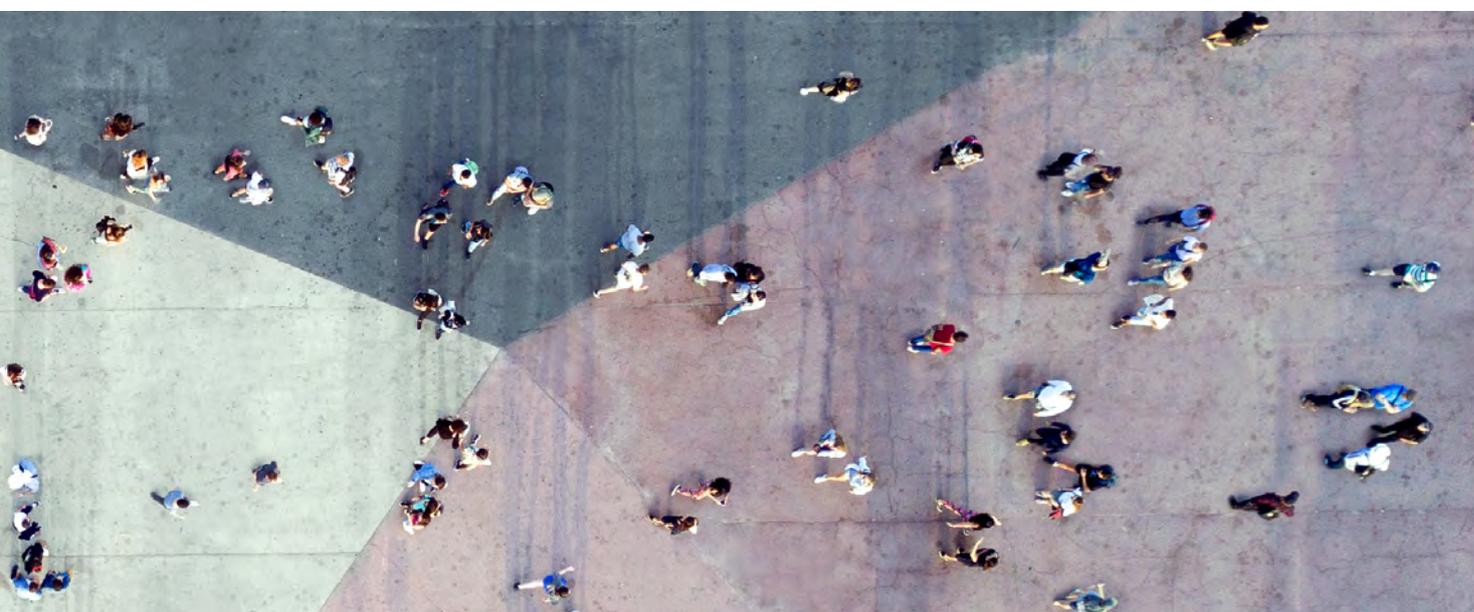
Auditor

In accordance with section 489 of the Companies Act 2006, a resolution for the re-appointment of BDO LLP as Auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board on 17 March 2026.



Duncan Faithfull | Chief Executive Officer



Statement of Directors' Responsibilities

In respect of the Annual Report and the financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors are required to prepare the Group and Company financial statements in accordance with UK adopted international accounting standards. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether they have been prepared in accordance with UK adopted international accounting standards subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

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

Website publication

The Directors are responsible for ensuring the Annual Report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Financial statements



Independent Auditor's Report

Independent auditor's report to the members of Nexteq plc

Report on the audit of the financial statements - Opinion

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 and the Group's and the Parent Company's cash flows 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 UK adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006.
- The financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Nexteq plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise of the following:

Group	Parent Company
Consolidated statement of profit and loss and other comprehensive income	Balance sheet
Consolidated balance sheet	Statement of changes in equity
Consolidated statement of changes in equity	Cash flow statement
Consolidated cash flow statement	
Notes 1 to 29 to the consolidated financial statements	
Material accounting policy information	

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and as regards the Parent Company financial statements, as applied in accordance with the provisions 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain 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.

Conclusions relating to going concern

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

- Obtaining an understanding of the director's process for producing the cash forecasting model used for going concern, including the inputs and assumptions used in those models.
- Testing the arithmetical accuracy of the model prepared by management to support the Directors' assessment and the underlying calculations within.

- Understanding and challenging the forecasts including the underlying assumptions. This included comparing forecast revenue and costs with historical trends. We also compared historical forecasts with actual results to evaluate the accuracy of the directors forecasting. Additionally, we assessed the forecast revenue against the Group's revenue pipeline.
- Analysing changes in key assumptions including a reasonably possible (but not unrealistic) reduction in forecast revenue, to understand the sensitivity in the cash flow forecasts.
- Review of the post year-end cash position to assess any potential unexpected deterioration in balances held.
- Making inquiries of the Directors as to their knowledge of events or conditions beyond the period of their assessment that may cast significant doubt on the entity's ability to continue as a going concern.
- Considering the adequacy of the disclosures relating to going concern included within Note 1 of the financial statements against the requirements of the accounting standards. We also checked the consistency of the disclosures against the forecasts and the Directors' going concern assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and the Parent Company's ability to continue as a going concern.

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

Overview

		2025	2024
Key audit matters	Revenue recognition relating to Ex-works sales	✓	✓
	Impairment of goodwill and other intangible assets for the Densitron Europe and Densitron Japan Cash Generating Units (CGU's)		✓
<p>The impairment of goodwill and other intangible assets for the Densitron Europe and Densitron Japan Cash Generating Units (CGU's) is no longer considered to be a key audit matter because the level of estimation uncertainty and judgement involved in the impairment assessment has reduced compared to the prior year. This follows improved financial performance in the Densitron group of CGUs and a resultant increase in headroom. As a result, the impairment assessment no longer required significant auditor attention or presented a higher risk of material misstatement relative to other areas of the audit</p>			
Materiality	<i>Group financial statements as a whole</i>		
	\$902,000 (2024: \$433,000) based on 1% (2024: 0.5%) of revenue.		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. We identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

The group consists of 12 components (11 legal entities). The components are organised per legal entity, apart from Nexteq Taiwan branch which is a branch of Nexteq plc.

As part of performing our Group audit, we have determined the components in scope as being Nexteq plc (Parent Company), Nexteq Taiwan Branch, Nexteq UK Limited, Quixant USA, Inc. and Densitron Corporation of America. These components have been identified as in-scope due to the group risks allocated to these components as well as their contribution to group results and performance.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- Procedures on the entire financial information of the component, including performing substantive procedures.
- Procedures on one or more classes of transactions, account balances or disclosures.

Procedures performed at the component level

We performed procedures to respond to group risks of material misstatement at the component level that included the following.

For the purpose of our group audit, the group consisted of 12 components in total. These were comprised of 11 legal entities.

Procedures were performed on the entire financial information of 4 components.

Procedures were performed on one or more classes of transactions, account balances or disclosures of 1 component.

The financial information of the remaining components was subject to risk assessment procedures performed by the Group audit team.

Procedures performed centrally

We considered there to be a high degree of centralisation of financial reporting and similarity of the group's activities and business lines in relation to going concern, share based payment expense, impairment of goodwill and intangible assets, right-of-use assets and the corresponding lease liability, inventory obsolescence provision, and disclosure of adjusted performance measures ('APM's'). We therefore designed and performed procedures centrally in these areas.

The group operates a centralised IT function that supports IT processes for certain components. This IT function is subject to specified risk-focused audit procedures, predominantly the assessment of the design and implementation of relevant IT general controls and IT application controls..

Locations

Nexteq plc's operations are spread over a number of different geographical locations. We visited 3 out of a total of 7 locations. Our teams conducted procedures in Nexteq plc's locations in Taiwan, UK and the USA.

Changes from the prior year

In the prior year, we performed specified procedures at 2 components in response to the fraud risk in relation to revenue recognition. In the current year, based on our updated risk assessment performed in accordance with ISA 315 (Revised) and ISA 600 (Revised), we concluded that these components no longer presented a risk of material misstatement at the Group level. As such, the specified procedures undertaken in the prior year were not repeated.

Working with other auditors

As Group auditor, we determined the components at which audit work was performed, together with the resources needed to perform this work. These resources included a component auditor, who formed part of the group engagement team. As Group auditor we are solely responsible for expressing an opinion on the financial statements.

In working with the component auditor, we held discussions with component audit team on the significant areas of the group audit relevant to the component based on our assessment of the group risks of material misstatement. We issued our group audit instructions to the component auditor on the nature and extent of their participation and role in the group audit, and on the group risks of material misstatement.

We directed, supervised and reviewed the component auditors' work. This included holding meetings and calls during various phases of the audit and reviewing component auditor documentation in person and remotely. We evaluated the appropriateness of the audit procedures performed and the results thereof.



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, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		How the scope of our audit responded to the risk
<p>Revenue recognition for Ex-works sales</p> <p>Revenue: \$90.2m (2024: \$86.7m)</p> <p>Refer to page 114 (Accounting policy) and Note 3 of the financial statements</p>	<p>As stated in the accounting policy on Page 114, the Group derives its revenue from the sale of goods namely, gaming boards or platforms, gaming monitors, and display products.</p> <p>Revenue from the sale of goods has one single performance obligation which is satisfied once control of the goods is transferred to the customer, in accordance with the agreed contractual terms for each customer. These contractual terms are based on Incoterms (International Commercial Terms), a set of standardised international trade terms published by the International Chamber of Commerce. These contractual terms can vary from customer to customer. Revenue recognition relating to Ex-works ("EXW") terms requires judgement as to when control has transferred, being when the goods have been made available for a customer to collect from an agreed place.</p> <p>Revenue is a key metric when evaluating financial performance of the Group and is subject to internal and external scrutiny.</p> <p>Given the judgement required, we considered there to be a significant risk in relation to revenue recognised for EXW sales being in the incorrect financial period for amounts recognised in the last three weeks of the financial year.</p> <p>For this reason, revenue recognition for EXW sales was determined to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We evaluated the design and implementation of the control activities relevant to revenue recognition for EXW sales. • We obtained an understanding of the key revenue processes for EXW sales from inception to disclosure in the financial statements. • Assessed whether the Group's policy for EXW sales is in accordance with applicable accounting standards. • For a sample of EXW revenue recognised in the last three weeks of the financial year, we obtained the contractual terms of sale, delivery documentation, and where available, either the customers' confirmation of collection for EXW shipments or the customers' acknowledgment that the goods were made available to them pre-year end for EXW contracts to evidence revenue was recognised in the correct period. <p>Key observations:</p> <p>Through performing these procedures, we consider that Group's revenue recognition policy for EXW sales is appropriate, and that EXW sales has been recognised in accordance with the Group's revenue policy.</p>

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

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

	Group financial statements		Parent company financial statements	
	2025 \$000s	2024 \$000s	2025 \$000s	2024 \$000s
Materiality	\$902	\$433	\$857	\$411
Basis for determining materiality	1% of revenue	0.5% of revenue	1.5% of total assets capped at 95% of group materiality	1% of total assets capped at 95% of group materiality
Rationale for the benchmark applied	Revenue was considered the most appropriate benchmark as it's the most relevant indicator of the performance of the Group for the users of the financial statements and given the Directors' continued focus on revenue growth.		Total assets were considered the most appropriate benchmark as it's the most relevant indicator of the performance of the Company for the users of the financial statements.	
Performance materiality	\$677	\$260	\$643	\$247
Basis for determining performance materiality	75%	60%	75%	60%
Rationale for the percentage applied for performance materiality	Based on our understanding of the Group, risk assessment procedures performed and the nature and extent of misstatements identified in the previous audit and the expectations in relation to misstatements for the current year.		Based on our understanding of the Parent Company, risk assessment procedures performed and the nature and extent of misstatements identified in the previous audit and the expectations in relation to misstatements for the current year.	

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, apart from the Parent Company whose materiality and performance materiality are set out above, based on a percentage of between 40% and 65% (2024: 20% and 55%) of Group performance materiality dependent on a number of factors including size and our assessment of the risk and our assessment of the risk of material misstatement of those components. Component performance materiality ranged from £256,000 to £416,000 (2024: £52,000 to £143,000).

Reporting threshold

We agreed with the Audit and Risk Committee that we would report to them all individual audit differences in excess of £42,000 (2024: £21,650). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report

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.
- The Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

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.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements, 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.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Parent Company and management.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and Parent Company and the industry in which it operates.
- Discussion with management and those charged with governance and the Audit and Risk Committee.
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be UK adopted International Accounting Standards, Companies Act 2006, UK tax legislation and AIM Listing Rules.

The Group and Parent Company are also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be including but not limited to Health and Safety Legislation, the Equality Act 2010, Bribery Act 201, Proceeds of Crime Act 2002, Foreign Corrupt Practices Act, Export Control Act 2002, Environmental Protection Act 1990, Consumer Rights Act 2015 and the Data Protection Act 2018.

Our procedures in respect of the above included:

- Enquires of management whether there were any litigations and claims.
- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations.
- Review of financial statement disclosures and agreeing to supporting documentation.
- Involvement of tax specialists in the audit.
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance and members of the Audit and Risk Committee regarding any known or suspected instances of fraud.
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud.
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud.
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and risk of fraud in revenue recognition for EXW sales.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met defined risk criteria, by agreeing to supporting documentation.
- Challenging management's assessments, assumptions and evaluating data used as the basis for making estimates to assess whether judgment made are indicative of potential bias by management.
- With regards to the risk of fraud in revenue recognition, see details included in the KAM section above.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including the component auditor who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For the component auditor, we also reviewed the result of their work performed in this regard.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

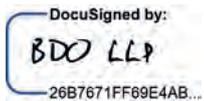
A further description of our responsibilities is available on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

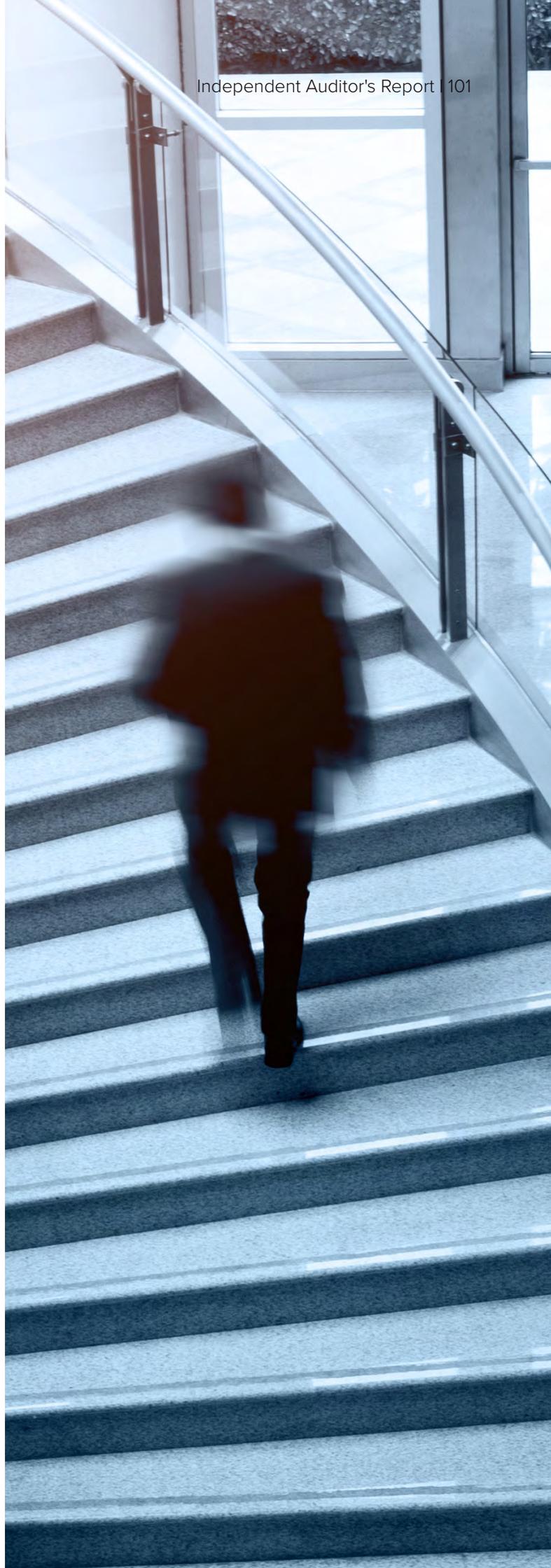
Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Leighton Thomas (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
17 March 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



Consolidated statement of profit and loss and other comprehensive income

For the years ended 31 December 2025 and 2024.

	Note	2025 \$'000	2024 \$'000
Revenue	3	90,227	86,678
Cost of sales		(60,618)	(55,568)
Gross profit		29,609	31,110
Operating expenses	4, 6	(27,298)	(30,809)
Operating profit		2,311	301
Finance income	7	1,006	1,448
Finance expense	7	(165)	(28)
Profit before tax		3,152	1,721
Taxation	8	(1,227)	(1,410)
Profit for the year		1,925	311
Other comprehensive income for the year, net of income tax			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		1,096	(1,449)
Total comprehensive income / (expense) for the year		3,021	(1,138)
Basic earnings per share	9	\$0.0321	\$ 0.0048
Diluted earnings per share	9	\$0.0314	\$ 0.0048

The Italian subsidiary, Quixant Italia Srl, is 99% owned by the Group. The comprehensive income and equity attributable to the non-controlling interests in this subsidiary are not material.

The consolidated statement of profit and loss and other comprehensive income has been prepared on the basis that all operations are continuing operations.

Notes on [pages 107 to 161](#) form part of the financial statements.

Consolidated and company balance sheets

As at 31 December 2025 and 2024.

	Note	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current assets					
Property, plant and equipment	10	4,643	5,688	2,439	3,502
Intangible assets	11	11,342	11,494	191	312
Right-of-use assets	24	2,025	2,403	432	709
Investment property	12	–	–	–	–
Investments in Group companies and associated undertakings	13	–	–	6,623	6,474
Deferred tax assets	14	2,425	2,476	2,848	1,875
Trade and other receivables	16	61	61	–	–
		20,496	22,122	12,533	12,872
Current assets					
Inventories	15	16,456	17,435	12,552	12,012
Trade and other receivables	16	25,647	16,461	18,241	7,517
Cash and cash equivalents	17	25,306	29,469	20,284	25,212
Assets held for sale	25	1,066	–	1,066	–
		68,475	63,365	52,143	44,741
Total assets		88,971	85,487	64,676	57,613
Current liabilities					
Loans and borrowings	18	(93)	(87)	(93)	(87)
Trade and other payables	19	(15,456)	(11,775)	(12,123)	(31,148)
Tax payable		–	–	(192)	(55)
Lease liabilities	18	(448)	(501)	(255)	(347)
		(15,997)	(12,363)	(12,663)	(31,637)
Non-current liabilities					
Loans and borrowings	18	(191)	(271)	(191)	(271)
Provisions	21	(530)	(355)	–	–
Lease liabilities	18	(1,752)	(1,878)	(194)	(341)
		(2,473)	(2,504)	(385)	(612)
Total liabilities		(18,470)	(14,867)	(13,048)	(32,249)
Net assets		70,501	70,620	51,628	25,364
Equity attributable to equity holders of the parent					
Share capital	22	106	106	106	106
Treasury shares	22	(7,612)	(6,996)	(7,612)	(6,996)
Share premium	22	6,747	6,747	6,747	6,747
Share-based payments reserve		1,068	888	1,059	888
Retained earnings		71,355	72,134	51,044	25,236
Translation reserve		(1,163)	(2,259)	284	(617)
Total equity		70,501	70,620	51,628	25,364

The Company's profit for the year was \$28.5m (2024: loss of \$2.6m). These financial statements were approved and authorised for issue by the Board of Directors on 17 March 2026 and were signed on behalf of the Board by:



Duncan Faithfull | Chief Executive Officer

Company registered number: 04316977

Notes on [pages 107 to 161](#) form part of the financial statements.

Consolidated and company statement of changes in equity

Group

For the years ended 31 December 2025 and 2024.

	Share Capital \$'000	Treasury Shares \$'000	Share Premium \$'000	Translation Reserve \$'000	Share-Based Payments \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 January 2024	106	–	6,747	(810)	1,905	74,398	82,346
Total comprehensive expense for the year							
Profit for the year	–	–	–	–	–	311	311
Other comprehensive expense	–	–	–	(1,449)	–	–	(1,449)
Total comprehensive expense for the year	–	–	–	(1,449)	–	311	(1,138)
Transactions with owners, recorded directly in equity							
Treasury shares purchased	–	(6,996)	–	–	–	–	(6,996)
Share-based payment credit	–	–	–	–	(751)	–	(751)
Deferred tax on share-based payment expense	–	–	–	–	21	–	21
Reserve transfer	–	–	–	–	(261)	261	–
Share-based payment awards	–	–	–	–	(26)	–	(26)
Dividend paid	–	–	–	–	–	(2,836)	(2,836)
Exercise of share options	–	–	–	–	–	–	–
Total contributions by, and distributions to, owners	–	(6,996)	–	–	(1,017)	(2,575)	(10,588)
Balance at 31 December 2024	106	(6,996)	6,747	(2,259)	888	72,134	70,620

	Share Capital \$'000	Treasury Shares \$'000	Share Premium \$'000	Translation Reserve \$'000	Share-Based Payments \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 January 2025	106	(6,996)	6,747	(2,259)	888	72,134	70,620
Total comprehensive income for the year							
Profit for the year	–	–	–	–	–	1,925	1,925
Other comprehensive income	–	–	–	1,096	–	–	1,096
Total comprehensive income for the year	–	–	–	1,096	–	1,925	3,021
Transactions with owners, recorded directly in equity							
Treasury shares purchased	–	(642)	–	–	–	–	(642)
Share-based payment expense	–	–	–	–	481	–	481
Deferred tax on share-based payment expense	–	–	–	–	(9)	–	(9)
Reserve transfer	–	–	–	–	(248)	248	–
Dividend paid	–	–	–	–	–	(2,974)	(2,974)
Exercise of share options	–	26	–	–	(44)	22	4
Total contributions by, and distributions to, owners	–	(616)	–	–	180	(2,704)	(3,140)
Balance at 31 December 2025	106	(7,612)	6,747	(1,163)	1,068	71,355	70,501

Company

For the years ended 31 December 2025 and 2024.

	Share Capital \$'000	Treasury Shares \$'000	Share Premium \$'000	Translation Reserve \$'000	Share-Based Payments \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 January 2024	106	–	6,747	514	1,905	30,464	39,736
Total comprehensive expense for the year							
Loss for the year	–	–	–	–	–	(2,576)	(2,576)
Other comprehensive expense	–	–	–	(1,131)	–	–	(1,131)
Total comprehensive expense for the year	–	–	–	(1,131)	–	(2,576)	(3,707)
Transactions with owners, recorded directly in equity							
Treasury shares purchased	–	(6,996)	–	–	–	–	(6,996)
Share-based payment expense	–	–	–	–	(817)	–	(817)
Deferred tax on share-based payment expense	–	–	–	–	10	–	10
Reserve transfer	–	–	–	–	(184)	184	–
Share-based payment awards	–	–	–	–	(26)	–	(26)
Dividend paid	–	–	–	–	–	(2,836)	(2,836)
Exercise of share options	–	–	–	–	–	–	–
Total contributions by, and distributions to, owners	–	(6,996)	–	–	(1,017)	(2,652)	(10,665)
Balance at 31 December 2024	106	(6,996)	6,747	(617)	888	25,236	25,364

	Share Capital \$'000	Treasury Shares \$'000	Share Premium \$'000	Translation Reserve \$'000	Share-Based Payments \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 January 2025	106	(6,996)	6,747	(617)	888	25,236	25,364
Total comprehensive income for the year							
Profit for the year	–	–	–	–	–	28,512	28,512
Other comprehensive income	–	–	–	901	–	–	901
Total comprehensive income for the year	–	–	–	901	–	28,512	29,413
Transactions with owners, recorded directly in equity							
Treasury shares purchased	–	(642)	–	–	–	–	(642)
Share-based payment credit	–	–	–	–	481	–	481
Deferred tax on share-based payment expense	–	–	–	–	(18)	–	(18)
Reserve transfer	–	–	–	–	(248)	248	–
Dividend paid	–	–	–	–	–	(2,974)	(2,974)
Exercise of share options	–	26	–	–	(44)	22	4
Total contributions by, and distributions to, owners	–	(616)	–	–	171	(2,704)	(3,149)
Balance at 31 December 2025	106	(7,612)	6,747	284	1,059	51,044	51,628

Notes on [pages 107 to 161](#) form part of the financial statements.

Consolidated and company cash flow statements

	Note	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash flows from operating activities					
Profit/(Loss) for the year		1,925	311	28,512	(2,576)
Adjustments for:					
Depreciation and amortisation	4	2,185	2,151	441	518
Loss on disposal of property, plant and equipment		14	118	14	116
Impairment losses on intangible assets	4	712	2,922	–	2,873
Depreciation of leased assets	4	702	642	365	350
Increase in provision for doubtful debts	23	109	245	–	–
Movement in provisions		150	44	–	–
R&D tax (credit)/expense	4	(121)	142	–	–
Taxation charge		1,227	1,410	(572)	1,129
Finance income	7	(1,006)	(1,448)	(992)	(1,435)
Finance expense	7	165	28	42	55
Exchange rate gains		21	234	6	318
Share-based payment expense/(credit)		481	(751)	332	(578)
Operating cash flows before movement in working capital		6,564	6,048	28,148	770
(Increase)/Decrease in trade and other receivables		(7,947)	9,741	(8,851)	2,455
Decrease in inventories		1,533	5,745	284	3,199
Increase/(Decrease) in trade and other payables		3,911	(6,020)	(19,200)	3,992
		4,061	15,514	381	10,416
Interest paid		(1)	(13)	–	(9)
Tax paid		(598)	(2,524)	(258)	(732)
Net cash from operating activities		3,462	12,977	123	9,675
Cash flows from investing activities					
Addition of development costs	11	(1,744)	(1,228)	(2)	–
Purchase of property, plant and equipment	10	(293)	(980)	(194)	(435)
Property purchase deposit		(1,517)	–	(1,517)	–
Addition of externally purchased intangible assets	11	(535)	(650)	(25)	(113)
Interest received		1,006	1,345	992	1,331
Net cash used in investing activities		(3,083)	(1,513)	(746)	783
Cash flows from financing activities					
Repayment of borrowings	18	(91)	(87)	(91)	(87)
Mortgage interest paid	18	(7)	(9)	(7)	(9)
Lease liability interest paid	18	(151)	(5)	(35)	(46)
Payment of lease liabilities principal	18	(566)	(709)	(377)	(345)
Purchase of Treasury shares		(642)	(6,996)	(642)	(6,996)
Exercise of share options		4	–	4	–
Dividends paid		(2,974)	(2,836)	(2,974)	(2,836)
Net cash used in financing activities		(4,427)	(10,642)	(4,122)	(10,319)
Net (decrease)/increase in cash and cash equivalents		(4,048)	822	(4,745)	139
Cash and cash equivalents at 1 January		29,469	28,406	25,212	24,857
Foreign exchange rate movements		(115)	241	(183)	216
Cash and cash equivalents at 31 December	17	25,306	29,469	20,284	25,212

Notes on [pages 107 to 161](#) form part of the financial statements.

Notes to the financial statements

1. Material accounting policies

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these consolidated financial statements.

Nexteq plc (the 'Company') develops and supplies specialist computer systems. The Company is a public company that is incorporated and domiciled in the UK. The registered number is 04316977. The address of the Company's registered office is The Galleria, Station Road, Crawley, RH10 1WW.

The Group financial statements consolidate those of the Company, its branch in Taiwan and its subsidiaries (together referred to as the Group). The Parent Company financial statements present information about the Company as a separate entity inclusive of its branch in Taiwan.

Basis of preparation

The Group financial statements have been prepared in accordance with UK-adopted international accounting standards ('UK Adopted IFRS'). The Company financial statements have been prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006. On publishing the Parent Company financial statements here together with the Group financial statements, the Company is taking advantage of the exemption in section 408 of the Companies Act 2006 not to present its individual Profit and Loss Account and related notes that form a part of these approved financial statements. The profit of the Company is disclosed at the foot of the Company Balance sheet.

This financial information has been prepared under the historical cost convention.

Functional and presentation currency

These consolidated financial statements are presented in US Dollars, which is the Company's functional currency. The Company's Taiwan branch has a functional currency of New Taiwan Dollars. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

Use of judgements and estimates

The preparation of financial information in conformity with UK-adopted international accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group accounting policies. The areas involving a higher degree of judgement and estimation relate to the recoverability of goodwill, valuation of Quixant CGU inventory, capitalisation of development costs and deferred tax asset recognition. Estimates and underlying assumptions are reviewed on an annual basis. Revisions to estimates are recognised prospectively.

Significant estimates

Recoverability of goodwill

The estimated recoverable amounts of CGUs have been determined based on the higher of value-in-use calculations and fair value less costs to sell. These calculations require the use of estimates and assumptions that are subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows. Reasonably possible changes to the assumptions in the future may lead to material adjustments to the carrying value of CGUs. See Note 11 for further details.

Quixant inventory valuation in the Quixant CGU for the Group and in the Parent company

Inventories, which comprise goods held for resale, are stated at the lower of cost and net realisable value, on a weighted average cost basis. The estimated recoverable amount of the inventory balance in the Quixant CGU for the Group financial statements and in the Parent Company financial statements is subjective, due to the inherent uncertainty involved in forecasting of future sales. Provisions are made to write down any slow-moving or obsolete inventory to net realisable value.

As at 31 December 2025, the Group balance sheet and Parent company balance sheet included Quixant inventory of \$13.9m (2024: \$13.9m) and \$10.5m (2024: \$10.6m) respectively. The provision against slow-moving and obsolete inventory for the Group as at 31 December 2025 is \$3.3m (2024: \$4.9m) and in the Parent company is \$2.5m (2024: \$4.4m). A difference of 5.0% in the provision

as a percentage of gross inventory would give rise to a difference of +/- \$0.8m in gross margin. The choice of a 5.0% change for the determination of sensitivity represents the change to the level of provisioning for the prior year.

Deferred tax asset recognition

A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profits will be available to utilise the temporary difference. The Group has made estimates on the likelihood that future taxable profit will utilise the tax losses, meaning the deferred tax assets being realised by the Group is contingent upon the estimates regarding future tax profits of the Group in the jurisdiction where the loss exists. At the reporting date, the Group had unused tax loss of \$15.3m (2024: \$16.8m) available for offset against future profits.

In order to support the recognition of \$3.1m (2024: \$3.4m) deferred tax asset on losses, modelling was undertaken to review the recovery period of the deferred tax asset. The modelling was based on management forecasts for the subsequent five years and showed that the deferred tax asset on losses is expected to be fully recovered by 2030. A probability weighted model was used to determine the loss recoverability.

This modelling is judgemental given the forward-looking nature of performance, taking into account inherent uncertainties constraining the expected level of profit as appropriate. Changes in the estimates will affect future taxable profits and therefore the recoverability of the deferred tax assets. The value of unrecognised tax losses in the UK as at 31 December 2025 is \$3.2m (2024: \$3.2m). The losses may be carried forward indefinitely.

Adjusting items

The Group has chosen to present an adjusted measure of profit and earnings per share, which excludes certain items which are separately disclosed due to their size, nature or incidence, and are not considered to be part of the normal operating costs of the Group. These costs may include the financial effect of adjusting items such as, inter alia, restructuring costs, impairment charges, amortisation of acquired intangibles, costs relating to

business combinations and share-based payment expenses. The Group believes that it provides additional useful information to users of the financial statements to enable a better understanding of the Group's underlying financial performance. The adjusted measures are not defined terms under IFRS and may therefore not be comparable with similarly titled measures reported by other companies. They are not intended to be a substitute for, or superior to, IFRS measures.

The classification of items as adjusting requires significant management judgement. The definition of adjusting items has been applied consistently year-on-year. Further details of adjusting items are provided in Note 1.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries 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 eliminated in full.

The Italian subsidiary, Quixant Italia Srl, is 99% owned by the Group. The comprehensive income and equity attributable to the non-controlling interests in this subsidiary are not material.

Separate Parent Company financial statements

In the Parent Company financial statements, all investments in subsidiaries are carried at cost less impairment. The functional and presentational currency adopted by the Parent Company is US Dollars, and the functional currency of the branch is New Taiwan Dollars.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report on [pages 8 to 61](#).

The Group's operational and financially robust position is supported by:

- Positive operating cash generation, leading to a net cash balance of \$25.0m at 31 December 2025 (31 December 2024: \$29.1m).
- The Group returned \$3.6m (2024: \$9.8m) to shareholders through its annual dividend and share buyback programme.

In undertaking a going concern assessment, the Directors have reviewed financial projections for a period of at least twelve months from the date of this report (the assessment period). Management prepared a base case scenario based on the approved budget for 2026 and forecasts for the first three months of 2027. Management also prepared a severe but plausible downside scenario, using the following key assumption:

- A 25% reduction in 2026 and 2027 Quixant revenues to replicate the impact that a downturn similar to that experienced in 2019 would have on the Group's revenues.

In this scenario, the Group continues to have sufficient cash reserves and working capital to continue operating as a going concern through the review period.

While the Directors' have no reason to believe that customer revenues and receipts will decline to the point that the Group no longer has sufficient resources to fund its operations, should this occur, the Group would look to take out additional funding facilities, as well as making further reductions in controllable costs. There would also be an opportunity to sell certain property and inventory assets to accelerate cash generation and/or mitigate risk.

Consequently, the Directors are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and, therefore, have prepared these financial statements on a going concern basis.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business by subsidiary companies to external customers, net of discounts, Value Added Tax (VAT) and other sales-related taxes. Revenue is reduced for customer returns and other allowances.

Revenue from the sale of goods, namely gaming boards or platforms, gaming monitors and display products, which represents the significant majority of the Group revenue, is recognised in the income statement when:

- The performance obligation of transferring control over a product to the buyer in accordance with the contracted terms of sale has occurred. This usually occurs at a point in time when the contractual terms of sale have been met.
- The Group no longer retains effective control over the goods.

The Group operate under different contractual terms for each customer with these terms being based on Incoterms (International Commercial Terms), a set of standardised international trade terms published by the International Chamber of Commerce. The Group recognise revenue once control of the goods has been passed to the customer in accordance with these contractual terms, which could be at different points in time (for example, on delivery to the customer premises, or when the goods have been made available for a customer to collect from an agreed place ("Ex-works").

Consideration is payable based on contractual payment terms, which are usually 30 days after the performance obligation has been met. Transaction prices are set up front for each contract based on standalone selling prices.

IDS, which forms part of the Densitron operating segment, provides support and maintenance services to customers. Efforts are expended evenly throughout the performance period therefore revenue is recognised on a straight-line basis over the period of the contract.

Cost of sales

Cost of goods sold includes excess and obsolete inventory, as well as any other costs associated with the direct manufacturing and shipping of the Group's products.

Adjusting items

When items of income or expense are considered significant by virtue of their size, nature or incidence or which have a distortive effect on current year earnings and are relevant to an understanding of the Group's financial performance, they are disclosed separately within the financial statements. Such adjusting items may include but are not limited to share-based payment expense, restructuring charges, acquisition-related costs and amortisation of intangible assets arising from business combinations.

The adjusted measures are not defined terms under IFRS and may therefore not be comparable with similarly titled measures reported by other companies. They are not intended to be a substitute for, or superior to, IFRS measures.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the subsidiary or associated undertaking at the date of acquisition. Goodwill is recognised as an asset and is not amortised but is tested for impairment annually. Any impairment is recognised immediately through the income statement and is not subsequently reversed. Impairment losses recognised are allocated first to reduce the carrying value of the goodwill the business relates to, and then to reduce the carrying value of the other assets of that business on a pro rata basis.

Impairment excluding inventories, investment properties and deferred tax assets

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, investment property and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash generating unit). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash generating units (CGU).

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable

amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost less estimated residual value of each asset on a straight-line basis over its expected useful economic life, as follows:

Freehold buildings	20 – 50 years
Plant and equipment	Between 3 and 6 years

No depreciation is provided on freehold land.

The carrying value of property, plant and equipment is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Investment property

Investment properties are properties or land that are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at fair value and are reviewed on an annual basis with any revision to the valuation taken to the profit and loss account.

Intangible assets – customer relationships, order backlog, technology

In accordance with IFRS3, on the acquisition of subsidiary companies, the Group assesses the identification of intangible assets acquired, which are either separate or arise from contractual or other legal rights. These assets are recognised as intangible assets and are amortised over the period of future benefit to the Group.

The estimated useful economic lives of these assets from the date of acquisition are:

Customer relationships	Between 4 and 10 years
Order backlog	Between 1 and 4 years
Technology	5 years

Intangible assets – development costs

The Group incurs significant expenditure on the research and development of new products and enhancements. The internally generated intangible asset arising from the Group's development is recognised only if the Group can demonstrate all of the following conditions:

- 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 and use or sell it.
- The ability to use or sell the intangible asset.
- The probability that the asset created will generate future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development.
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development costs not meeting these criteria and all research costs are expensed in the Consolidated Statement of Profit and Loss and Other Comprehensive Income as incurred. Capitalised development costs are amortised on a straight-line basis over their expected useful economic lives of five years once the related product or enhancement is available for use.

Intangible assets – computer software

Computer software is stated at cost, net of amortisation and any provision for impairment. Amortisation is provided on all computer software at rates calculated to write off the cost less estimated residual value of each asset on a straight-line basis over its expected useful economic life, as follows:

Computer software	Between 3 and 5 years
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The carrying value of computer software is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Inventories

Inventories, which comprise goods held for resale, are stated at the lower of cost and net realisable value. Cost is accounted for on a weighted average basis and includes all costs in acquiring the inventories and bringing each product to its present location and condition, as well as an appropriate share of overheads based on normal operating capacity. Net realisable value represents the estimated selling price and costs to be incurred in marketing, selling and distribution. Inventory provisions are made where there is doubt as to the recoverability of the value of specific stock items.

Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. The criteria for held for sale classification are regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification. Such assets, or disposal groups, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets on a pro rata basis, except that no loss is allocated

to inventories, financial assets or deferred tax assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held for sale or held for distribution and subsequent gains and losses on remeasurement are recognised in the profit or loss. Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Foreign currencies

Transactions denominated in foreign currencies are translated into the functional currency of the relevant operation at the rates ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are translated at the rates ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

On consolidation, results of foreign operations are translated using the average exchange rate for the period. The Balance Sheets of foreign operations are translated to the Group's presentational currency, US Dollars, using the closing year-end rate. Exchange differences arising, if any, are taken to a translation reserve. Such translation differences would be reclassified to profit and loss in the period in which the operation is disposed of.

Provisions

Provisions are recognised when there is a present legal or constructive obligation because of past events, for which it is probable that an outflow of economic benefit will be required to settle the obligation, and where the amount of the obligation can be reliably measured. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the liability.

Share capital and share premium

Share issue costs are incremental costs directly attributable to the issue of new shares or options and are shown as a deduction, net of tax, from the proceeds. Any excess of the net proceeds over the nominal value of any shares issued is credited to the share premium account. Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

Leases, right-of-use assets and lease liabilities

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low-value assets.
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease. If not available, the Group's incremental borrowing rate on commencement of the lease is used. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, to the extent that the right-of-use asset is reduced to nil, with any further adjustment required from the remeasurement being recorded in profit or loss.

The right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the asset or to restore the site on which it is located less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

Income tax

The charge for current income tax is based on the results for the year as adjusted for items that are not taxed or disallowed. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. It is calculated using tax rates that have been enacted or substantively enacted by the reporting date. Research and Development Expenditure Credit (RDEC) and Patent Box claims have been available to UK companies on qualifying expenditure incurred since 2013 (RDEC) and 2016 (Patent Box). Where UK companies expect to qualify for Patent Box relief, the amount receivable reduces the tax payable and is credited to the tax charge in profit and loss.

The Group receives significant government tax incentives including, in the United Kingdom, the Research and Development Expenditure Credit ("RDEC"). RDEC is a research and development ("R&D") tax credit incentive offered by the UK government to promote private sector investment in innovation. The expenditure credit is calculated as a percentage of qualifying R&D expenditure. The percentage increased to 20% from 1 April 2023 (13% previously). This benefit is recorded as income included in profit before tax as a component of operating expenses. The credit is taxable at the normal corporation tax rate and is offset against tax liability or, in some circumstances, is payable in cash. The recoverability of the RDEC as it relates to future deferred tax asset recognition is recorded in current tax expense. To the extent that the RDEC relates to capitalised development expenses, a corresponding deferred income credit is recognised in contract liabilities and released over the useful life of the capitalised asset through operating expenses.

Deferred income tax is accounted for using the liability method in respect of temporary differences arising from differences between the tax bases of certain assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. In principle, deferred tax liabilities are 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. Deferred tax assets are reviewed at each reporting 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. Such assets and liabilities are not recognised if the temporary difference is due to goodwill arising on a business combination or from an asset or liability, the initial recognition of which does not affect either taxable or accounting income.

Deferred tax is charged or credited in the Consolidated Statement of Profit and Loss and Other Comprehensive Income, except when it relates to items credited or charged directly to Shareholders' Equity, in which case the deferred tax is also dealt with in Shareholders' Equity.

Financial assets

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss (ECL), the Group 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 Group's historical experience and informed credit assessment and including forward-looking information. 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. The Group's financial assets fall into the categories set out below, with the allocation depending to an extent on the purpose for which the asset was acquired. Unless otherwise indicated, the carrying amounts of the Group's

financial assets are a reasonable approximation of their fair values:

- Trade receivables: Trade receivables are initially and subsequently measured at amortised cost.
- Cash and cash equivalents: Cash and cash equivalents in the Consolidated Balance Sheet comprise cash at bank and in hand and short-term deposits. Cash and cash equivalents are measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

In the Consolidated Cash Flow Statement, cash and cash equivalents comprise cash and cash equivalents as defined above, net of bank overdrafts.

The Group considers a financial asset to be in default when the trade receivable is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or the financial asset is more than 120 days past due (unless there is no evidence of unwillingness or of an inability to settle the debt).

Financial liabilities

All the Group's financial liabilities are classified as financial liabilities carried at amortised cost.

Unless otherwise indicated, the carrying amounts of the Group's financial liabilities are a reasonable approximation of their fair values.

Financial liabilities include the following items:

- Trade payables and other short-term monetary liabilities, which are recognised at their fair value, are subsequently measured at amortised cost, using the effective interest method. Trade payables and accrued liabilities with a short duration are not discounted, as the carrying amount is a reasonable approximation of fair value.

- Bank borrowings, which are initially, recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated Balance Sheet. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends to either settle them on net basis or to realise the asset and settle the liability simultaneously.

Financing income and expenses

Financing expenses include interest payable, finance charges on shares classified as liabilities and finance charges on lease liabilities recognised in profit or loss using the effective interest method and unwinding of the discount on provisions. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset.

Financing income comprises interest receivable on funds invested, interest income on lease receivables.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

Derivative financial instruments

A derivative financial instrument for which no hedge accounting is applied is initially recognised at its fair value at the date the contract is entered into and is subsequently carried at its fair value. Changes in fair value are recognised in profit or loss. The Group does not apply hedge accounting for its derivative financial instruments.

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Group periodically uses foreign exchange forward contracts to manage the foreign currency exposures.

Pension

The Group operates a defined contribution scheme to the benefit of its employees. Contributions payable are charged to the Consolidated Statement of Profit and Loss and Other Comprehensive Income in the year they are payable.

Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary Shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period. Ordinary shares outstanding excludes shares held by the Company in treasury shares. Diluted EPS is determined by adjusting the weighted average number of ordinary shares outstanding for the effects of all potential dilutive ordinary shares.

Dividends

Dividends are recorded in the financial statements in the period in which they are approved by the Company's Shareholders. Interim dividends are recorded in the financial statements in the period in which they are approved and paid.

Determination and presentation of operating segments

The Group determines and presents operating segments based on the information that internally is provided to the executive management team, the body which is considered to be the Group's Chief Operating Decision Maker (CODM).

An operating segment is a component of the Group that engages in business activities, from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The operating segment's operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segment to assess its performance, and for which discrete financial information is available.

Share-based payments

Equity-Settled Transactions:

The grant date fair value of share-based payments awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which employees become unconditionally entitled to the awards. The fair value of the awards granted is measured using an option valuation model, taking into account the terms and conditions upon which the awards were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Cash-Settled Transactions:

In 2024, the Group modified certain equity-settled share-based payment arrangements to cash-settled. As a result, the liability is now remeasured at fair value at each reporting date, with changes recognised in profit or loss until settlement.

Adoption of new and revised IFRS standards

The Nexteq Group considers the applicability of all new and amended IFRSs in the current reporting period, including whether early adoption is appropriate.

Standards adopted in the current year

The following amendments became effective for annual periods beginning on or after 1 January 2025:

- Amendments to IAS 21: Lack of Exchangeability

The adoption of this amendment has not had a material impact on the financial statements of the Group.

Standards issued but not yet effective

At the date of authorisation of these financial statements, the following revised IFRSs have been issued but are not yet effective and have not been adopted early by the Group:

- Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments (Effective for annual periods beginning on or after 1 January 2026).
- IFRS 18: Presentation and Disclosure in Financial Statements (Effective for annual periods beginning on or after 1 January 2027).

Management does not expect the amendments to IFRS 9 and IFRS 7 to have a material impact on the Group's financial statements.

IFRS 18 will replace IAS 1 Presentation of Financial Statements and introduce new requirements for presentation and disclosure in the statement of profit or loss and additional disclosure requirements for management-defined performance measures. The Group is currently assessing the impact of IFRS 18; however, it is not expected to affect the recognition or measurement of the Group's assets, liabilities or results of operations.

Reconciliation of adjusted performance measures

The Group uses certain alternative performance measures to evaluate performance and as a method to provide Shareholders with clear and consistent reporting. The Directors consider that these represent a more consistent measure of performance by removing items of income or expense that are considered significant by virtue of their size, nature or incidence or which have a distortive effect on current year earnings and are relevant to an understanding of the Group's financial performance, cash generation and liquidity position. These measures include Adjusted Profit before tax, Adjusted Profit after tax, Adjusted Operating expenses, Adjusted EBITDA, Adjusted Operating cash flow and Net cash. The adjusted measures are not defined terms under IFRS and may therefore not be comparable with similarly titled measures reported by other companies. They are not intended to be a substitute for, or superior to, IFRS measures. See below for analysis of the adjusting items in reaching adjusted performance measures.

Adjusted Profit before tax

	2025	2024
	\$'000	\$'000
Profit before tax	3,152	1,721
Adjustments:		
Amortisation of customer relationships, technology and order backlog ¹	182	271
Share-based payment expense/(credit) ²	481	(751)
Restructuring charges ³	-	665
Impairment of goodwill ⁴	-	2,873
Gain on disposal of investment property ⁵	(201)	-
Adjusted Profit before tax	3,614	4,779
Adjusted Profit before tax % (Adjusted Profit before tax/Revenue)	4.0%	5.5%

¹ The amortisation of customer relationships, technology and order backlog has been excluded as it is not a cash expense to the Group.

² Share-based payment expense/(credit) has been excluded as it is not a cash-based expense/(credit).

³ Restructuring charges relates to leaver costs incurred in headcount reduction actions taken in December 2024.

⁴ The impairment of goodwill has been excluded as it is not a cash expense to the Group.

⁵ The gain on disposal of investment property has been excluded as it is a non-recurring item.

Adjusted Profit after tax

	2025	2024
	\$'000	\$'000
Profit after tax	1,925	311
Adjustments:		
Amortisation of customer relationships, technology and order backlog ¹	182	271
Share-based payment expense/(credit) ²	481	(751)
Restructuring charges ³	-	665
Impairment of goodwill ⁴	-	2,873
Gain on disposal of investment property ⁵	(201)	-
Non-recurring tax benefits ⁶	(166)	(46)
Adjusted Profit after tax	2,221	3,323

⁶ Tax on adjusted items relating to amortisation of customer relationships, technology and order backlog of \$Nil (2024: \$Nil), share-based payment expense of \$0.5m (2024: credit of \$0.8m) and restructuring charges of \$Nil (2024: \$0.7m).

Adjusted Operating expenses

	2025	2024
	\$'000	\$'000
Operating expenses	(27,298)	(30,809)
Adjustments:		
Amortisation of customer relationships, technology and order backlog ¹	182	271
Share-based payment expense/(credit) ²	481	(751)
Restructuring charges ³	-	665
Impairment of goodwill ⁴	-	2,873
Gain on disposal of investment property ⁵	(201)	-
Adjusted Operating expenses	(26,836)	(27,751)

¹ The amortisation of customer relationships, technology and order backlog has been excluded as it is not a cash expense to the Group.

² Share-based payment expense/(credit) has been excluded as it is not a cash-based expense/(credit).

³ Restructuring charges relates to leaver costs incurred in headcount reduction actions taken in December 2024.

⁴ The impairment of goodwill has been excluded as it is not a cash expense to the Group.

⁵ The gain on disposal of investment property has been excluded as it is a non-recurring item.

Adjusted EBITDA

	2025	2024
	\$'000	\$'000
Adjusted Profit before tax	3,614	4,779
Adjustments:		
Interest	(841)	(1,420)
Depreciation	1,174	1,094
Amortisation	2,242	1,476
Adjusted EBITDA	6,189	5,929

Adjusted Operating cash flow

	2025	2024
	\$'000	\$'000
Net cash from operating activities	3,462	12,972
Add back:		
Tax paid	598	2,524
Adjusted Operating cash flow	4,060	15,496
Adjusted Operating cash conversion % (Adjusted Operating cash flow/Adjusted Profit before tax)	112%	324%

Net cash

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Analysis of net cash				
Cash and bank balances	25,306	29,469	20,284	25,212
Bank loans falling due within one year	(93)	(87)	(93)	(87)
Bank loans falling due after more than one year	(191)	(271)	(191)	(271)
Net Cash	25,022	29,11	20,000	24,854

2. Business and geographical segments

The Chief Operating Decision Maker (CODM) in the organisation is an executive management committee comprising the Board of Directors. The segmental information is presented in a format consistent with management information. The Group assesses the performance of the segments based on a measure of revenue and operating profit. The segmental split of the balance sheet is not reviewed by the CODM, and they do not look at assets/liabilities of each division separately but combined as a group. Therefore, this split for assets has not been included.

The operating segments applicable to the Group are as follows:

- Quixant – Design, development and manufacturing of gaming platforms and display solutions for the casino gaming and slot machine industry.
- Densitron – Sale of electronic display products to global industrial markets. IDS is included in the Densitron reporting segment, since the nature of IDS business, the products that are sold and the market that the business operates in are all consistent with that segment.

Reconciliation of segment results to profit after tax:

	2025	2024
	\$'000	\$'000
Quixant	11,432	12,100
Densitron	4,944	3,152
Segment results	16,376	15,252
Corporate costs	(14,065)	(14,952)
Operating profit	2,311	301
Net finance income	841	1,420
Profit before tax	3,152	1,721
Taxation	(1,227)	(1,410)
Profit after tax	1,925	311

	Year to 31 December 2025			Year to 31 December 2024		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Quixant	Densitron	Total ¹	Quixant	Densitron	Total ¹
Other information						
Depreciation of owned assets	132	14	146	110	11	121
Amortisation of intangible assets	992	402	1,394	847	387	1,234
Impairment of intangible assets ²	712	-	712	-	2,922	2,922
	1,836	416	2,252	957	3,320	4,277

¹ Depreciation and amortisation of \$1,165k (2024: \$796k) were not allocated to segments as these are considered corporate costs.

² Includes impairment of Densitron CGU Goodwill of \$Nil (2024: \$2,873k impairment of Densitron Europe CGU).

3. Analysis of revenue

	2025	2025	2025	2024	2024	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Quixant	Densitron ¹	Total	Quixant	Densitron ¹	Total
By primary geographical market						
Asia	2,926	8,453	11,379	1,727	8,286	10,013
Australia	397	66	463	1,870	30	1,900
UK	2,307	2,969	5,276	2,805	2,062	4,867
Europe excl. UK	7,787	7,946	15,733	6,656	8,711	15,367
North America	46,640	9,106	55,746	41,301	11,619	52,920
Rest of World	107	1,523	1,630	407	1,204	1,611
	60,164	30,063	90,227	54,766	31,912	86,678

¹ 2025 Densitron revenue from products splits into Densitron \$29.0m (2024: \$31.0m) and IDS \$1.1m (2024: \$0.9m). IDS revenue included service revenue of \$0.5m (2024: \$0.4m) recognised throughout the performance period.

The above analysis includes sales to individual countries in excess of 10% of total revenue of:

	2025	2024
	\$'000	\$'000
USA	54,800	51,840

Three customers (2024: two customers) individually accounted for more than 10% of Group revenues in 2025, with revenues of \$13.5m (2024: \$1.9m), \$11.8m (2024: \$9.0m) and \$11.7m (2024: \$22.2m), respectively. These revenues are attributable to the Quixant segment.

4. Expenses

Included in profit before tax are the following:

	2025	2024
	\$'000	\$'000
Restructuring charge	-	665
Gain on foreign exchange transactions	(402)	(379)
Research and development expenditure	4,898	4,582
Of which capitalised	(2,279)	(1,765)
Impairment of capitalised development cost	712	49
Impairment of Goodwill (see note 1)	-	2,873
Research and development expenditure	(121)	142
Inventory provision for Aruze stock (see note 1)	-	2,734
Depreciation of owned assets	473	454
Depreciation of leased assets	702	642
Amortisation of intangible assets	1,712	1,697

Auditor's remuneration:

	2025	2024
	\$'000	\$'000
Amounts receivable by the Company's Auditor and its associates in respect of:		
Audit of the consolidated and Parent Company financial statements	475	426
Audit of the subsidiary company financial statements	26	27
Non-audit services ¹	4	3

¹ The policy for the approval of non-audit fees is set out in the Audit and Risk Committee Report on [pages 79 to 85](#). Non-audit services related to tax-related services provided in Taiwan.

5. Directors' remuneration

The remuneration of the Directors is set out on [pages 70 to 72](#) within the Directors' Remuneration Report described as being audited and forms part of these financial statements.

Directors' remuneration comprises:

	2025	2024
	\$'000	\$'000
Wages and salaries	1,201	1,207
Contributions to defined contribution plans	85	46
Share options exercised	-	48
	1,286	1,301

6. Staff costs

The average number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

	2025	2024
	Number	Number
Production and manufacturing	39	40
Research and development	75	80
Sales and marketing	50	53
Central functions	41	43
Directors	7	7
	212	223

The aggregate payroll costs of these persons were as follows:

	2025	2024
	\$'000	\$'000
Wages and salaries	16,916	17,435
Share-based payment (credit)/expense (See Note 20)	481	(751)
Social security costs	1,479	1,463
Contributions to defined contribution plans	764	789
Restructuring charges (See Note 1)	-	665
	19,640	19,601

Key management personnel consists of the Executive Directors and the Executive Committee and their remuneration (included in the totals above) was as follows:

	2025 \$'000	2024 \$'000
Wages and salaries	900	1,811
Contributions to defined contribution plans	70	113
Share-based payments expense	186	48
	1,156	1,972

The charge for share-based payments of \$186,000 (2024: \$48,000) relates to the Group's LTIP as detailed in Note 20. The aggregate remuneration of the highest paid Director was \$429,000 (2024: \$407,000) and Company pension contributions of \$38,000 (2024: \$13,000) were made to a defined contribution scheme on his behalf. Further detail is included within the Directors' Remuneration Report on [pages 70 to 72](#).

7. Net finance income

	2025 \$'000	2024 \$'000
Total interest expense on financial liabilities measured at amortised cost	(165)	(28)
Bank interest income	1,006	1,448
Net finance income	841	1,420

8. Taxation

Recognised in the profit and loss account

	2025 \$'000	2024 \$'000
Current tax expense		
UK corporation tax	-	3
Foreign tax	1,211	1,063
Adjustments for prior years	(43)	(152)
Current tax expense	1,168	914
Deferred tax (Note 14)	(223)	
Origination and reversal of temporary differences		350
Adjustments for prior years	282	136
Change in deferred tax rate	-	10
Deferred tax	59	496
Total tax expense in the income statement	1,227	1,410

Reconciliation of effective tax rate

	2025	2024
	\$'000	\$'000
Profit for the year	1,925	311
Total taxation expense	1,227	1,410
Profit excluding taxation	3,152	1,721
Tax using the UK corporation tax rate of 25% (2023: 23.52%)	788	430
Non-deductible expenses	118	96
Fixed asset differences	62	81
Patent box tax relief ¹	(338)	(1,187)
Foreign tax expensed	302	296
Capital gains	26	-
Change in deferred tax rate to 25%	-	10
Effect of tax rates in foreign jurisdictions	67	(14)
Unrecognised tax losses	-	811
Deferred tax credited directly to equity	9	21
Change to estimates related to prior years	239	(16)
Impairment of goodwill	-	718
Other	(46)	164
Total taxation expense in statement of profit and loss	1,227	1,410

¹ The Group has elected into the UK patent box regime under which patent box profits from certain patents are taxed at a reduced rate of corporation tax.

Deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly credited to equity:

	2025	2024
	\$'000	\$'000
Deferred tax asset – share-based payments	(9)	(21)
Total	(9)	(21)

9. Earnings per ordinary share (EPS)

	2025	2024
	\$'000	\$'000
Earnings		
Earnings for the purposes of basic and diluted EPS being net profit attributable to equity Shareholders	1,925	311

Number of shares	Number	Number
Weighted average number of ordinary shares for the purpose of basic EPS	59,975,348	65,002,312
Effect of dilutive potential ordinary shares:		
Share options	1,249,656	369,742
Weighted number of ordinary shares for the purpose of diluted EPS	61,225,004	65,372,054
Basic earnings per share	\$0.0321	\$0.0048
Diluted earnings per share	\$0.0314	\$0.0048

Calculation of adjusted diluted earnings per share:	\$'000	\$'000
Earnings		
Earnings for the purposes of basic and diluted EPS being net profit attributable to equity Shareholders	1,925	311
Adjustments		
Amortisation of customer relationships, technology and order backlog	182	271
Share-based payment (credit)/expense	481	(751)
Restructuring charges	-	665
Impairment of goodwill	-	2,873
Gain on disposal of investment property	(201)	-
Tax effect of adjustments	2,387	3,369
	(166)	(46)
Adjusted earnings	2,221	3,323
Adjusted basic earnings per share	\$0.0370	\$0.05111
Adjusted diluted earnings per share	\$0.0363	\$0.05088

10. Property, plant and equipment – Group

	Land and buildings	Plant and equipment	Total
	\$'000	\$'000	\$000
Cost			
Balance at 1 January 2024	5,912	3,819	9,731
Additions	21	959	980
Disposals	(177)	(2,136)	(2,313)
Effect of movements in foreign exchange	(198)	(129)	(327)
Balance at 31 December 2024	5,558	2,513	8,071
Balance at 1 January 2025	5,558	2,513	8,071
Additions	21	272	293
Disposals	–	(92)	(92)
Reclassification to held for sale	(1,395)	–	(1,395)
Effect of movements in foreign exchange	216	95	311
Balance at 31 December 2025	4,400	2,788	7,188
Depreciation			
Balance at 1 January 2024	1,036	3,217	4,253
Depreciation charge for the year	152	302	454
Disposals	(67)	(2,128)	(2,195)
Effect of movements in foreign exchange	(33)	(96)	(129)
Balance at 31 December 2024	1,088	1,295	2,383
Balance at 1 January 2025	1,088	1,295	2,383
Depreciation charge for the year	107	366	473
Disposals	–	(90)	(90)
Reclassification to held for sale	(326)	–	(326)
Effect of movements in foreign exchange	43	62	105
Balance at 31 December 2025	912	1,633	2,545
Net book value			
At 1 January 2024	4,876	602	5,478
At 31 December 2024 and 1 January 2025	4,470	1,218	5,688
At 31 December 2025	3,488	1,155	4,643

10. Property, plant and equipment – Company

	Land and buildings	Plant and equipment	Total
	\$'000	\$'000	\$000
Cost			
Balance at 1 January 2024	3,843	2,666	6,509
Additions	13	422	435
Disposals	(177)	(1,238)	(1,415)
Effect of movements in foreign exchange	(145)	(85)	(230)
Balance at 31 December 2024	3,534	1,765	5,299
Balance at 1 January 2025	3,534	1,765	5,299
Additions	18	176	194
Disposals	–	(28)	(28)
Reclassification to held for sale	(1,395)	–	(1,395)
Effect of movements in foreign exchange	101	67	168
Balance at 31 December 2025	2,258	1,980	4,238
Depreciation			
Balance at 1 January 2024	633	2,227	2,860
Depreciation charge for the year	103	214	317
Disposals	(67)	(1,232)	(1,299)
Effect of movements in foreign exchange	(21)	(60)	(81)
Balance at 31 December 2024	648	1,149	1,797
Balance at 1 January 2025	648	1,149	1,797
Depreciation charge for the year	57	242	299
Disposals	–	(27)	(27)
Reclassification to held for sale	(326)	–	(326)
Effect of movements in foreign exchange	15	41	56
Balance at 31 December 2025	394	1,405	1,799
Net book value			
At 1 January 2024	3,210	439	3,649
At 31 December 2024 and 1 January 2025	2,886	616	3,502
At 31 December 2025	1,864	575	2,439

11. Intangible assets – Group

	Goodwill \$'000	Customer relationships, technology and order backlog \$'000	Computer software \$'000	Internally generated capitalised development costs \$'000	Total \$'000
Cost					
Balance at 1 January 2024	7,683	7,096	2,720	16,789	34,288
Additions – internally developed	–	–	–	1,228	1,228
Additions – externally purchased	–	–	113	537	650
Disposals	–	–	(33)	(49)	(82)
Effect of movements in foreign exchange	–	–	(72)	–	(72)
Balance at 31 December 2024	7,683	7,096	2,728	18,505	36,012
Balance at 1 January 2025	7,683	7,096	2,728	18,505	36,012
Additions – internally developed	–	–	–	1,744	1,744
Additions – externally purchased	–	–	27	508	535
Disposals	–	–	(10)	(2,216)	(2,226)
Effect of movements in foreign exchange	–	–	49	–	49
Balance at 31 December 2025	7,683	7,096	2,794	18,541	36,114
Amortisation and impairment					
Balance at 1 January 2024	–	6,643	2,306	11,096	20,045
Amortisation for the year	–	271	203	1,223	1,697
Impairment loss	2,873	–	–	49 ¹	2,922
Disposals	–	–	(33)	(49)	(82)
Effect of movements in foreign exchange	–	–	(64)	–	(64)
Balance at 31 December 2024	2,873	6,914	2,412	12,319	24,518
Balance at 1 January 2025	2,873	6,914	2,412	12,319	24,518
Amortisation for the year	–	182	143	1,387	1,712
Impairment loss	–	–	–	712 ¹	712
Disposals	–	–	–	(2,216)	(2,216)
Effect of movements in foreign exchange	–	–	46	–	46
Balance at 31 December 2025	2,873	7,096	2,601	12,202	24,772
Net book value					
At 1 January 2024	7,683	453	414	5,693	14,243
At 31 December 2024 and 1 January 2025	4,810	182	316	6,186	11,494
At 31 December 2025	4,810	–	193	6,339	11,342

¹ During the year the Group abandoned in-progress development projects with a carrying value of \$0.7m (2024: \$Nil) related to the Quixant segment and \$Nil (2024: \$0.05m) related to the Densitron segment. This was following internal review where it was determined that the projects no longer met the criteria to capitalise product development cost as set out in IAS38.

In addition, during the year the Group disposed of development assets with a cost of \$1.5m (2024: \$Nil) and accumulated amortisation of \$1.5m (2024: \$Nil), resulting in a net book value of \$Nil at the date of disposal. These assets related to projects that are no longer expected to generate future economic benefits and will not be used going forward. As the assets were fully amortised, no gain or loss arose on disposal.

Impairment testing

Goodwill and acquisition-related intangibles have been allocated to Cash Generating Units (CGUs) as follows:

	Goodwill		Acquisition-related intangibles	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Quixant	1,363	1,363	–	–
Densitron	2,703	2,703	–	182
IDS	744	744	–	–
	4,810	4,810	–	182

Change in CGU structure – Densitron

During the year ended 31 December 2025, management has changed the methodology for assessing impairment of the identification of Cash Generating Units within the Densitron business. As a result of increased operational integration, centralised management of product development and supply chain activities, and the manner in which financial performance and cash flows are monitored and resources are allocated, the previously separate CGUs of Densitron US, Densitron Europe, Densitron France and Densitron Japan have been combined into one Densitron group of CGUs for the purposes of goodwill impairment testing.

This change reflects the lowest level within the Group at which goodwill is monitored for internal management purposes and is consistent with the requirements of IAS 36 Impairment of Assets. Comparative information has been restated to reflect the revised CGU structure. The total goodwill allocated to the Densitron group of CGUs is unchanged as a result of this reassessment and there is no other impact resulting from this reassessment.

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired at the individual CGU level. The recoverable amounts of the CGUs are determined from the higher of the fair value less costs to sell and the calculations of value in use.

Value-in-use calculations have been prepared for each CGU by discounting the cash flow projections included in the financial budgets prepared by management and approved by the Board for 2026, together with a four-year forecast to 2030. The budgets were prepared taking into consideration the planned roadmaps for the business and any specific market condition in which the CGU operates. The corporate costs have been directly allocated to the respective CGUs as part of the value-in-use calculations. The costs were allocated on a reasonable and consistent basis based on CGU revenues. The terminal growth rates used do not exceed the long-term average growth rates for the regions in which the CGUs operate. The cash flows have been discounted using pre-tax discount rates appropriate for each CGU, and these are reviewed annually.

The Group has assessed the Quixant, Densitron and IDS CGUs separately for the purposes of the annual impairment review.

The annual impairment review determined that the impairment of goodwill required for the year ended 31 December 2025 is \$Nil (31 December 2024: \$2.9m impairment to the Densitron Europe CGU).

Key assumptions

The following table summarises the key assumptions that have been adopted in the calculations of goodwill impairment for each CGU:

CGU	31 December 2025			31 December 2024		
	Revenue growth rate*	Pre-tax discount rate	Terminal growth rate	Revenue growth rate*	Pre-tax discount rate	Terminal growth rate
Quixant	10.5%	19.4%	2.0%	8.2%	19.3%	1.0%
Densitron Group	5.7%	19.2%	2.0%	8.6%	18.7%	1.0%
IDS	9.1%	18.5%	2.0%	5.5%	18.3%	1.0%

*Compound annual growth rate for 2026 to 2030.

Revenue growth rates used in the estimation process are consistent with the approved budget for 2026, outlook for 2027 and 2028 included in the Group's three-year plan thereon.

Pre-tax discount rates have been calculated in a consistent manner to previous years and are based on current market assessment of the risk specific to each CGU. The increase from 2024 to 2025 reflects the impact of an increase in equity risk premium globally.

Gross margins used in the estimation process are consistent with recent historic trends and approved budget levels.

Sensitivity to changes in assumptions

The Directors believe none of the CGUs are sensitive to a reasonably possible change in key assumptions that could cause impairment.

11. Intangible assets – Company

	Computer software \$'000	Internally generated capitalised development costs \$'000	Total \$'000
Cost			
Balance at 1 January 2024	2,693	3,763	6,456
Additions – externally purchased	113	–	113
Disposals	(32)	–	(32)
Effect of movements in foreign exchange	(70)	–	(70)
Balance at 31 December 2024	2,704	3,763	6,467
Balance at 1 January 2025	2,704	3,763	6,467
Additions – externally purchased	27	–	27
Disposals	(10)	–	(10)
Effect of movements in foreign exchange	47	–	47
Balance at 31 December 2025	2,768	3,763	6,531
Amortisation			
Balance at 1 January 2024	2,285	3,763	6,048
Amortisation for the year	201	–	201
Disposals	(32)	–	(32)
Effect of movements in foreign exchange	(62)	–	(62)
Balance at 31 December 2024	2,392	3,763	6,155
Balance at 1 January 2025	2,392	3,763	6,155
Amortisation for the year	142	–	142
Disposals	–	–	–
Effect of movements in foreign exchange	43	–	43
Balance at 31 December 2025	2,577	3,763	6,340
Net book value			
At 1 January 2024	408	–	408
At 31 December 2024 and 1 January 2025	312	–	312
At 31 December 2025	191	–	191

12. Investment property

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Balance at 1 January and 31 December	—	—	—	—

Investment property relates to an area of land owned by the Group at Blackheath in London. In 2019, the Group had written off the previously booked value of the land as it had failed to sell the land and failed more than once to get planning permission to build on the land. Previous valuations were based on the ability to build on the land, which is subject to a Metropolitan Land Order that restricts this.

On 9 July 2025, the property was sold and cash proceeds of \$205,846 were received on disposal. In addition to this, directly attributable legal fees of \$4,982 were incurred, resulting in net proceeds of \$200,864. As a result, a net gain on disposal of \$200,864 was recognised and has been presented within adjusting items due to the non-recurring nature of the disposal.



13. Investments in Group companies

The principal subsidiary undertakings in which the Company had an interest in the year were:

Company name	Registered office of business	Principal activities	Class of shares held	Ownership 2025 and 2024
Quixant USA, Inc.	1	Sales of specialist computer systems	Ordinary	100%
Nexteq UK Limited	2	Sales of specialist computer systems and electronic display products	Ordinary	100%
Quixant Gaming Limited	2	Liquidated	Ordinary	100%
Densitron Limited	2	Dormant	Ordinary	100%
Quixant Italia Srl.	3	Software development	Ordinary	99%
Densitron Corporation of Japan	4	Sales of electronic display products	Ordinary	100%
Densitron Corporation of America	5	Sales of electronic display products	Ordinary	100%
Densitron France SAS*	6	Sales of electronic display products	Ordinary	100%
Nexteq Deutschland GmbH	7	Sales of specialist computer systems and electronic display products	Ordinary	100%
Densitron Embedded d.o.o.	8	In liquidation	Ordinary	100%

* Subsidiary of Nexteq UK Limited

1. 2147 Pama Lane, Bldg 6, Las Vegas, NV 89119, USA
2. The Galleria, Station Road, Crawley, RH10 1WW, UK
3. Contrada Case Bruciate, 1, Torrita Tiberina (RM), 00060, Italy
4. Aichiya Building 2F, 1-26-2, Omori-kita, Ota-ku, Tokyo 143-0016, Japan
5. 2330 Pomona Road, Corona, CA 92880, USA
6. 3 Rue de Tasmanie, 44115 Basse-Goulaine, France
7. Seitzstraße 8d, 80538 München, Germany
8. Kotnikova ulica 5, 1000 Ljubljana, Slovenia

Investments in subsidiaries

	Company	
	2025 \$'000	2024 \$'000
Balance at 1 January	6,474	9,586
Group-settled share-based payment charge/(credit)	149	(239)
Impairment	-	(2,873)
Balance at 31 December	6,623	6,474

The impairment in investments in subsidiaries made in 2024 relates to the Company's investment in Nexteq (UK) Limited.

14. Deferred tax assets and liabilities – Group

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Property, plant and equipment	–	–	368	400
Intangible assets – capitalised development costs	–	–	1,255	1,128
Intangible assets – acquired in business combinations	–	–	–	46
Share-based payments	(111)	(29)	–	–
Trade and other receivables	(77)	(2)	–	–
Inventories	(662)	(534)	–	–
Tax losses carried forward	(3,017)	(3,391)	–	–
Other	(181)	(94)	–	–
Deferred tax (assets)/liabilities before set-off	(4,048)	(4,050)	1,623	1,574
Set-off of tax	1,623	1,574	(1,623)	(1,574)
Net deferred tax assets	(2,425)	(2,476)	–	–

Movement in deferred tax during the year

	1 January 2025 \$'000	Recognised in profit & loss \$'000	Recognised in equity \$'000	31 December 2025 \$'000
Property, plant and equipment	141	(141)	–	–
Intangible assets – capitalised development costs	(97)	97	–	–
Intangible assets – acquired in business combinations	(115)	115	–	–
Share-based payments	(29)	(73)	(9)	(111)
Trade and other receivables	(2)	(75)	–	(77)
Inventories	(349)	(313)	–	(662)
Tax losses carried forward ¹	(1,927)	512	–	(1,415)
Other	(98)	(62)	–	(160)
	(2,476)	60	(9)	(2,425)

Movement in deferred tax during the prior year

	1 January 2024	Recognised in profit & loss	Recognised in equity	31 December 2024
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment	18	123	–	141
Intangible assets – capitalised development costs	22	(119)	–	(97)
Intangible assets – acquired in business combinations	(48)	(67)	–	(115)
Share-based payments	(185)	177	(21)	(29)
Trade and other receivables	(10)	8	–	(2)
Inventories	(361)	12	–	(349)
Tax losses carried forward ¹	(2,150)	223	–	(1,927)
Other	(237)	139	–	(98)
	(2,951)	496	(21)	(2,476)

¹ The Group recognises deferred tax assets on unutilised tax losses to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised. As at 31 December 2025, the Group had unutilised tax losses of \$3.2m (31 December 2024: unutilised tax losses of \$3.2m) for which it has not recognised deferred tax assets.

14. Deferred tax assets and liabilities – Company**Recognised deferred tax assets and liabilities**

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment	–	–	314	346
Intangible assets – capitalised development costs	(8)	–	–	–
Share-based payments	(89)	(13)	–	–
Inventories	(455)	(418)	–	–
Tax losses carried forward	(2,596)	(1,795)	–	–
Other	(14)	–	–	5
Deferred tax (assets)/liabilities before set-off	(3,162)	(2,226)	314	351
Set-off of tax	314	351	(314)	(351)
Net deferred tax assets	(2,848)	(1,875)	–	–

Movement in deferred tax during the year

	1 January 2025	Recognised in profit & loss	Recognised in equity	31 December 2025
	\$'000	\$'000	\$'000	\$'000
Intangible assets – capitalised development costs	–	(8)	–	(8)
Share-based payments	(13)	(58)	(18)	(89)
Inventories	(413)	(42)	–	(455)
Tax losses carried forward ¹	(1,449)	(847)	–	(2,296)
	(1,875)	(955)	(18)	(2,848)

Movement in deferred tax during the prior year

	1 January 2024	Recognised in profit & loss	Recognised in equity	31 December 2024
	\$'000	\$'000	\$'000	\$'000
Share-based payments	(115)	112	(10)	(13)
Inventories	(380)	(33)	–	(413)
Tax losses carried forward ¹	(2,142)	693	–	(1,449)
	(2,637)	772	(10)	(1,875)

¹ The Company recognises deferred tax assets on unutilised tax losses to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised. As at 31 December 2025, the Company had unutilised tax losses of \$3.2m (31 December 2024: unutilised tax losses of \$3.2m) for which it has not recognised deferred tax assets.

15. Inventories

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Raw materials and consumables	10,080	9,257	10,013	9,222
Work in progress	1,520	1,046	1,500	1,005
Finished goods	4,856	7,132	1,039	1,785
	16,456	17,435	12,552	12,012

Raw materials, consumables and movement in finished goods and work in progress recognised as cost of sales in the year amounted to \$58,800k (2024: \$49,700k).

The cost of inventories recognised as an expense includes \$1,452k (2024: \$2,864k) in respect of write downs of inventory to net realisable value.

As at 31 December 2025, inventories of \$682k were held at net realisable value (31 December 2024: \$678k).

16. Trade and other receivables

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Non-current				
Trade receivables	–	–	–	–
Other receivables	61	61	–	–
	61	61	–	–
Current				
Trade receivables	21,056	13,417	5	14
Amounts receivable from subsidiary undertakings ¹	–	–	15,468	6,270
Other receivables	4,591	3,044	2,768	1,233
	25,647	16,461	18,241	7,517
	25,708	16,522	18,241	7,517

¹ The amounts receivable from subsidiary undertakings are interest free and repayable on demand. At 31 December 2025, the receivable principally related to the Company's operating activities, being the sale of product from the Taiwan branch to other subsidiary undertakings in the Group.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and aging. The contract assets have similar risk characteristics to the trade receivables for similar types of contracts.

In respect of expected credit losses, \$1,394k has been provided as at 31 December 2025 (31 December 2024: \$1,289k). The Directors have considered the nature of the customers, the historic levels of bad debts and the payment profile of customer contracts. In reaching the value of the expected credit losses above, the historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers. The Group has identified the GDP, inflation rate, technological advancements and globalisation as the key macroeconomic factors in the countries where the Group operates. See Note 23 for further disclosure regarding the credit quality of the Group's trade receivables. Management has also considered the expected credit losses in relation to amounts owed from subsidiary undertakings and has considered it to be immaterial.

As at 31 December 2025, the following sets out the trade receivables that were past due but not impaired. These relate to customers where there is no evidence of unwillingness or of an inability to settle the debt. The ageing of these receivables is as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
30 – 60 days	2,258	352	–	–
61 – 90 days	1,134	58	–	–
Over 90 days	29	138	–	–
	3,421	548	–	–

The trade receivables over 90 days are mainly comprised of long-standing customers that are on fixed payment plans to clear the balances owed.

17. Notes to the consolidated cash flow statement

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Analysis of cash and cash equivalents				
Cash and cash equivalents per balance sheet	25,306	29,469	20,284	25,212
Cash and cash equivalents per cash flow statement	25,306	29,469	20,284	25,212

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less from inception. The carrying amount of these assets approximates their fair value.

18. Loans and borrowings

This note provides information about the contractual terms of the Group and Company's interest-bearing loans and borrowings, which are measured at cost. For more information about the Group and Company's exposure to interest rate and foreign currency risk, see Note 23.

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current liabilities				
Secured bank loans	191	271	191	271
	191	271	191	271
Current liabilities				
Secured bank loans	93	87	93	87
	93	87	93	87

Terms and debt repayment schedule

	Currency	Nominal interest rate	Year of maturity	Face	Carrying	Face	Carrying
				value 2025 \$'000	amount 2025 \$'000	value 2024 \$'000	amount 2024 \$'000
Loan secured on the Group's freehold property in Taiwan	NTD	2.13%	2028	284	284	358	358
				284	284	358	358

Reconciliation of liabilities arising from financing activities - Group

	2024 \$'000	Additions \$'000	Repay- ments \$'000	Interest \$'000	Foreign exchange \$'000	Release \$'000	Reclass- ification \$'000	2025 \$'000
Current liabilities								
Other interest-bearing loans and borrowings	87	-	(91)	-	4	-	93	93
Lease liabilities (Refer to Notes 23 and 24)	501	248	(717)	156	134	-	126	448
	588	248	(808)	156	138	-	219	541
Non-current liabilities								
Other interest-bearing loans and borrowings	271	-	-	7	6	-	(93)	191
Lease liabilities (Refer to Notes 23 and 24)	1,878	-	-	-	-	-	(126)	1,752
	2,149	-	-	7	6	-	(219)	1,943

	2023	Additions	Repay-ments	Interest	Foreign exchange	Release	Reclass-ification	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current liabilities								
Other interest-bearing loans and borrowings	91	-	(87)	-	(4)	-	87	87
Lease liabilities (Refer to Notes 23 and 24)	569	-	(569)	-	-	-	501	501
	660	-	(656)	-	(4)	-	588	588
Non-current liabilities								
Other interest-bearing loans and borrowings	382	-	-	9	(33)	-	(87)	271
Lease liabilities (Refer to Notes 23 and 24)	1,107	1,517	(145)	7	(107)	-	(501)	1,878
	1,489	1,517	(145)	16	(140)	-	(588)	2,149

Reconciliation of liabilities arising from financing activities - Company

	2024	Additions	Repay-ments	Interest	Foreign exchange	Release	Reclass-ification	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current liabilities								
Other interest-bearing loans and borrowings	87	-	(91)	-	4	-	93	93
Lease liabilities (Refer to Notes 23 and 24)	347	107	(412)	35	31	-	147	255
	434	107	(503)	35	35	-	240	348
Non-current liabilities								
Other interest-bearing loans and borrowings	271	-	-	7	6	-	(93)	191
Lease liabilities (Refer to Notes 23 and 24)	341	-	-	-	-	-	(147)	194
	612	-	-	7	6	-	(240)	385

	2023	Additions	Repay-ments	Interest	Foreign exchange	Release	Reclass-ification	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current liabilities								
Other interest-bearing loans and borrowings	91	-	(87)	-	(4)	-	87	87
Lease liabilities (Refer to Notes 23 and 24)	296	-	(296)	-	-	-	347	347
	387	-	(383)	-	(4)	-	434	434
Non-current liabilities								
Other interest-bearing loans and borrowings	382	-	-	9	(33)	-	(87)	271
Lease liabilities (Refer to Notes 23 and 24)	364	420	(94)	46	(48)	-	(347)	341
	746	420	(94)	55	(81)	-	(434)	612

19. Trade and other payables

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Current				
Trade payables	10,686	7,648	10,075	7,032
Other tax and social security payables	272	281	9	8
Other payables and accrued expenses	4,498	3,846	2,017	2,008
Amounts payable to subsidiary undertakings ¹	–	–	22	22,100
	15,456	11,775	12,123	31,148

¹ The amounts payable to subsidiary undertakings are interest free and repayable on demand. At 31 December 2025 the payable arises from the centralisation of treasury activities in the Company where cash reserves are held in term deposits in the name of the Company and the Company's operating activities.

20. Employee benefits

Defined contribution plans

The Group operates a number of defined contribution pension plans. The total expense relating to these plans in the current year was \$763,674 (2024: \$788,951).

Share-based payments – Group and Company

The Group operates two equity-settled share-based payment plans. The total charge relating to these plans in the current year was \$480,634 (2024: \$750,933 credit).

a. 2013 Equity Incentive Plan

Options have been granted under the Company's Equity Incentive Plan since 2013. To be able to exercise these options, employees are required to be employed by the Company for a period of three years from the grant date. In addition, exercise is conditional on the Company achieving a minimum level of EPS growth over the vesting period. The options may only be exercised within ten years from grant date.

Set out below are summaries of options granted under the plan:

	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	2025	2025	2024	2024
Outstanding at the beginning of the period	£1.67	644,240	£1.48	783,790
Granted during the period	–	–	–	–
Lapsed during the period	(£1.59)	(41,740)	(£1.73)	(114,550)
Forfeited during the period	(£1.59)	(120,000)	–	–
Exercised during the period	–	–	(£0.01)	(25,000)
Outstanding at the end of the period	£1.63	482,500	£1.67	644,240

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	Share options 31 December 2025	Share options 31 December 2024
16 April 2015 ¹	16/04/2025	£1.59	-	41,740
23 March 2016 ¹	23/03/2026	£2.09	40,500	40,500
20 May 2021 ¹	20/05/2031	£1.59	442,000	462,000
06 October 2021 ¹	06/10/2031	£1.90	-	100,000
Total			482,500	644,240
Weighted average remaining contractual life of options outstanding at end of period			4.9 years	5.7 years

¹ These awards are fully vested.

b. Nexteq plc 2022 Long-Term Incentive Plan Awards (the 'LTIP')

Options have been granted under the LTIP since 2022, after it was approved by Shareholders on 5 May 2022. A total of 1,625,601 options were granted under the LTIP in 2025 (2024: 1,069,898 options).

There are three different types of awards granted under the LTIP:

1. Restricted Share Awards
2. Executive Committee Performance Share Awards
3. General Performance Share Awards

Restricted Share Awards vest over the service period of three years. There is no performance condition attached.

Performance Share Awards '(Executive Committee and General)' vest only if certain performance conditions are met. The vesting of Executive Committee Performance Share Awards is based on adjusted earnings per share growth and Total Shareholder Return (TSR) growth. The vesting of General Performance Share Awards is based on adjusted earnings per share growth. Performance Share Awards vest over a three-year service period.

Restricted Share Awards

Set out below are summaries of options granted under the plan:

	Weighted average exercise price 2025	Number of options 2025	Weighted average exercise price 2024	Number of options 2024
Outstanding at the beginning of the period	£0.001	264,867	£0.001	145,092
Granted during the period	£0.001	77,519	£0.001	157,228
Lapsed during the period	£0.001	-	(£0.001)	(37,453)
Forfeited during the period	(£0.001)	(14,655)	-	-
Exercised during the period	(£0.001)	(23,337)	-	-
Outstanding at the end of the period	£0.001	304,394	£0.001	264,867

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	Share options 31 December 2025	Share options 31 December 2024
06 May 2022	06/05/2032	£0.001	47,151	70,488
22 March 2023	21/03/2033	£0.001	63,449	65,945
30 April 2024	30/04/2034	£0.001	116,275	128,434
30 April 2025	30/04/2035	£0.001	77,519	-
Total			304,394	264,867
Weighted average remaining contractual life of options outstanding at end of period			8.0 years	8.5 years

Executive Committee Performance Share Awards

Set out below are summaries of options granted under the plan:

	Weighted average exercise price 2025	Number of options 2025	Weighted average exercise price 2024	Number of options 2024*
Outstanding at the beginning of the period	£0.001	551,519	£0.001	1,474,677
Granted during the period	£0.001	1,183,082	£0.001	597,791
Lapsed during the period	(£0.001)	(261,243)	–	–
Modified from equity-settled to cash-settled	–	–	(£0.001)	(578,717)
Forfeited during the period	(£0.001)	(159,631)	(£0.001)	(942,232)
Exercised during the period	–	–	–	–
Outstanding at the end of the period	£0.001	1,313,728	£0.001	551,519

Share-Based Payment Modification (Equity to Cash-Settled)

On 28 October 2024, the Company modified its executive committee share-based payment scheme for three members who departed from the business. Following their departure, the Company agreed to cash-settle the outstanding awards instead of issuing equity. This modification resulted in the reclassification of the awards from equity-settled to cash-settled, in line with the provisions of IFRS 2 – Share-based Payment.

As of the modification date, the previously recognised equity-settled expense of \$190,000 was reclassified from the share-based payment reserve to a cash-settled liability. At 31 December 2025, the fair value of the liability was measured to be \$25,000 (2024: \$25,000).

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	Share options 31 December 2025	Share options 31 December 2024*
06 May 2022	06/05/2032	£0.001	-	261,243
22 March 2023	21/03/2033	£0.001	152,486	152,486
18 September 2023	18/03/2033	£0.001	-	-
30 April 2024	30/04/2034	£0.001	137,790	137,790
30 April 2025	30/04/2035	£0.001	990,431	-
24 September 2025	24/09/2035	£0.001	33,021	-
Total			1,313,728	551,519
Weighted average remaining contractual life of options outstanding at end of period			9 years	8 years

*The prior year shares outstanding totals have been updated to correct an error in the previously reported figures, ensuring they accurately reflect the number of shares in issue at the respective year end. This amendment has no impact on previously reported financial results.

General Performance Share Awards

Set out below are summaries of options granted under the plan:

	Weighted average exercise price 2025	Number of options 2025	Weighted average exercise price 2024	Number of options 2024*
Outstanding at the beginning of the period	£0.001	749,076	£0.001	564,498
Granted during the period	£0.001	365,000	£0.001	314,879
Lapsed during the period	(£0.001)	(242,430)	–	–
Forfeited during the period	(£0.001)	(106,076)	(£0.001)	(130,301)
Exercised during the period	–	–	–	–
Outstanding at the end of the period	£0.001	765,570	£0.001	749,076

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	Share options 31 December 2025	Share options 31 December 2024*
06 May 2022	06/05/2032	£0.001	–	176,432
08 September 2022	06/05/2032	£0.001	–	71,884
22 March 2023	21/03/2033	£0.001	200,668	212,688
30 April 2024	30/04/2034	£0.001	235,243	288,072
30 April 2025	30/04/2035	£0.001	329,659	–
Total			765,570	749,076
Weighted average remaining contractual life of options outstanding at end of period			8.4 years	8.3 years

*The prior year shares outstanding totals have been updated to correct an error in the previously reported figures, ensuring they accurately reflect the number of shares in issue at the respective year end. This amendment has no impact on previously reported financial results.

Fair value of awards

The fair values at grant date of awards granted during the year under the LTIP are determined using the valuation models below. The model inputs are as follows:

	Restricted Share Awards	Executive Committee Performance Share Awards	General Performance Share Awards
Options granted	77,519	1,183,082	365,000
Fair value at grant date	£0.64	£0.31 to £0.88	£0.64
Model used	Black-Scholes model	Monte Carlo and Black-Scholes model	Black-Scholes model
Assumptions used:			
Share price	£0.65	£0.65 to £0.89	£0.65
Exercise price	£0.001	£0.001	£0.001
Expected volatility ¹	39%	39%	39%
Expected option life	5 years	5 years	5 years
Risk-free interest rate	5.21%	5.21% to 5.49%	5.21%

21. Provisions

Group

	2025 \$'000	2024 \$'000
Balance at 1 January	355	351
Provisions made during the year	210	87
Provisions used during the year	(35)	(83)
Balance at 31 December	530	355

The provision is in respect of dilapidations on a long-term lease and long-term employment liabilities in Italy and Japan. The provision is non-current.

The Company has considered the existing lease arrangements and has not identified any material dilapidation provisions.

The Company has no provisions.

22. Capital and reserves

Share capital

Fully paid ordinary shares of 0.1p per share.

	Ordinary shares Number	Share capital \$'000	Share premium \$'000
Balance at 31 December 2025	66,539,060	106	6,747
Balance at 31 December 2024 and 1 January 2025	66,539,060	106	6,747
Balance at 1 January 2024	66,514,060	106	6,747

The holders of fully paid ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Treasury shares

In 2025, the Company purchased 744,508 (2024: 5,909,938) ordinary shares for total consideration of \$642,207 (2024: \$6,996,663).

In 2025, the Company re-issued 23,337 (2024: Nil) treasury shares for total consideration of \$26,000 (2024: \$Nil) in connection with the employees exercising LTIP restricted share awards.

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

Dividends

The Board proposed a dividend for the year ended 31 December 2025 of 3.9p (31 December 2024: 3.7p) per share at the 2026 AGM, which is not recognised as a distribution to equity holders during the period.

The following dividends were recognised during the year:

	2025 \$'000	2024 \$'000
3.7p (2024: 3.3p) per qualifying ordinary share	2,974	2,836
Total dividends recognised in the year	2,974	2,836

23. Financial instruments – Group and Company

This note presents information about the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

Financial risks

The Group's activities expose it to a number of financial risks including credit risk, liquidity risk and exchange rate risk:

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's principal financial assets are bank balances, cash and trade and other receivables. The Group's credit risk is primarily attributable to its trade receivables. Operations in emerging or new markets may have a higher-than-average risk of political or economic instability and may carry increased credit risk. The risk to the Group is the recoverability of the cash flows.

The credit risk on trade and other receivables is managed by agreeing appropriate payment terms with customers, obtaining credit agency ratings of all potential customers, by requiring wherever possible payment for goods in advance or upon delivery, and by closely monitoring customers' balances due, to ensure they do not become overdue.

In addition, careful consideration is given to operations in emerging or new markets before the Group enters that market. A provision of \$1,394k has been provided in respect of expected credit losses as at 31 December 2025 (31 December 2024: \$1,289k). The Directors have considered the nature of the customers, the historic levels of bad debts and the payment profile of customer contracts in reaching the value of the expected credit losses above. Management has also considered the expected credit losses in relation to amounts owed from subsidiary undertakings and has considered it to be immaterial.

The ageing of trade receivables at the Balance Sheet date is set out in Note 16.

The Group is exposed to credit-related losses in the event of non-performance by counterparties to financial instruments but does not currently expect any counterparties to fail to meet their obligations. Credit risk on liquid funds is mitigated because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Group cash balances and expected cash flow are monitored daily to ensure the Group has sufficient available funds to meet its needs.

Exchange rate risk

Group exposure to exchange rate risk includes the measurement of overseas operations at the relevant exchange rate and changes in trade payables and receivables as a result of exchange rate movements. Daily exchange rate movements are monitored, and any losses or gains incurred are taken to the Profit and Loss account and reported in the Group's internal management information. Before agreeing any overseas transactions, consideration is given to utilising financial instruments such as hedging and forward purchase contracts.

Capital management

Group and Company

The capital management policy is to maintain a strong capital base to enhance investor, creditor and market confidence. The Board's objective is to safeguard the Group's ability to continue as a going concern, to sustain the future development of the business and to provide returns for Shareholders, while controlling the cost of capital.

The Group monitors capital based on the carrying amount of equity, less cash and cash equivalents as presented on the face of the Balance Sheet.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to Shareholders, issue new shares or sell assets.

The Group's approach to capital management was unchanged during the period with the introduction of a share buyback programme in 2024 following the AGM, with approval granted by shareholders for the Company to buy back up to 10% of its issued shares. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Total equity	70,501	70,620	51,628	25,364
Cash and cash equivalents (Note 17)	(25,306)	(29,469)	(20,284)	(25,212)
Capital	45,195	41,151	31,344	152
Total equity	70,501	70,620	51,628	25,364
Other financial liabilities (Note 18)	284	358	284	358
Total financing	70,785	70,978	51,912	25,722

Financial assets and liabilities

The Group's activities are financed by cash at bank and bank borrowings.

Credit risk

Exposure to credit

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	25,306	29,469	20,284	25,212
Trade and other receivables – non-current	61	61	–	–
Trade and other receivables – current	25,647	16,461	18,219	7,517
	51,014	45,991	38,503	32,729

The Group held all cash and cash equivalents with banks which are rated at least BBB+, of which \$22,826k is held at 31 December 2025 with banks rated A- to A+ (31 December 2024: \$27,836k).

The maximum exposure to credit risk for external trade receivable amounts that are not impaired at the reporting date by geographic region was:

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Australia	11	100	–	–
North America	14,222	6,974	–	–
Asia	1,898	1,973	–	–
Europe	4,529	4,307	–	–
Rest of World	396	63	–	–
	21,056	13,417	–	–

The Group's credit risk exposure in relation to external trade receivable amounts past due that are not impaired is set out in the provision matrix as follows:

	30–60 days	61–90 days	>90 days	Total
At 31 December 2024	352	58	138	548
At 31 December 2025	2,258	1,134	29	3,421

The movement in the allowance for impairment of trade receivables is as follows:

	2025	2024
Beginning of financial year	1,289	1,044
Loss allowance recognised in profit or loss during the year	435	330
Release of loss allowance previously recognised	(330)	(85)
End of financial year	1,394	1,289

Liquidity risk

Group policy is to maintain a strong capital base to enhance investor, creditor and market confidence. Surplus funds are placed on deposits with cash balances available for immediate withdrawal if required.

Liquidity needs are managed by regular review of the timing of expected receivables and the maintenance of cash on deposit. This review ensures the Group has sufficient cash balances to meet the contractual financial liabilities and interest payments.

The following show the contractual undiscounted cash flows and the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

	Trade and other payables \$'000	Loans and borrowings \$'000	Lease liabilities \$'000	Lease interest \$'000	Total \$'000
Group					
31 December 2025					
Carrying amount	13,914	284	2,716	(516)	16,398
Contractual cash flows					
6 months or less	13,914	47	286	(62)	14,185
6 to 12 months	–	46	281	(57)	270
More than 12 months	–	191	2,149	(397)	1,943
	13,914	284	2,716	(516)	16,398

Group					
31 December 2024					
Carrying amount	10,714	358	3,061	(682)	13,451
Contractual cash flows					
6 months or less	10,714	44	279	(77)	10,960
6 to 12 months	–	43	368	(69)	342
More than 12 months	–	271	2,414	(536)	2,149
	10,714	358	3,061	(682)	13,451

	Trade and other payables \$'000	Loans and borrowings \$'000	Lease liabilities \$'000	Total \$'000
Company				
31 December 2025				
Carrying amount	12,092	284	449	12,825
Contractual cash flows				
6 months or less	12,092	47	128	12,267
6 to 12 months	–	46	127	173
More than 12 months	–	191	194	385
	12,092	284	449	12,825

Company				
31 December 2024				
Carrying amount	31,140	358	688	32,186
Contractual cash flows				
6 months or less	31,140	44	173	31,357
6 to 12 months	–	44	174	218
More than 12 months	–	270	341	611
	31,140	358	688	32,186

The carrying amounts of the Group's financial assets and liabilities may also be categorised as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Current assets				
Cash and cash equivalents	25,306	29,469	20,284	25,212
Trade and other receivables – non-current	61	61	–	–
Trade and other receivables – current	25,647	16,461	18,219	7,517
	51,014	45,991	38,503	32,729

All the above relate to the IFRS9 category loans and receivables and are measured at amortised cost.

Current liabilities				
Trade and other payables	(13,914)	(10,714)	(12,092)	(31,140)
Loans and borrowings	(93)	(88)	(93)	(88)
Lease liabilities	(448)	(501)	(255)	(347)
	(14,455)	(11,303)	(12,440)	(31,575)
Non-current liabilities				
Loans and borrowings	(191)	(270)	(191)	(270)
Lease liabilities	(1,752)	(1,878)	(194)	(341)
	(1,943)	(2,148)	(385)	(611)

All the above relate to the IFRS9 category other financial liabilities and are measured at amortised cost.

Fair value measurements

The table below presents assets and liabilities recognised and measured at fair value and classified by level of the following fair value measurement hierarchy:

- i. Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- ii. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2).
- iii. Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1	Level 2	Level 3	Total
As at 31 December 2025				
\$'000				
Derivative financial instruments	–	–	–	–
As at 31 December 2024				
\$'000				
Derivative financial instruments	–	–	–	–

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the counter securities and derivatives) are based on quoted market prices at the balance sheet date.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

Currency risk

Transactional currency risk

The Group is exposed to foreign currency risks arising from sales or purchases in currencies other than their functional currencies. Before agreeing any overseas transactions, consideration is given to utilising financial instruments, such as hedging and forward purchase contracts.

This risk is mitigated by the majority of revenue and cost of sales being denominated in US Dollars, which is the Group's functional currency.

Translational currency risk

The Group has significant investments in overseas operations. As a result, the US Dollar value of the Group's balance sheet can be affected by movements in exchange rates.

The Group's currency exposure is as follows:

	USD \$'000	GBP \$'000	EUR \$'000	TWD \$'000	JPY \$'000	Total \$'000
At 31 December 2025						
Financial assets						
Trade receivables	20,346	–	59	5	706	21,116
Other receivables	308	1,629	733	1,847	14	4,531
Cash and cash equivalents	22,028	550	726	505	1,497	25,306
	42,682	2,179	1,518	2,357	2,217	50,953
Financial liabilities						
Loans and borrowings	–	–	–	(284)	–	(284)
Trade payables	(10,135)	(201)	(266)	(49)	(35)	(10,686)
Other payables	(1,372)	(1,277)	(304)	(1,310)	(43)	(4,306)
Lease liabilities	–	(1,684)	(8)	(449)	(60)	(2,201)
	(11,507)	(3,162)	(578)	(2,092)	(138)	(17,477)
Net financial assets/(liabilities)	31,175	(983)	940	265	2,079	33,476
Less: Currency forwards	–	–	–	–	–	–
Currency profile	31,175	(983)	940	265	2,079	33,476
Financial (liabilities)/assets denominated in the respective entities' functional currencies	(26,596)	–	(741)	(266)	(2,079)	(29,682)
Currency exposure of financial (liabilities)/assets	4,579	(983)	199	(1)	–	3,794

	USD \$'000	GBP \$'000	EUR \$'000	TWD \$'000	JPY \$'000	Total \$'000
At 31 December 2024						
Financial assets						
Trade receivables	13,074	–	20	–	323	13,417
Other receivables	972	912	436	365	359	3,044
Cash and cash equivalents	24,246	2,283	552	1,067	1,321	29,469
	38,292	3,195	1,008	1,432	2,003	45,930
Financial liabilities						
Loans and borrowings	–	–	–	(358)	–	(358)
Trade payables	(7,645)	(143)	189	(4)	(45)	(7,648)
Other payables	(396)	(1,191)	(327)	(1,124)	(17)	(3,055)
Lease liabilities	(117)	(1,537)	(14)	(688)	(23)	(2,379)
	(8,158)	(2,871)	(152)	(2,174)	(85)	(13,440)
Net financial assets/(liabilities)	30,134	324	856	(742)	1,918	32,490
Less: Currency forwards	–	–	–	–	–	–
Currency profile	30,134	324	856	(742)	1,918	32,490
Financial (liabilities)/assets denominated in the respective entities' functional currencies	(28,070)	–	(246)	742	(1,918)	(29,492)
Currency exposure of financial (liabilities)/assets	2,064	324	610	–	–	2,998

If the GBP and EUR change against USD by 3% and 4%, respectively (2024: GBP 3%, EUR 3%) with all other variables, including tax rates, being held constant, the effects from the net financial asset/(liability) that are exposed to currency risk will be as follows:

	2025	2024
	Profit after tax	Profit after tax
GBP against USD		
- Strengthened	(31)	(4)
- Weakened	31	4
EUR against USD		
- Strengthened	6	18
- Weakened	(6)	(18)

Interest rate and currency profile

The Group's financial assets comprise trade and other receivables and cash at bank. The average interest rates earned on the daily closing balances during 2025 were 3.7% due to the current economic climate (2024: 5.0%).

Fair values versus carrying amounts

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date. The Directors consider that there is no material difference between fair values and carrying amounts of financial assets and liabilities.

24. Leases

The Group and Company lease offices and the Group a small number of cars of immaterial value where employment practice demands company cars be available. Office leases typically run from two to ten years with options to renew. Car leases are typically three years long. Group expenses of \$31,528 were incurred in 2025 (2024: \$32,863) on leases excluded because they are short term (less than one year) or low value (asset is less than \$5,000). The following table summarises the IFRS16 disclosures for the Group and Company:

\$'000	Land & buildings	Motor vehicles	Group Total
2025			
Balance at 1 January	2,389	14	2,403
Effect of movements in foreign exchange	(18)	–	(18)
Additions to right-of-use assets	342	–	342
Disposals of right-of-use assets	–	–	–
Depreciation charge	(695)	(7)	(702)
Balance at 31 December	2,018	7	2,025
2024			
Balance at 1 January	1,558	–	1,558
Effect of movements in foreign exchange	(31)	–	(31)
Additions to right-of-use assets	2,014	21	2,035
Disposals of right-of-use assets	(517)	–	(517)
Depreciation charge	(635)	(7)	(642)
Balance at 31 December	2,389	14	2,403

\$'000	Land & buildings	Company Total
2025		
Balance at 1 January	709	709
Effect of movements in foreign exchange	(19)	(19)
Additions to right-of-use assets	107	107
Depreciation charge	(365)	(365)
Balance at 31 December	432	432
2024		
Balance at 1 January	667	667
Effect of movements in foreign exchange	(28)	(28)
Additions to right-of-use assets	420	420
Depreciation charge	(350)	(350)
Balance at 31 December	709	709

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Profit and Loss Account				
Depreciation	702	642	365	350
Lease interest expenses	156	7	35	46
Expenses on excluded leases (short term or low value)	32	33	32	33

25. Asset held for sale

As at 31 December 2025, the Group has classified a property as held for sale in accordance with IFRS 5.

The property comprises the Group's former head office located in Balsham, Cambridge. Management committed to a plan to sell the property during the year and the asset was actively marketed at a price considered reasonable in relation to its current fair value. The sale is expected to be completed within 12 months of the reporting date.

Upon classification as held for sale, the property was measured at the lower of its carrying amount and fair value less costs to sell. As at 31 December 2025, the property is measured at \$1,066,000 (2024: \$Nil), representing its fair value less estimated costs to sell.

The asset is presented separately in the statement of financial position as "Asset held for sale".

26. Commitments

The Group entered into last time buy purchase orders with AMD, a key supplier, in 2021. These relate to the purchase of components affected by an end-of-life notice from AMD and will ensure that Quixant can satisfy future Gaming customer orders across several products. The last time buy orders from 2021 have concluded, with the Group holding other last time buy commitments \$0.4m (2024: \$1.6m), with payments running through 2026.

27. Contingencies

Neither the Group nor Company had any contingencies existing at 31 December 2025 (2024: none).

28. Related parties

Group

During the year, the Group paid €31,200 (2024: €31,200) for administration services to Francesca Marzilli, the wife of Nick Jarmany.

There were no other related-party transactions other than transactions with key management personnel, who are the Directors disclosed in Note 5.

Other related-party transactions

There are no other transactions and balances with key management not included within the Directors' remuneration.

Company

Directors and key management compensation disclosed in Note 5 to the consolidated financial statements.

These related-party transactions with other Group companies and the balance outstanding are as follows:

	Profit and Loss Account	
	2025	2024
	\$'000	\$'000
Income		
Sales to Group companies	63,125	53,794
Fees recharged to Group companies	2,204	3,059
	65,329	56,853

	Balance Sheet	
	2025	2024
	\$'000	\$'000
Balances due (to)/from Group companies		
Amounts receivable from subsidiary undertakings	16 15,468	6,270
Amounts payable to subsidiary undertakings	19 (22)	(22,100)
	15,446	(15,830)

29. Post balance sheet events

The Group's second share buyback programme approving the repurchase of up to 5,990,849 shares, launched at the end of 2025. This did not result in any shares being repurchased before 31 December 2025 under this programme. After the reporting date, the Company has purchased 3,984,263 ordinary shares as at 17 March 2026 under the programme for an aggregate consideration of \$3.9m. Shares repurchased under the share buyback programme are held in treasury.

The Company, through its Taiwan branch, made an offer in December 2025 for the purchase of a new office in Taipei, Taiwan. This non-binding offer included a returnable guarantee deposit of \$0.2m, with a further \$1.6m deposit transferred before 31 December 2025. This total of \$1.8m was included within prepayments at the reporting date.

In 2026, a further \$1.5m deposit has been paid. Following Board approval, on 6th March 2026 the property acquisition was completed for a total consideration of \$15.5m, with \$12.2m funding provided through a new mortgage facility with TCB bank. The mortgage funding is secured on a 20-year repayment with an interest rate of 1.95%.

On 10th March 2026, the Company entered into agreement to sell its existing property in Taipei for consideration of \$3.7m. The transaction is scheduled to complete towards the end of 2026, once the Company has moved into its new office.

There were no other material post balance sheet events that were required to be disclosed.

Company information

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Nominated adviser and broker	Cavendish Capital Markets 1 Bartholomew Close London EC1A 7BL
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