23 September 2026

**Warpaint London PLC**
("Warpaint", the "Company" or the "Group")

**Interim Results for the six months ended 30 June 2026**

Warpaint London plc (AIM: W7L; OTCQX: WPNTF), the specialist supplier of high-quality colour cosmetics and personal care brands at an affordable price, and owner of the W7, Technic, Skin & Tan, Super Facialist, Dirty Works, Fish Soho and Barry M brands, announces its unaudited interim results for the six months ended 30 June 2026 ("H1 2026").

**Highlights**

| | **Unaudited six months to 30 June 2026** | Unaudited six months to 30 June 2025 | **Change** |
|---|---|---|---|
| Revenue | **£40.5m** | £49.3m | **-17.8%** |
| Gross profit margin | **47.3%** | 45.0% | **+230bps** |
| Adjusted EBITDA* | **£6.8m** | £10.7m | **-36.4%** |
| Profit before tax | **£4.9m** | £7.3m | **-33.2%** |
| Adjusted earnings per share (EPS)* | **4.5p** | 8.3p | **-46.6%** |
| Cash and cash equivalents | **£20.7m** | £17.0m | **+21.5%** |
| Interim dividend per share | **4.25p** | 4.0p | **+6.3%** |

- Group sales were £40.5 million in H1 2026 (H1 2025: £49.3 million), reflecting challenging trading conditions as expected, order timing and non-recurring sales in the prior period, partially offset by a £2.5 million contribution from the Barry M brand following its acquisition in February 2026

- Gross profit margin increased by a further 230bps to 47.3% (H1 2025: 45.0%) as a result of the Group sourcing strategy, including the benefit of re-sourcing Brand Architekts products, new product development and a one-off contribution of approximately 150bps from selling through Barry M inventory acquired at a discount

- Cash flow from operating activities increased by 80.9% to £7.4 million (H1 2025: £4.1 million), with free cash flow increasing to £6.3 million (H1 2025: £3.0 million)

- Profit before tax was £4.9 million (H1 2025: £7.3 million)

- Cash increased to £20.7 million as at 30 June 2026 (31 December 2025: £16.0 million, 30 June 2025: £17.0 million), with the Group remaining debt free

- Given the available cash and ongoing profitability of the Group, the board has declared an increased interim dividend of 4.25p per share (2025 interim dividend 4.0p per share), up 6.25%

* Adjusted for foreign exchange movements, exceptional items, amortisation and share-based payments. Adjusted numbers are close to the underlying cash flow performance of the business which is regularly monitored and measured by management.

The figures for 30 June 2025 have been restated to reflect the final net assets acquired in respect of the Group's acquisition of Brand Architekts Group Plc on 12 February 2025, which was determined post 30 June 2025.

Numbers are displayed rounded to one decimal place. Percentages are calculated based on the original (unrounded) figures.

**Operational Highlights**

- Acquisition of the Barry M brand, including its IP, stock and order book, but excluding the manufacturing capabilities and any liabilities, for a cash consideration of £1.4 million, out of administration. The Barry M brand has been successfully integrated, including the re-sourcing of products to ensure continuity of supply

- W7 capsule range successfully launched into 2,200 Rossmann stores in Germany in May 2026, with the initial launch meeting the retailer's performance metrics and discussions underway regarding a further rollout

- Continued development of the Group's relationship with Superdrug, including strong growth in W7 sales and the launch of W7 Christmas gifting for the first time

- Further progress with Tesco, including an additional 200 Express stores and a significant expansion of the number of stores taking W7 products for Halloween

- Significantly increased Christmas gifting activity secured for H2 2026, including the previously announced substantially larger Walmart Christmas order and the launch of an online Christmas gift range with Ulta Beauty in the US

- Technic introduced into Tigotà in Italy, generating a number of encouraging initial orders, including for Christmas gifting

- Brand Architekts products successfully re-sourced and relaunched at improved margins, with particularly encouraging sales growth from the Fish Soho and Root Perfect brands

- Direct online sales were up 6% to £3.6 million (H1 2025: £3.4 million), representing 8.9% of Group sales (H1 2025: 6.8%)

**Current Trading and Outlook**

- Group sales for the nine months to 30 September 2026 are expected to be approximately £69 million (nine months to 30 September 2025: £76 million), reflecting positive trading in Q3. Q3 2026 sales are expected to be approximately £28.5 million, approximately 5% higher than the £27.1 million recorded in Q3 2025.

- As previously indicated, the Group's performance in 2026 is expected to be significantly more second half weighted than in prior years, reflecting the timing of larger customer orders and planned rollouts, significantly increased Christmas gifting activity, continued growth in ecommerce and a contribution from Barry M

- The initial W7 launch with Rossmann in Germany met the retailer's performance metrics, with discussions underway regarding a further rollout

- Further expansion planned with Tesco, including an increased presence in Express stores and for Halloween, while the Group's relationship with Superdrug also continuing to develop strongly

- Significantly increased Christmas gifting activity in H2 2026, including the substantially larger Christmas order from Walmart and the launch of an online Christmas gift range with Ulta Beauty in the US

- Group remains well positioned financially, with a strong balance sheet and no debt

- Commencement of an initial share buyback programme on 27 July 2026 of up to £2.5 million, which is expected to complete before the end of September 2026

- The Board currently expects revenue for the year ending 31 December 2026 to be towards the lower end of the range of current market expectations** and Adjusted EBITDA to be within the current range of analyst forecasts

** In so far as the Company is aware, as at 22 September 2026, market expectations for the year ending 31 December 2026 were revenue of between £103.3 million and £112.6 million and Adjusted EBITDA of between £22.4 million and £24.0 million. These estimates are analysts' forecasts and are not produced or endorsed by Warpaint. For the year ended 31 December 2025 Warpaint reported audited revenue of £105.1 million and Adjusted EBITDA of £21.3 million.

**Commenting, Sam Bazini Chief Executive, said:**

"The first half of 2026 has undoubtedly been a challenging period, with pressure on consumer spending and cautious retailer ordering across many of our markets. Against this backdrop, we have remained focused on the areas within our control, and I am pleased that we have continued to improve gross margin, generate strong cash flow and position the Group for future growth.

"Importantly, our brands and customer relationships remain strong. We have made encouraging progress with a number of major retailers, including Rossmann, Superdrug, Tesco and Tigotà, ecommerce continues to grow, and the Barry M brand has been successfully integrated into the Group.

"As we have previously indicated, we expect 2026 to be significantly more second half weighted than in prior years. We have considerably more Christmas gifting activity planned, alongside further customer and store expansion and a contribution from the Barry M brand.

"While we remain mindful of continuing macroeconomic headwinds, we have a strong balance sheet, no debt and a number of significant growth opportunities ahead of us. With sales to the end of September 2026 expected to be closer to the level achieved last year than was the case at the half year, we remain comfortable with current market expectations for the full year and confident in the longer-term growth prospects for Warpaint."

*This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018*

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**Warpaint London plc**

Warpaint is a specialist supplier of high quality colour cosmetics and personal care brands at an affordable price, sold under the W7, Technic, Skin & Tan, Super Facialist, Dirty Works and Fish Soho brands. Our brands are sold primarily to major retailers, retail chains and supermarkets, with a growing direct online business. Additionally, in February 2026, Warpaint acquired the Barry M colour cosmetic brand.

## CHIEF EXECUTIVE'S REVIEW

The first half of 2026 was a challenging period for the Group, with continued pressure on consumer spending and cautious ordering by retailers across a number of our principal markets. Group sales reduced by 17.8% to £40.5 million (H1 2025: £49.3 million), with the reduction also reflecting a number of specific timing and prior year comparative factors.

Despite the lower level of sales, the Group continued to make good operational progress. Gross margin increased by a further 230bps to 47.3%, reflecting the continued benefits of our sourcing strategy, including the re-sourcing of Brand Architekts products, new product development and a one-off contribution of approximately 150bps from selling through Barry M inventory acquired at a discount. Adjusted profit before tax increased by 23.4% to £5.8 million and cash generation remained strong, with £7.4 million of cash generated from operating activities during the period.

We have also continued to position the Group for future growth. The Barry M brand has been integrated following its acquisition in February; we have made further progress with a number of major retailers, including Rossmann, Superdrug, Tesco and Tigotà, and ecommerce sales have continued to grow, reflecting the underlying strength of our brands.

As previously indicated, we expect the Group's performance in 2026 to be significantly more weighted towards the second half than in previous years. We enter this seasonally stronger period with increased Christmas gifting activity, further planned customer and store expansion, continued ecommerce growth and a contribution from Barry M. While the trading environment remains challenging, the Board remains comfortable with current market expectations for the full year.

### W7

W7 remains the Group's lead brand, with sales in H1 2026 of £23.9 million (H1 2025: £29.8 million), representing 59% of Group revenue (H1 2025: 60%).

In the UK, W7 sales were 20% lower at £6.1 million (H1 2025: £7.6 million), reflecting continued pressure on consumer spending. The Group continues to make progress with its major UK retail partners, with W7 sales through Superdrug growing strongly and Christmas gifting being introduced into Superdrug for the first time in 2026. Further expansion is also planned with Tesco, including an increased presence in Express stores and for Halloween.

In Europe, W7 sales reduced by 10% to £15.8 million (H1 2025: £17.6 million), principally reflecting the non-repeat of certain one-off sales made in H1 2025. During the period, W7 was successfully launched into 2,200 Rossmann stores in Germany, with the initial six-week pilot meeting the retailer's performance metrics and discussions now underway regarding a further rollout.

In the US, W7 sales reduced by 40% to £1.2 million (H1 2025: £2.0 million). The comparative period benefited from a strong start to 2025 prior to the introduction of additional US tariffs. A significantly stronger second half is expected in 2026, supported by increased Christmas gifting activity, including a substantially larger Christmas order from Walmart and the launch of an online Christmas gift range with Ulta Beauty.

W7 sales in the Rest of the World reduced to £0.8 million (H1 2025: £2.6 million), principally reflecting the timing of orders from a major customer in Australia, which placed significant orders towards the end of 2025 and therefore made fewer orders in the first half, but has subsequently resumed a more typical frequency of monthly ordering.

**Technic**

In H1 2026, Technic sales (which includes the sale of product under the brand names Technic, Body Collection and Chit Chat) were £8.7 million (H1 2025: £12.4 million), reflecting the loss of Bodycare, a previous major customer of Technic that went into administration, and the challenging trading environment. Europe remained the largest market for the Technic brands, accounting for 68% of sales in the period (H1 2025: 59%).

The Group continues to see opportunities to expand the Technic brands with both existing and new customers. During the period, Technic products were introduced into Tigotà in Italy, with encouraging initial orders, including for Christmas gifting. The Group continues to focus on new product development and expanding the range and distribution of the Technic brands across its principal markets.

**Brand Architekts**

Following its acquisition in February 2025, Brand Architekts has been successfully integrated into the Group, focussing on those brands with the greatest opportunity for profitable growth. A number of non-core acquired brands were divested, with these divested brands contributing approximately £1.2 million of sales in H1 2025.

In H1 2026, sales from the Brand Architekts brands were £4.4 million (H1 2025 from 12 February 2025: £5.8 million). During the period, the Group continued to re-source and relaunch products across the portfolio, delivering improved margins. There have been encouraging signs from the retained brands, with particularly strong sales growth from Root Perfect and Fish Soho compared with the same period last year.

The Group continues to see opportunities to develop the Brand Architekts brands through new product development, further improved sourcing and by expanding their distribution through both existing and new retail relationships.

**Barry M**

On 9 February 2026, the Group completed the acquisition of the Barry M brand, including its IP, stock and order book, but excluding the manufacturing capabilities and any liabilities, for a cash consideration of £1.4 million, out of administration. While Barry M is a well-established value cosmetics brand, trading in a similar market segment to Warpaint's cosmetics brands, the acquisition was a low-risk opportunity to accelerate the Group's penetration into UK full price retail and to broaden and strengthen the Group's relationship with Superdrug in particular as the provider of Studio London, Superdrug's own brand cosmetic range.

Since acquisition, Barry M has been successfully integrated into the Group, with products re-sourced following the closure of the previous manufacturing operations and continuity of supply maintained. The brand contributed £2.5 million of sales in the period and is delivering a slightly higher margin than W7 and Technic. We continue to see opportunities to develop Barry M further through the combination of its established customer relationships and the Group's sourcing, distribution and operational capabilities.

**Ecommerce**

In the first half, online sales were £3.6 million (H1 2025: £3.4 million), an increase of 6%. Direct online sales in H1 2026 represented 8.9% of Group sales (H1 2025: 6.8%).

The Group continues to see significant opportunities to grow sales through the W7, Technic and Brand Architekts own ecommerce sites, through Amazon in the UK, Europe and the US, and through the development of its online presence in India. We believe India, in particular, represents a significant growth opportunity for the Group, with online sales commencing in Q4 2026.

**Close-out**

Close-out sales are not a core focus, although the Group will take advantage of profitable opportunities as they become available, as they provide an important and profitable source of intelligence in the colour cosmetics market. In H1 2026, close-out sales were £1.1 million (H1 2025: £1.1 million), representing 3% of the overall revenue of the Group (H1 2025: 2%).

**Customers & Geographies**

The largest markets for sales of the Group's brands are in Europe and the UK. In H1 2026, the Group's top ten customers (excluding direct online sales) represented 68% of total revenue (H1 2025: 65%).

**UK**

In the first half, sales in the UK reduced by 15.8% to £15.2 million (H1 2025: £18.0 million) accounting for 37% of Group sales (H1 2025: 37%). The reduction reflected continued pressure on consumer spending, the loss of Bodycare as a major customer after it entered administration in September 2025, together with the loss of sales from certain Brand Architekts brands that were divested during 2025.

The Group continues to work closely with its major UK retail partners to expand the range of its brands and products stocked across their estates. The relationship with Superdrug continues to develop strongly, with significant growth in W7 sales and W7 Christmas gifting being introduced for the first time in 2026. At Tesco, W7 is being introduced into a further 200 Express stores and the number of stores taking W7 products for Halloween is to be increased significantly. Further opportunities to expand the Group's brands and product ranges with major UK retailers are under discussion.

**Europe**

In the first half, sales in Europe totalled £22.4 million (H1 2025: £25.3 million), a reduction of 11.7%, accounting for 55% of Group sales (H1 2025: 51%). The reduction principally reflecting the non-repeat of certain one-off sales made in the comparative period.

Despite the reduction in sales in the first half, Europe continues to represent a significant growth opportunity for the Group. Towards the end of the period, W7 was successfully launched into 2,200

Rossmann stores in Germany, with the initial six-week pilot meeting the retailer's performance metrics and discussions are now underway regarding a more significant rollout. Technic has also been introduced into Tigotà in Italy, with encouraging initial orders, including for Christmas gifting.

**US**

In the US, Group sales reduced by 24.3% to £1.8 million (H1 2025: £2.4 million), accounting for 4% of Group sales (H1 2025: 5%). The comparative period benefited from a strong start to 2025, including a significant order from Five Below, before the introduction of additional US tariffs at the end of Q1 2025. Trading conditions in the US have subsequently remained challenging as retailers and consumers have adjusted to the impact of tariff changes.

We expect a significantly stronger performance in the US in the second half of 2026, supported by increased Christmas gifting activity, including the substantially larger Christmas order from Walmart and the launch of an online Christmas gift range with Ulta Beauty. As a result, we currently expect US sales for the full year to be ahead of 2025.

**Rest of the World**

In the first half, sales across the Rest of the World were £1.2 million (H1 2025: £3.6 million), accounting for 3% of Group sales (H1 2025: 7%). The reduction principally reflects the timing of orders from a major customer in Australia, which placed significant orders towards the end of 2025, reducing its requirement for further product in H1 2026. This customer has subsequently resumed ordering following the period end.

**Dividend**

Given the available cash and the ongoing profitability of the Group, the board is pleased to declare an increased interim dividend of 4.25p per share (2025 interim dividend: 4.0p per share), which will be paid on 20 November 2026 to shareholders on the register at 6 November 2026. The shares will go ex-dividend on 5 November 2026.

**Summary and Outlook**

Trading conditions remained difficult during the first half of 2026, with pressure on consumer spending and cautious retailer ordering across many of the Group's markets. These conditions, together with timing and prior year comparative factors, resulted in lower Group sales during the period. Encouragingly, the Group continued to improve gross margin, generate strong cash flow and make good progress with its key customers and brands.

As previously indicated, the Group's performance in 2026 is expected to be significantly more second half weighted than in prior years. This reflects the timing of larger customer orders and planned rollouts, together with significantly increased Christmas gifting activity, continued growth in ecommerce and a contribution from the Barry M brand.

The Group enters the second half with a number of encouraging developments. The initial W7 launch with Rossmann has met the retailer's performance metrics and discussions are underway regarding a further rollout; further expansion is planned with Tesco; the relationship with Superdrug continues to develop strongly; and Christmas gifting activity is significantly ahead of the prior year, including the substantially larger Walmart Christmas order and the launch of an online Christmas gift range with Ulta Beauty. The Group also expects a significantly stronger second-half performance in the US.

While we remain mindful of the continuing macroeconomic headwinds, the Group has a strong balance sheet, remains debt free and continues to pursue significant growth opportunities with both existing and new customers. The Board remains comfortable with current market expectations for the full year.

**Sam Bazini**
**Chief Executive Officer**
23 September 2026

**CHIEF FINANCIAL OFFICER'S REVIEW**

The Group delivered a resilient financial performance in the first half of 2026 despite the lower level of sales. Group revenue for the first six months of the financial year decreased by 17.8% to £40.5 million, down from £49.3 million in the prior period. This performance directly reflects the challenging macroeconomic environment across our core trading markets.

Persistent economic headwinds in the UK and EU, the Group's largest markets, suppressed consumer sentiment during the half. High cost-of-living pressures, energy price volatility, and economic uncertainty kept consumer confidence well below long-term historical averages. This widespread shift visibly contracted discretionary retail spending and served as the primary headwind against top-line revenue growth. Additionally, performance was constrained by a year-on-year revenue contraction in the US business for H1 2026. This decline was driven by trade friction and restricted sales volumes resulting from new import tariffs imposed by the US administration in March 2025 and only removed in July 2026.

The figures for 30 June 2025 have been restated to reflect the final net assets acquired in respect of the Group's acquisition of Brand Architekts Group Plc on 12 February 2025, which was determined post 30 June 2025.

Gross margin continued to improve, increasing by 230bps to 47.3% (H1 2025: 45.0%). This margin improvement was achieved without a price rise at the start of the year, as management considered this was not appropriate given the current squeeze on consumer spending.

Cash generation remained strong, with cash flow from operating activities increasing to £7.4 million (H1 2025: £4.1 million) and free cash flow increasing to £6.3 million (H1 2025: £3.0 million). The Group continues to have a strong balance sheet and remains debt free.

On 9 February 2026, the Group completed the acquisition of the Barry M brand, including its IP, stock and order book, but excluding the manufacturing capabilities and any liabilities, for a cash consideration of £1.4 million, out of administration.

The Group continues its strategy of organically building the W7 and Technic brands, together with its more recently acquired brands. We remain focused on improving margins, generating cash and maintaining a debt free balance sheet.

The Group monitors its performance using a number of key performance indicators which are agreed and monitored by the board.

| **£m** | **H1 2026** | H1 2025 |
|---|---|---|
| Revenue | **40.5** | 49.3 |
| Profit from operations | **5.2** | 7.5 |
| Adjusted EBITDA* | **6.8** | 10.7 |
| Profit before tax (PBT) | **4.9** | 7.3 |

| | | |
|---|---|---|
| Basic Earnings per share (EPS) | **4.4p** | 7.9p |
| Adjusted earnings per share* (EPS) | **4.5p** | 8.3p |
| Cash and cash equivalents | **20.7** | 17.0 |

*Adjusted numbers are closer to the underlying cash flow performance of the business which is regularly monitored and measured by management. The adjustments made to EBITDA are shown below.

Headline results, shown below, represent the performance comparisons between the consolidated statements of income for the half years ended 30 June 2026 and 30 June 2025.

**Revenue**

In H1 2026, Group revenue decreased by 17.8% to £40.5 million (H1 2025: £49.3 million). Excluding the £2.5 million of sales generated by the Barry M brand following its acquisition in February 2026, revenue was £38.0 million.

Company branded sales were £39.4 million (H1 2025: £47.6 million), with W7 generating sales of £23.9 million (H1 2025: £29.8 million), and Technic, excluding sales of retailer own brand white label cosmetics, contributed sales of £8.7 million (H1 2025: £12.0 million). Sales made from the Brand Architekts brands were £4.4 million (12 February to 30 June 2025: £5.8 million), and from the Barry M brand were £2.5 million. First-half sales comparisons were affected by the prior-year inclusion of £1.2 million in revenue from Brand Architekts brands divested during 2025.

In the first half, sales of white label cosmetics were less than £0.1 million (H1 2025: £0.3 million). The white label business is traditionally cost competitive and is only undertaken based on commercial viability, in particular margin.

Close-out sales in the first half were £1.1 million (H1 2025: £1.1 million), as the Group, in line with its strategy, continues to focus on recurring opportunities from company own brands.

In addition to broader macroeconomic headwinds across the UK and EU, and the tariff-driven decline in US sales during H1 2026, the first-half performance was impacted by the loss of a major customer for the Technic brand. Bodycare entered administration in Q3 2025; by comparison, sales to this customer in H1 2025 were £1.6 million. While Bodycare has recently resumed trading under a restructured model, currently operating two stores, the previous volume has not yet been replaced.

**Product Gross Margin**

Gross margin in H1 2026 was 47.3%, up 230bps from 45.0% in H1 2025.

This is the fifth year in a row that gross margin has improved incrementally in the first half of the year, driven by new product development and improved sourcing, particularly for the Brand Architekts brands, and approximately 150bps from the sell through of Barry M inventory acquired at a discount to the normal cost of goods, a one-off factor. Also contributing to the improvement in gross margin are more normalised annual freight rates compared to prior years (including the impact of fuel surcharges) and an improved exchange rate for GBP against the US$.

We remain focused on improving gross margin where possible in all our businesses and are working with our Asian business units to execute this. Margins are also benefiting from the scale of our orders placed with existing suppliers but at the same time, we continue to move some production to new factories of equal quality to retain or improve margin and have a partial natural hedge from our US dollar revenue.

At 31 December 2025, forward foreign exchange contracts were in place for the purchase of US$81 million at an average exchange rate of US$1.3416/£. Since the start of 2026, we have purchased more forward foreign exchange contracts to further help protect our gross margin in 2026 and into 2027.

The forward foreign exchange contracts we have for the current year, along with new product development and sourcing strategies, will all contribute to protecting our gross margin for the remainder of 2026.

**Operating Expenses**

Total operating expenses before exceptional items** (exceptional items include directly attributable acquisition costs, restructuring costs and other one-off costs as a result of the acquisition of Brand Architekts in 2025 and the costs of acquiring the Barry M brand in H1 2026), amortisation costs, depreciation, foreign exchange movements and share-based payments, were £12.4 million in the first half of the year, or 30.5% of revenue (H1 2025: £11.5 million/23.3%).

** Exceptional items are those which, in the directors' judgement, should be disclosed separately by virtue of their size, nature, or incidence to enable a full understanding of the group’s financial performance

The increase of £0.9 million year-on-year was made up of increases in wages and salaries, and the spend on PR and marketing as e-commerce sales continue to grow, all of which are necessary to support the future growth of the business.

Warpaint remains a business with relatively fixed operating expenses evenly spread across the whole year. We continue to monitor and examine major costs to ensure they are controlled and strive to reduce them. In addition, the scale of the business continues to give the Group increased buying power on certain scalable costs.

**Adjusted EBITDA**

The board considers Adjusted EBITDA (adjusted for share-based payments, the gain on bargain purchase, and exceptional items) a key indicator of the performance of the Group and one that is more closely aligned to the underlying performance of the business. Adjusted EBITDA in H1 2026 was £6.8 million (H1 2025: £10.7 million).

| **£m** | **H1 2026** | H1 2025 |
|---|---|---|
| Profit from operations | **5.18** | 7.55 |
| Depreciation | 0.74 | 0.56 |
| Depreciation of right of use assets | 0.89 | 0.66 |
| Amortisation & Impairment of intangible assets | 0.16 | 0.26 |
| Foreign exchange (gain)/loss*** | (0.94) | 4.59 |
| **EBITDA** | **6.03** | **13.62** |
| Gain on bargain purchase | - | (4.52) |
| Exceptional items - acquisition related expenses | 0.47 | 1.29 |
| Share-based payments | 0.31 | 0.31 |
| **Adjusted EBITDA** | **6.81** | **10.70** |

***Foreign exchange gain in the period totalled £0.94 million, of which £0.74 million was unrealised gains of forward foreign exchange contracts in place at 30 June 2026.

**Profit Before Tax**

Group profit before tax for the half year to 30 June 2026 was £4.9 million (H1 2025: £7.3 million). A reconciliation between profits in the six months to 30 June 2025 and the six months to 30 June 2026 is as follows:

| **£m** | **Effect on Profit** |
|---|---|
| Sales volume change | (4.0) |
| Margin growth | 0.9 |
| Increase in operating expenses (detailed above) | (0.9) |
| FX gain in H1 2026 £0.9 million (H1 2025: loss £4.6 million)*** | 5.5 |
| Exceptional items | 0.8 |
| Gain on bargain purchase – Brand Architekts | (4.5) |
| Amortisation & Impairment of intangible assets | 0.1 |
| Depreciation of right-of-use assets, and property, plant and equipment | (0.4) |
| Other items | 0.1 |
| **Change in profit before tax between H1 2025 and H1 2026** | **(2.4)** |

***Foreign exchange gain in the period totalled £0.94 million, of which £0.74 million was unrealised gains of forward foreign exchange contracts in place at 30 June 2026.

Adjusted profit before tax for the half year was £5.8 million (H1 2025: £4.7 million), the reconciliation to reported profit before tax is as follows:

| **£m** | **H1 2026** | H1 2025 |
|---|---|---|
| **Profit before tax** | 4.9 | 7.3 |
| Exceptional items | 0.4 | 1.3 |
| Share-based payments | 0.3 | 0.3 |
| Gain on bargain purchase – Brand Architekts | - | (4.5) |
| Amortisation & Impairment of intangible assets | 0.2 | 0.3 |
| **Adjusted profit before tax** | **5.8** | 4.7 |

**Earnings Per Share**

The statutory interim basic and diluted earnings per share were 4.41p and 4.40p respectively in H1 2026 (H1 2025: 7.88p and 7.84p).

The adjusted interim basic and diluted earnings per share before exceptional items, amortisation costs, share-based payments, gain on bargain purchase, foreign exchange gain, and the tax attributable to adjusting items were 4.45p and 4.45p respectively in H1 2026 (H1 2025: 8.33p and 8.30p).

| £m | **H1 2026** | H1 2025 |
|---|---|---|
| **Statutory profit attributable to equity holders** | **3.56** | 6.36 |
| Exceptional items | 0.47 | 1.29 |
| Amortisation & Impairment of intangible assets | 0.16 | 0.26 |
| Share-based payments | 0.31 | 0.31 |
| Gain on bargain purchase | - | (4.52) |
| Foreign exchange (gain)/loss*** | (0.94) | 4.59 |
| Tax attributable to adjusting items | 0.04 | (1.55) |
| **Adjusted profit attributable to equity holders** | **3.60** | 6.74 |
| Weighted number of ordinary shares for the purpose of basic EPS | 80,786,899 | 80,762,751 |
| **Adjusted basic EPS** | **4.45p** | 8.33p |
| Weighted number of ordinary shares for the purpose of diluted EPS | **80,872,180** | 81,122,164 |

| | | |
|---|---|---|
| **Adjusted diluted EPS** | **4.45p** | 8.30p |

***Foreign exchange gain in the period totalled £0.94 million, of which £0.74 million was unrealised gains of forward foreign exchange contracts in place at 30 June 2026.

**Share Options**

On 17 June 2026, EMI share options were granted over a total of 1,124,217 ordinary shares of 25p each in the Company under the Warpaint London PLC Enterprise Management Incentive Scheme. The options provide the right to acquire 1,124,217 ordinary shares at an exercise price of 220p per ordinary share.

No options over ordinary shares were exercised by scheme participants during H1 2026. The share-based payment charge of the EMI and CSOP share options for the half year to 30 June 2026 was £0.31 million (H1 2025: £0.31 million) and has been taken to the share option reserve.

**Cash Flow and Cash Position**

Net cash flow from operating activities was £7.4 million (H1 2025: £4.1 million). The Group's cash balance increased by £3.7 million to £20.7 million as at 30 June 2026 (30 June 2025: £17.0 million), having invested £1.4 million of cash in the period on the acquisition of the Barry M brand and inventory.

Capital expenditure requirements of the Group are expected to remain low. However, as part of the strategy to grow market share in the UK, US and Europe, there will be occasions where investment in store furniture for customers is required to secure business.

In H1 2026, £1.1 million (H1 2025: £1.1 million) was spent on store furniture, new computer software and equipment, warehouse improvements and other general office fixtures and fittings and plant upgrades.

To provide appropriate flexibility, it is both necessary and prudent to have bank facilities available to support day-to-day working capital requirements. Accordingly, the Group maintains a £8.0 million invoice and stock finance facility, and a 'general purpose' £1.0 million facility. At 30 June 2026, both facilities were unused and the balance outstanding was £nil (30 June 2025: £nil). These facilities, together with the Group's positive cash generation and the cash balance, provide the Group with significant financial flexibility to support future growth.

**Share Buyback Programme**

Following the approval of shareholders at the Company's AGM on 16 June 2026, the Company commenced, post period end on 27 July 2026, an initial share buyback programme in respect of its Ordinary Shares up to a maximum aggregate consideration of £2.5 million (the "Programme"), which is expected to complete before the end of September 2026.

Ordinary Shares acquired under the Programme will be held in treasury and are expected to be used to satisfy future obligations from Warpaint's employee share schemes, thus reducing future dilution for shareholders.

The board believes that the Programme represents an effective use of the Group's cash balances and provides an opportunity to deliver value for shareholders, in line with the board's approach to capital allocation.

**Exceptional Items**

Exceptional** costs in H1 2026 were £0.47 million principally comprising £0.38 million of acquisition-related costs and £0.09 million of other costs, (H1 2025: £1.29 million, principally comprising £0.68 million of acquisition-related costs, £0.50 million of staff redundancy costs and £0.10 million of restructuring and other costs).

** Exceptional items are those which, in the directors' judgement, should be disclosed separately by virtue of their size, nature, or incidence to enable a full understanding of the group's financial performance

**Balance Sheet**

Inventories at 30 June 2026 were £29.0 million (30 June 2025: £35.9 million). The level of inventory ensures delivery disruption is avoided for our customers and supports future planned growth. One of the Group's unique selling propositions is that it can deliver its products to customers, in good time, all year round. Having appropriate inventory levels is vital to providing that service. At 30 June 2026, the provision for old and slow inventory was £0.7 million/2.2% (30 June 2025: £0.9 million/2.5%). Across the Group, older stock lines are sold through, allowing for the provision for old and slow inventory to remain modest in percentage terms. To better manage the Group businesses, the stock provision policy has been amended to now apply a flat 1.3% charge across the Group's total stock value, plus a provision for specific stock items that are slow moving or being sold at less than cost, instead of tracking the specific age of individual items. However, we remain confident that many such items will ultimately be sold, in the normal course of business, through our close-out operations without a loss to the Group. The 1.3% value was derived after examining the running average of the Group stock provision in prior years.

Trade receivables are monitored by management to ensure collection is made to terms, reducing the risk of bad debt and to control debtor days. Trade receivables, excluding other receivables, at 30 June 2026 were £16.8 million (30 June 2025: £18.8 million). The provision for bad and doubtful debts carried forward at 30 June 2026 was £0.22 million, 1.3% of gross trade receivables (30 June 2025: £0.73 million/3.9%).

At 30 June 2026, the Group had no borrowings or lease liabilities outstanding (30 June 2025: £nil), apart from those associated with right-of-use assets as directed by IFRS 16 (see below). The Group was therefore debt free at 30 June 2026, as it was at 30 June 2025.

Working capital decreased by £1.9 million from 30 June 2025 to 30 June 2026. The main components were a decrease in inventory of £7.0 million, an increase in trade and other receivables of £0.8 million, an increase in cash of £3.7 million, and a decrease in trade and other payables of £0.6 million.

The Group's balance sheet remains in a very healthy position. At 30 June 2026, net assets totalled £78.0 million (30 June 2025: £74.4 million), with the majority made up of liquid assets of inventory, trade receivables and cash.

Included in the balance sheet is £7.3 million of goodwill, which represents the excess of consideration over the fair value of the Group's share of the net identifiable assets of the acquired business / cash generating units at the date of acquisition. The carrying value at 30 June 2026 of £7.3 million includes Treasured Scents Limited at £0.5 million, Retra Holdings Limited at £6.2 million and Marvin Leeds Marketing Services, Inc. at £0.6 million. Management has performed a mid-year impairment review at 30 June 2026 and concluded that no impairment is indicated for Treasured Scents Limited, Retra Holdings Limited, and Marvin Leeds Marketing Services, Inc. as the recoverable amount exceeds the carrying value.

The balance sheet includes £8.6 million of right-of-use assets (H1 2025: £10.1 million), which is the inclusion of Group leasehold properties, recognised as right-of-use assets as directed by IFRS 16. An equivalent lease liability is included of £9.0 million (H1 2025: £10.4 million) at the balance sheet date.

The Acquisition of Brand Architekts included a defined benefit occupational pension scheme, which has been closed to new members since 2015. The scheme underwent its scheduled triennial valuation in April 2026, with the formal report currently in preparation. The triennial valuation is a mandatory, legal, actuarial assessment of a defined benefit pension scheme's financial position conducted every three years. It calculates the difference between assets and liabilities to determine if the scheme is properly funded and determines the employer contribution rates needed. Current independent valuations undertaken for the Company indicate the scheme is in surplus, such that its assets exceed pension liabilities. The scheme surplus at 30 June 2026 was valued at £5.0 million (30 June 2025: £2.0 million) and has been included as an asset in the balance sheet. Under the rules of the scheme, the Company has an unconditional right to a refund of surplus under the principles of IFRIC 14 where the Company elects to "run-off" the Scheme until there are no liabilities left to be paid and only assets remain before choosing to terminate allowing the Trustees and Employer to wind-up the Scheme. The Company has therefore recognised a surplus in full as at 30 June 2026. No additional minimum funding liability has been recognised in relation to the Company's ongoing deficit reduction contributions to the Scheme as the surplus is unrestricted. Further details are shown in note 9.

**Foreign Exchange**

The Group currently imports most of its finished goods from China, paid for in US dollars, which are purchased throughout the year at spot as needed, or by taking forward foreign exchange contracts when rates are deemed favourable, and with consideration for the budget rate set by the board for the year. Similarly, forward foreign exchange contracts are taken to sell forward the Group's expected Euro income in the year to ensure the sales margin is protected.

We started 2026 with forward foreign exchange contracts in place for the purchase of US$80.6 million at an average exchange rate of US$1.3416/£, and the sale of €0.75 million at €1.1414/£.

In addition, when currency rates were favourable, we purchased additional US dollar forward foreign exchange contracts and spot rate amounts to help cover our total US dollar requirement for this year, and forward foreign exchange contracts towards our requirement for 2027.

There was a foreign exchange gain in the period of £0.94 million (H1 2025: loss of £4.6 million), of which £0.74 million was unrealised gains of forward foreign exchange contracts in place at 30 June 2026 (H1 2025: unrealised losses of £2.7 million).

The Group has a natural hedge from sales to the US which are entirely in US dollars; in H1 2026 these sales were US$2.4 million (H1 2025: US$3.1 million).

Together with sourcing product from new factories where it makes commercial sense to do so, new product development, and by buying US dollars when rates are favourable, we are able to mitigate to a large extent the effect of a strong US dollar against sterling.

**Acquisition of Barry M**

On 9 February 2026, the Group completed the acquisition of the Barry M brand, including its IP, stock and order book, but excluding the manufacturing capabilities and any liabilities, out of administration for cash consideration of £1.4 million. Barry M contributed £2.5 million of revenue from acquisition to 30 June 2026. The acquisition included inventory purchased at a discount to its normal cost, with the subsequent sell-through benefiting the Group's gross margin during the period. The Group has subsequently re-sourced Barry M products through its existing supplier network to ensure continuity of supply, improved margin and support for the future development of the brand.

**Dividends**

The board is pleased to have declared an increased interim dividend of 4.25p per share (2025: 4.0p), which will be paid on 20 November 2026 to shareholders on the register at 6 November 2026. The shares will go ex-dividend on 5 November 2026.

**Neil Rodol**
**Chief Financial Officer**
23 September 2026

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | Notes | *Unaudited* 6 months ended 30 June 2026 £'000 | *Unaudited* 6 months ended 30 June 2025 (restated) £'000 | *Audited* Year ended 31 December 2025 £'000 |
|---|---|---|---|---|
| **Revenue** | | 40,516 | 49,298 | 105,082 |
| Cost of sales | | (21,350) | (27,129) | (60,343) |
| **Gross profit** | | **19,166** | **22,169** | **44,739** |
| Administrative expenses | 3 | (13,991) | (19,147) | (29,783) |
| Impairment loss on financial assets | | - | - | (995) |
| Gain on bargain purchase | | - | 4,524 | 4,524 |
| **Profit from operations** | | **5,175** | **7,546** | **18,485** |
| Finance income | 4 | 111 | 152 | 242 |
| Finance expense | 4 | (379) | (356) | (625) |
| **Profit before tax** | 3 | **4,907** | **7,342** | **18,102** |
| Tax expense | 5 | (1,347) | (979) | (3,750) |
| **Profit for the period attributable to equity holders of the parent company** | | **3,560** | **6,363** | **14,352** |
| Other comprehensive income (net of tax): | | | | |
| Exchange gain on translation of foreign subsidiary | | 2 | (64) | (41) |
| Re-measurement of defined benefit pension | | 1,069 | 324 | 1,085 |
| Total comprehensive income for the period attributable to equity holders of the parent company | | **4,631** | **6,623** | **15,396** |
| Basic earnings per share (pence) | 6 | 4.41 | 7.88 | 17.77 |
| Diluted earnings per share (pence) | 6 | 4.40 | 7.84 | 17.73 |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Note | *Unaudited* As at 30 June 2026 £'000 | *Unaudited* As at 30 June 2025 (restated) £'000 | *Audited* As at 31 December 2025 £'000 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Goodwill | | 7,274 | 7,274 | 7,274 |
| Intangible assets | 7 | 4,688 | 4,478 | 4,318 |
| Property, plant and equipment | | 3,537 | 3,026 | 3,373 |
| Right-of-use assets | 8 | 8,566 | 10,114 | 9,513 |
| Deferred tax assets | | 821 | 1,591 | 1,221 |
| Retirement benefit surplus | | 4,980 | 1,970 | 3,339 |
| | | **29,866** | **28,453** | **29,038** |
| **Current assets** | | | | |
| Inventories | | 28,952 | 35,934 | 31,351 |
| Trade and other receivables | | 22,277 | 21,465 | 19,957 |
| Corporation tax recoverable | | 1,563 | 2,321 | 1,850 |
| Cash and cash equivalents | | 20,684 | 17,017 | 15,985 |
| Derivative financial instruments | | 739 | - | - |
| | | **74,215** | **76,737** | **69,143** |
| **Total assets** | | **104,081** | **105,190** | **98,181** |
| **LIABILITIES** | | | | |
| **Current liabilities** | | | | |
| Trade and other payables | | (17,094) | (17,686) | (7,883) |
| Lease liabilities | | (796) | (1,353) | (1,275) |
| Corporation tax liability | | - | (14) | - |
| Derivative financial instruments | | - | (2,665) | (129) |
| | | **(17,890)** | **(21,718)** | **(9,287)** |
| **Non-current liabilities** | | | | |
| Lease liabilities | | (8,183) | (9,070) | (8,541) |
| | | **(8,183)** | **(9,070)** | **(8,541)** |
| **Total liabilities** | | **(26,073)** | **(30,788)** | **(17,828)** |
| **NET ASSETS** | | **78,008** | **74,402** | **80,353** |
| **EQUITY** | | | | |
| Share capital | | 20,197 | 20,197 | 20,197 |
| Share premium | | 34,114 | 34,114 | 34,114 |
| Merger reserve | | (15,584) | (15,584) | (15,584) |
| Foreign exchange reserve | | (6) | (31) | (8) |
| Share option reserve | | 1,327 | 654 | 1,041 |
| Retained earnings | | 37,960 | 35,052 | 40,593 |
| **Total equity attributable to shareholders** | | **78,008** | **74,402** | **80,353** |

## CONSOLIDATED STATEMENT OF CASH FLOW

| | Notes | *Unaudited* 6 Months ended 30 June 2026 £'000 | *Unaudited* 6 Months ended 30 June 2025 (restated) £'000 | *Audited* Year ended 31 December 2025 £'000 |
|---|---|---|---|---|
| Profit before tax for the period | | 4,907 | 7,342 | 18,102 |
| **Adjusted by:** | | | | |
| Finance expense | 4 | 379 | 356 | 625 |
| Finance income | 4 | (111) | (152) | (242) |
| Impairment loss on financial asset | | - | - | 995 |
| Gain on bargain purchase | | - | (4,524) | (4,524) |
| Depreciation of property, plant and equipment | 3 | 734 | 559 | 1,274 |
| Depreciation on right of use assets | 8 | 886 | 661 | 1,524 |
| Loss on disposal of property, plant, and equipment | | 167 | 90 | 105 |
| Loss on disposal of right of use assets | | 61 | - | - |
| Loss on disposal of subsidiary | | - | - | 44 |
| Amortisation of intangible assets | 7 | 164 | 134 | 294 |
| Impairment of intangible assets | 7 | - | 122 | 122 |
| Profit on sale of intangibles | | - | (123) | (123) |
| Share based payments | | 309 | 310 | 620 |
| Contributions to defined benefit pension scheme | | (162) | - | (292) |
| Movement in derivative financial instruments | | (868) | 4,005 | 1,469 |
| Foreign exchange translation differences | | (17) | 6 | 26 |
| *Other adjustments* | | | | |
| *Working capital adjustments* | | | | |
| Movement in inventories | | 2,399 | (1,631) | 2,647 |
| Movement in trade and other receivables | | (2,316) | (288) | 165 |
| Movement in trade and other payables | | 1,940 | 483 | (3,053) |
| **Cash inflow generated from operations** | | **8,472** | **7,350** | **19,778** |
| Income tax paid | | (1,085) | (3,266) | (5,431) |
| **Cash flows from operating activities** | | **7,387** | **4,084** | **14,347** |
| Acquisition of subsidiary, net of cash acquired | | - | (7,362) | (7,362) |
| Purchase of intangible assets | 7 | (534) | (2) | (2) |
| Purchase of property, plant and equipment | | (1,064) | (1,067) | (2,184) |
| Proceeds from sales of property, plant and equipment | | - | - | 2 |
| Proceeds from the sale of intangible assets | | - | 275 | 275 |
| Proceeds from disposal of subsidiary net of cash disposed | | - | - | 118 |
| Interest received | | 111 | 152 | 242 |
| **Cash flows used by investing activities** | | **(1,487)** | **(8,004)** | **(8,911)** |
| Principal elements of lease payments | | (837) | (524) | (1,393) |
| Lease liability interest | | (324) | (212) | (473) |
| Interest paid | | (55) | (144) | (152) |
| Dividends | | - | - | (9,291) |
| **Cash flows used by financing activities** | | **(1,216)** | **(880)** | **(11,309)** |
| Net change in cash and cash equivalents | | 4,684 | (4,800) | (5,873) |
| Cash and cash equivalents at beginning of | | 15,985 | 21,887 | 21,887 |

| | | | |
|---|---|---|---|
| period | | | |
| Exchange gain((loss) on cash and cash equivalents | 15 | (70) | (29) |
| **Cash and cash equivalents at end of period** | **20,684** | **17,017** | **15,985** |
| | | | |
| **Cash and cash equivalents consists of:** | | | |
| Cash and cash equivalents | 20,684 | 17,017 | 15,985 |
| | **20,684** | **17,017** | **15,985** |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Share capital £'000 | Share Premium £'000 | Merger reserve £'000 | Foreign exchange reserve £'000 | Share option reserve £'000 | Retained earnings £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|
| As at 1 January 2025 | **20,171** | **34,114** | **(16,100)** | **33** | **652** | **34,424** | **73,294** |
| **Comprehensive income for the period** | | | | | | | |
| Profit for the period | - | - | - | - | - | 6,363 | 6,363 |
| *Other comprehensive income* | | | | | | | |
| On translation of foreign subsidiary | - | - | - | (64) | - | - | (64) |
| Remeasurement of defined benefit pension | - | - | - | - | - | 324 | 324 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **(64)** | **-** | **6,687** | **6,623** |
| **Contributions by and distributions to owners** | | | | | | | |
| Equity shares issued | 26 | - | 516 | - | - | - | 542 |
| Deferred tax movement | - | - | - | - | (308) | - | (308) |
| Share based payments | - | - | - | - | 310 | - | 310 |
| Dividends payable | - | - | - | - | - | (6,059) | (6,059) |
| **Total Contributions by and distributions to owners** | **26** | **-** | 516 | **-** | **2** | **(6,059)** | **(5,515)** |
| **As at 30 June 2025 (restated)** | **20,197** | **34,114** | **(15,584)** | **(31)** | **654** | **35,052** | **74,402** |
| As at 1 January 2025 | 20,171 | 34,114 | (16,100) | 33 | 652 | 34,424 | 73,294 |
| **Comprehensive income for the period** | | | | | | | |
| Profit for the year | - | - | - | - | - | 14,352 | 14,352 |
| *Other comprehensive income* | | | | | | | |
| On translation of foreign subsidiary | - | - | - | (41) | - | - | (41) |
| Remeasurement of defined benefit liability | - | - | - | - | - | 1,085 | 1,085 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **(41)** | **-** | **15,437** | **15,396** |
| **Contributions by and distributions to owners** | | | | | | | |
| Equity shares issued | 26 | - | 516 | - | - | - | 542 |
| Transfer to retained earnings on exercise of share options | - | - | - | - | (23) | 23 | - |
| Deferred tax movement | - | - | - | - | (208) | - | (208) |
| Share based payments | - | - | - | - | 620 | - | 620 |
| Dividends paid | - | - | - | - | - | (9,291) | (9,291) |
| **Total Contributions by and distributions to owners** | **26** | **-** | **516** | **-** | **389** | **(9,268)** | **(8,337)** |
| **As at 31 December 2025** | **20,197** | **34,114** | **(15,584)** | **(8)** | **1,041** | **40,593** | **80,353** |

| | Share capital | Share Premium | Merger reserve | Foreign exchange reserve | Share option reserve | Retained earnings | Total |
|---|---|---|---|---|---|---|---|
| | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** |
| As at 1 January 2026 | 20,197 | 34,114 | (15,584) | (8) | 1,041 | 40,593 | 80,353 |
| **Comprehensive income for the period** | | | | | | | |
| Profit for the period | - | - | - | - | - | 3,560 | 3,560 |
| *Other comprehensive income* | | | | | | | |
| On translation of foreign subsidiary | - | - | - | 2 | - | - | 2 |
| Remeasurement of defined benefit pension | - | - | - | - | - | 1,069 | 1,069 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | 2 | **-** | **4,629** | **4,631** |
| **Contributions by and distributions to owners** | | | | | | | |
| Share based payments | - | - | - | - | 309 | - | 309 |
| Transfer to retained earnings on expiry of share options | | | | | (9) | 9 | - |
| Deferred tax movement | - | - | - | - | (14) | - | (14) |
| Dividend payable | - | - | - | - | - | (7,271) | (7,271) |
| **Total Contributions by and distributions to owners** | **-** | **-** | **-** | **-** | **286** | **(7,262)** | **(6,976)** |
| **As at 30 June 2026** | **20,197** | **34,114** | **(15,584)** | **(6)** | **1,327** | **37,960** | **78,008** |

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 1. Basis of preparation

The consolidated interim financial information for the 6 months to 30 June 2026 has been prepared in accordance with the measurement and recognition principles of UK adopted international accounting and accounting policies that are consistent with the Group's Annual report and Accounts for the year ended 31 December 2025 and that are expected to be applied in the Group's Annual Report and Accounts for the year ended 31 December 2026. They do not include all of the information required for the full financial statements and should be read in conjunction with the 2025 Annual Report and Accounts which were prepared in accordance with UK adopted international accounting standards.

The comparative financial information for the year ended 31 December 2025 in this interim report does not constitute statutory accounts for that period under section 435 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2025 have been reported on by the Group's auditors and delivered to the Registrar of Companies.

The auditors' report on the accounts for the year ended 31 December 2025 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

### 2. Changes in significant accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2025.

### 3. Profit from operations

Profit from operations is arrived at after charging/ (crediting):

| | ***Unaudited*** **6 months ended 30 June 2026** **£'000** | ***Unaudited*** **6 months ended 30 June 2025 (restated)** **£'000** | ***Audited*** **Year ended 31 December 2025** **£'000** |
|---|---|---|---|
| Foreign exchange (gain)/ loss | (943) | 4,587 | 2,227 |
| Depreciation of property, plant and equipment | 734 | 559 | 1,274 |
| Loss on disposal of property, plant and equipment | 167 | 90 | 105 |
| Profit on disposal of intangible assets | - | (123) | (123) |
| Loss on disposal of right of use assets | 61 | - | - |
| Impairment of intangible assets | - | 122 | 122 |
| Depreciation of right-of-use assets | 886 | 661 | 1,524 |
| Amortisation of intangible assets | 164 | 134 | 294 |
| Impairment (loss)/gain on financial assets | - | - | 995 |
| Provision for doubtful debts | - | 730 | - |
| Exceptional costs | 466 | 1,285 | 1,385 |
| Write off of inventories | - | 505 | 178 |

## 4. Finance income and finance expenses

| | *Unaudited* 6 months ended 30 June 2026 £'000 | *Unaudited* 6 months ended 30 June 2025 £'000 | *Audited* Year ended 31 December 2025 £'000 |
|---|---|---|---|
| **Finance income** | | | |
| Interest received | 111 | 152 | 242 |
| | **111** | **152** | **242** |
| Lease liability interest | (324) | (212) | (473) |
| Other interest | (55) | (144) | (152) |
| **Finance expenses** | **(379)** | **(356)** | **(625)** |

## 5. Tax expenses

| | *Unaudited* 6 months ended 30 June 2026 £'000 | *Unaudited* 6 months ended 30 June 2025 £'000 | *Audited* Year ended 31 December 2025 £'000 |
|---|---|---|---|
| **Current tax expense** | | | |
| Current income tax charge | 1,373 | 1,230 | 3,852 |
| Adjustment in respect of previous periods | - | - | - |
| | **1,373** | **1,230** | **3,852** |
| **Deferred tax expense** | | | |
| Relating to origination and reversal of temporary differences | (26) | (251) | (102) |
| Adjustment in respect of previous periods | - | - | - |
| **Total tax in income statement** | **1,347** | **979** | **3,750** |

## 6. Earnings per share

Profit for the period used in the calculation of the basic and diluted earnings per share:

| | *Unaudited* 6 months ended 30 June 2026 £'000 | *Unaudited* 6 months ended 30 June 2025 (restated) £'000 | *Audited* Year ended 31 December 2025 £'000 |
|---|---|---|---|
| Profit after tax for the period | **3,560** | **6,363** | **14,352** |

The weighted average number of shares for the purposes of diluted earnings per share reconciles to the weighted average number of shares used in the calculation of basic earnings per share as follows:

| | ***Unaudited*** **6 months ended 30 June 2026** | ***Unaudited*** **6 months ended 30 June 2025** | ***Audited*** **Year ended 31 December 2025** |
|---|---|---|---|
| **Weighted average number of shares** | | | |
| Weighted number of ordinary shares for the purpose of basic earnings per share | 80,786,899 | 80,762,751 | 80,774,765 |
| Potentially dilutive shares awarded | 85,281 | 359,413 | 176,758 |
| Weighted number of ordinary shares for the purpose of diluted earnings per share | 80,872,180 | 81,122,164 | 80,951,523 |
| Basic Earnings per share (pence) | **4.41** | **7.88** | **17.77** |
| Diluted earnings per share (pence) | **4.40** | **7.84** | **17.73** |

**7. Intangible assets**

| | Brands | Customer lists | Patents | Website | Licences | Total |
|---|---|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| **Cost** | | | | | | |
| At 1 January 2025 | 3,802 | 8,241 | 244 | 72 | 6 | 12,365 |
| Additions | - | - | - | 2 | - | 2 |
| Acquired through business combinations | 4,508 | 286 | - | - | - | 4,794 |
| Disposals | (152) | - | | - | - | (152) |
| **At 31 December 2025** | 8,158 | 8,527 | 244 | 74 | 6 | 17,009 |
| **Accumulated amortisation** | | | | | | |
| At 1 January 2025 | 3,799 | 8,241 | 185 | 44 | 6 | 12,275 |
| Charge for the year | 237 | 31 | 19 | 7 | - | 294 |
| Impairment | 122 | - | - | - | - | 122 |
| **At 31 December 2025** | 4,158 | 8,272 | 204 | 51 | 6 | 12,691 |
| **Net book value** | | | | | | |
| At 31 December 2025 | **4,000** | **255** | **40** | **23** | **-** | **4,318** |

| | Brands | Customer lists | Patents | Website | Licences | Total |
|---|---|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| **Cost** | | | | | | |
| At 1 January 2025 | 3,802 | 8,241 | 244 | 72 | 6 | 12,365 |
| Additions | - | - | - | 2 | - | 2 |
| Acquired through business combinations | 4,508 | 286 | - | - | - | 4,794 |
| Disposal | (152) | - | - | - | - | (152) |
| **At 30 June 2025** (restated) | 8,158 | 8,527 | 244 | 74 | 6 | 17,009 |
| **Accumulated amortisation** | | | | | | |
| At 1 January 2025 | 3,799 | 8,241 | 185 | 44 | 6 | 12,275 |
| Charge for the year | 113 | 7 | 14 | - | - | 134 |
| Impairment | 122 | - | - | - | - | 122 |
| **At 30 June 2025** (restated) | 4,034 | 8,248 | 199 | 44 | 6 | 12,531 |
| **Net book value** | | | | | | |
| At 30 June 2025 (restated) | **4,124** | **279** | **45** | **30** | **-** | **4,478** |

| | Brands | Customer lists | Patents | Website | Licences | Total |
|---|---|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| **Cost** | | | | | | |
| At 1 January 2026 | 8,158 | 8,527 | 244 | 74 | 6 | 17,009 |
| Additions | 534 | - | - | - | - | 534 |
| **At 30 June 2026** | 8,692 | 8,527 | 244 | 74 | 6 | 17,543 |
| **Accumulated amortisation** | | | | | | |
| At 1 January 2026 | 4,158 | 8,272 | 204 | 51 | 6 | 12,691 |
| Charge for the year | 164 | - | | - | - | 164 |
| **At 30 June 2026** | 4,322 | 8,272 | 204 | 51 | 6 | 12,855 |
| **Net book value** | | | | | | |
| **At 30 June 2026** | **4,370** | **255** | **40** | **23** | **-** | **4,688** |

## 8. Right of Use Assets

| | Leasehold property | Computer equipment | Total |
|---|---|---|---|
| | £'000 | £'000 | £'000 |
| **Costs** | | | |
| At 1 January 2025 | 8,925 | 77 | 9,002 |
| Additions | 6,888 | - | 6,888 |
| Modification | 76 | - | 76 |
| At 31 December 2025 | 15,889 | 77 | 15,966 |
| **Accumulated amortisation** | | | |
| At 1 January 2025 | 4,852 | 77 | 4,929 |
| Charge for the year | 1,524 | - | 1,524 |
| At 31 December 2025 | 6,376 | 77 | 6,453 |
| **Net Book Value** | | | |
| At 31 December 2025 | **9,513** | **-** | **9,513** |

| | Leasehold property | Computer equipment | Total |
|---|---|---|---|
| | **£'000** | **£'000** | **£'000** |
| **Costs** | | | |
| At 1 January 2025 | 8,925 | 77 | 9,002 |
| Additions | 6,702 | - | 6,702 |
| At 30 June 2025 | 15,627 | 77 | 15,704 |
| **Accumulated amortisation** | | | |
| At 1 January 2025 | 4,852 | 77 | 4,929 |
| Charge for the year | 661 | - | 661 |
| At 30 June 2025 | 5,513 | 77 | 5,590 |
| **Net Book Value** | | | |
| At 30 June 2025 | **10,114** | **-** | **10,114** |

| | Leasehold property | Computer equipment | Total |
|---|---|---|---|
| | **£'000** | **£'000** | **£'000** |
| **Costs** | | | |
| At 1 January 2026 | 15,889 | 77 | 15,966 |
| Disposals | (61) | **-** | (61) |
| At 30 June 2026 | 15,828 | 77 | 15,905 |
| **Accumulated amortisation** | | | |
| At 1 January 2026 | 6,376 | 77 | 6,453 |
| Charge for the year | 886 | - | 886 |
| At 30 June 2026 | 7,262 | 77 | 7,339 |
| **Net Book Value** | | | |
| At 30 June 2026 | **8,566** | - | **8,566** |

## 9. IAS 19 Employee benefits

**Expected future cash flows to and from the Group's defined benefit pension scheme**

The Scheme is closed to new members since 2015 and to further accruals of benefits. It is subject to the scheme funding requirements outlined in UK legislation. The last scheme funding valuation of the Scheme was as at 5 April 2023 and revealed a deficit of £4,612,000.

The deficit reduction payment will remain at £318,000 per annum until 30 June 2033.

In addition, the Group has agreed to meet the cost of administrative expenses and Pension Protection Fund insurance premiums for the Scheme. Anticipated payments by the Group in respect of the plan administrative expenses and the Pension Protection Fund premium in the year ended 31 December 2026 are expected to be of a similar order of magnitude to payments in 2025.

Payments made by the Group to the Scheme and in respect of the Scheme liabilities were:

| | **Period ended 30 June 2026 £'000** | Period ended 30 June 2025 £'000 | Year ended 31 December 2025 £'000 |
|---|---|---|---|
| Deficit recovery payments | 159 | 106 | 292 |
| Scheme administrative expenses | 40 | 35 | 82 |
| Pension Protection Fund premium | - | - | - |
| **Total** | 199 | 141 | 374 |

The amount expensed in the Group Statement of Comprehensive Income were:

| | **Period ended 30 June 2026 £'000** | Period ended 30 June 2025 £'000 | Year ended 31 December 2025 £'000 |
|---|---|---|---|
| **In operating profit:** | | | |
| Plan administrative expenses | 61 | 35 | 67 |
| Pension Protection Fund premium | - | 27 | 12 |
| | **61** | **62** | **79** |
| **In finance costs:** | | | |
| Unwinding of notional discount factor | 38 | 25 | (79) |
| **Total** | **99** | **87** | - |

IAS 19 requires a separate valuation of the Scheme on a different basis to the funding valuation referred to above. The key assumptions used were:

| | **At 30 June 2026** | At 30 June 2025 | At 31 December 2025 |
|---|---|---|---|
| Discount rate | 6.00% | 5.55% | 5.65% |
| Inflation assumption (RPI) | 2.75% | 2.90% | 2.65% |
| Inflation assumption (CPI) | 2.45% | 2.50% | 2.35% |

The amount recognised in the Group Statement of Financial Position were:

| | **At 30 June 2026** | At 30 June 2025 | At 31 December 2025 |
|---|---|---|---|
| | **£'000** | £'000 | £'000 |
| Present value of funded obligations | (19,833) | (21,230) | (20,326) |
| Fair value of scheme assets | 24,813 | 23,200 | 23,665 |
| **Surplus** | **4,980** | 1,970 | 3,339 |
| Unrecognised surplus | **-** | - | - |
| Net assets recognised in the Statement of Financial Position | **4,980** | 1,970 | 3,339 |
| Deferred tax liability | **(1,245)** | (492) | (835) |
| Net assets after deferred tax | **3,735** | 1,478 | 2,504 |

## 10. Contingent liabilities

**Defined Benefit Pension Scheme – Section 37 Actuarial Certification (*Virgin Media* Case)**

During the period, the Group evaluated the potential impact on the Scheme's defined benefit obligation arising from the *Virgin Media Ltd v NTL Pension Trustees II Ltd* case. This case established that historical amendments to former contracted-out Defined Benefit (DB) pension schemes executed between **6 April 1997 and 5 April 2016** require a contemporaneous written actuarial confirmation under Section 37 of the Pension Schemes Act 1993. Absent this contemporaneous certificate, historical benefit amendments risk being deemed legally void, which could retrospectively alter member benefits and impact the defined benefit obligation.

To address this widespread industry uncertainty and prevent unexpected increases in scheme liabilities, the UK Government introduced a statutory remediation framework under the **Pension Schemes Act 2026**, which received Royal Assent on **29 April 2026**. This new legislation permits trustees to obtain a retrospective actuarial confirmation from the current scheme actuary. If the actuary confirms that the historical amendments would have met the reference scheme test at the time, the amendments are validated retrospectively, preventing any adverse impact on the scheme valuation.

At the period end, the potential financial impact of this matter on the Scheme's defined benefit obligation cannot be reliably quantified, as the historical documentation is currently undergoing evaluation. No adjustments or provisions have been made to the scheme valuation or the financial statements in respect of this matter.

The Scheme Trustees have initiated an orderly compliance review to ascertain whether a documentation issue exists:

- **Legal and Actuarial Review:** The Trustees are instructing the Scheme’s legal advisers, to conduct a comprehensive audit of all Scheme Deeds executed during the relevant 1997–2016 period.
- **Remediation Strategy:** Should any affected Deeds be identified as lacking the necessary original certification, the Trustees intend to utilise the statutory remediation powers granted under the 2026 Act. The Scheme Actuary will be separately instructed to issue retrospective actuarial confirmations to legally validate the amendments.

The Group is working closely with the Trustees to ensure this review concludes swiftly to satisfy audit requirements. Management does not currently expect this matter to result in a material change to the Group's net pension position.

## 11. Restatement

The figures for 30 June 2025 have been restated to reflect the final net assets acquired in respect of the Groups acquisition of the Brand Architekts Group Plc on 12 February 2025, which was determined post 30 June 2025.