DEFINED BY
INNOVATION

CT AUTOMOTIVE GROUP PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
2025

Welcome

Our relentless drive for operational efficiency has produced sustained continuous improvement in our profit before tax. Our teams are highly innovative, embracing the latest technology, creating and developing new solutions to further improve our manufacturing production. With an entrepreneurial culture we are flexible and agile, quick to adapt to changing customer needs and developing macro-economic conditions.

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Another year of sustained improvement in profit before tax.

Revenue	
$114.8M	**FY24 $119.7M**
Gross Margin	
31%	**FY24 28%**
Adjusted EBITDA	
$14.8M[1]	**FY24 $14.8M[1]**
Adjusted PBT	
$9.5M[1]	**FY24 $7.9M[1]**
Reported PBT	
$9.1M	**FY24 $6.6M**
Net Debt	
$7.7M[2]	**FY24 $6.2M[2]**
	[2] Excludes lease liabilities

OPERATIONAL HIGHLIGHTS

- **Third consecutive year of improved PBT**
- **15 contract wins in 2025 worth $47m in annualised revenue* Further increase in gross profit margin to 31%**
- **Successful scale-up of Mexican production facility**
- **Continued adoption of digitisation, robotics, automation and AI**

*** Once all programs are fully operational over the next three years**

CT Automotive: At a glance

A global network designed for proximity

Technologically advanced production facilities located in Türkiye, China and Mexico with assembly lines and distribution centres across the US, Europe and Asia.

As the geopolitical environment evolves at pace, we continuously evaluate new locations where we can better serve our customers.

By the numbers

4 Manufacturing Sites
(China (2), Mexico & Türkiye)

6 Sales Offices
(Japan, India, China, Türkiye, Mexico & UK)

2 Innovation and Design Centres (India & China)

9 Distribution Hubs
(Mexico, US, UK, Spain, Germany, Czechia, Türkiye, China – Shenzhen and Ganzhou)

2 Administration Centres (UK & India)

Our customers are global original equipment manufacturers (OEMs) and Tier 1 suppliers. We supply across all models, brands and drivetrains: from volume brands to premium brands, internal combustion engines (ICE) to electric vehicles (EV). Our production strategy is powertrain-agnostic, bespoke to each customer and delivering products on a just-in-time basis to OEM car assembly lines, either directly, or through Tier 1 suppliers.

The year in brief - 2025 milestones

Financial Discipline
Third consecutive year of improved profit before tax.

Commercial Momentum
15 new program wins in 2025, spanning volume and premium brands, totalling annualised revenue of $47 million once all programs are fully operational over the next three years. Successful completion of two challenging supplier audits for two new major OEM customers.

Operational Excellence
Further increase in gross profit margin driven by continued adoption of digitisation, robotics, automation and AI, including development of our agentic AI factory operating system.

Scale up and Stabilisation
Mexican production facility successfully scaled up production, extending near-shoring capability for North American OEM customers.

Sustainability
Reduced energy consumption, reduced water usage and reduced health and safety incidents across all sites.

Design. Manufacture. Distribute

A highly innovative manufacturer, delivering end-to-end for our customers. Combining advanced engineering expertise with emerging economy low-cost structures, producing high-quality, low-cost, bespoke components supplying programs that typically last more than five years, from design through to just-in-time delivery.

Design: *From concept to tooling*

Innovative design and development of interior components for the automotive market and the associated tooling required to mass produce each bespoke part. Design teams in Pune (India) and Shenzhen (China) work directly with customer engineering teams.

Manufacture: *Advanced serial production*

High-quality serial production in technologically-advanced facilities, utilising robotics, automation and AI. Manufacturing sites are located globally, combining engineering excellence with emerging economy low-cost structures.

Distribute: *Just-in-time delivery*

Components delivered on a just-in-time basis into OEM assembly lines, with near-shoring of operations bringing us closer to our major customers and reducing logistics cost and lead-time risk.

Serving the world's leading automotive brands

The Group supplies both volume and premium vehicle manufacturers, directly and via Tier 1 suppliers - resulting in a mix of high-volume production programs and higher-value, lower-volume premium programs. CT Automotive is drivetrain agnostic supplying internal combustion engine and electric vehicle platforms.

KEY CUSTOMERS

OEM VOLUME BRANDS

Nissan

General Motors

Stellantis

Volkswagen

Seat

OEM PREMIUM BRANDS AND EVS

Rivian

Togg

Audi

Lamborghini

Bentley

Lotus

TIER 1 SUPPLIERS

Marelli

Forvia Faurecia

Yanfeng

SMRC Song MA Distribution

Draxlmaier

Farplas

Powertrain agnostic

Our customers are global, original equipment manufacturers (OEMs) and Tier 1 suppliers. We supply across all models, brands and drivetrains – from volume to premium, from internal combustion engines to electric vehicles. Our production strategy is bespoke to each customer, delivering components on a just-in-time basis to OEM assembly lines, directly or through Tier 1 partners.

Engineered for scale, built for precision

Once embedded, we become the go-to supplier for a given component. Tooling is bespoke. Programs typically span five years or more. Visibility is structural.

Robotics and automation at the core - 12+ robotic automation projects delivered

Further adoption of digitisation, automation, and AI across manufacturing operations. Robotic vent assembly, force-measurement quality control, and precision cutting, all scaled during the year.

Commercial momentum

Program wins in 2025 span volume and premium brands, reinforcing diversification across customers and platforms. Near-shored Mexican capacity continues to unlock new North American programs.

Investment Case

The automotive interior components market is a niche sector supplying specialist components that are required to meet exacting technical and safety standards and are integrated into vehicle designs from the earliest development stages.

Innovation	CT Automotive is an early adopter of technology, using AI driven processes to reduce our fixed cost structure whilst increasing product consistency and quality. Robotics, automation and technologically advanced materials are integrated into daily operations.
Customer Relationships	Long-term serial production, coupled with bespoke tooling for each part, ensures CT Automotive is typically the sole supplier for a given component. This gives good visibility of future revenue streams across multi-year programs.
Proven track Record	Customers are traditionally risk averse, operating onerous onboarding processes and continuous review via customer audits, validating our production processes. CT Automotive has an excellent reputation for consistently delivering high quality products at low cost.
Entrepreneurial Culture	CT Automotive is a continuously evolving organisation, reacting to and capitalising on the changing environment. With an entrepreneurial culture, we remain flexible in our approach and quick to react to our customers' changing needs.
Niche market	The market in which the Company operates is characterised by high barriers to entry as a result of customers' stringent onboarding requirements. Customers are risk averse due to the significant costs that can arise from production line stoppages in the event that components are not delivered to the requisite quality standards, and on time.
Our people	Highly skilled designers and engineers collaborate closely with customers to deliver innovative high-performance bespoke components. Coupled with an experienced management team and entrepreneurial leadership, our people are key to our success.

Engineered for the world's leading automotive brands

A technologically-led, manufacturer of bespoke automotive interior finishes and kinematic components, primarily produced through advanced polymer moulding processes and with precision finishing techniques such as chrome plating, wrapped assemblies and complex sub-assembly.

Business Overview

Interiors are increasingly important to perceptions of quality and a key selling point for the automotive industry.

Headquartered in the UK, CT Automotive operates a low-cost manufacturing footprint in China (Shenzhen and Ganzhou), Türkiye and Mexico supported by distribution facilities and assembly lines across Europe, Asia and the USA. The Group operates a cost-efficient design and administrative centre in India.

This global operating model combines the latest technology and engineering excellence with low-cost design and manufacturing capabilities, enabling us to pursue a price-leadership strategy while maintaining high quality standards. The Group is therefore able to supply complex interior components to customers at a lower landed cost than competitors.

This has helped us build a high-quality portfolio of Original Equipment Manufacturer customers (OEMs) including Nissan, Ford, Rivian, General Motors, Renault, Bentley and Lamborghini, both directly and via Tier 1 suppliers, particularly Marelli and Forvia.

Technologically Advanced Manufacturing

A high-tech manufacturer within the automotive sector, using the latest technology - AI, robotics and digitisation - to streamline our operations. An entrepreneurial culture is at the heart of what we do, ensuring we continuously evolve to be one of the most innovative manufacturers in our sector. We embrace new technology, using the latest advances to improve our operations and drive cost-reduction and efficiencies through our global manufacturing footprint.

Sales

Our recently expanded sales team is tasked with penetrating our markets further, building stronger relationships with existing customers to increase content per vehicle platform, as well as targeting new OEM and Tier 1 customers.
The Group supplies both volume and premium vehicle manufacturers, which typically results in a mix of high-volume production programs and higher value, lower volume premium programs. In addition, we are drive-train agnostic, supplying internal combustion engine (ICE) and electric vehicle (EV) platforms across all geographies.

To ensure suppliers meet regulatory and quality thresholds, OEMs regularly audit their supply chain with a requirement to be audited before being accepted as a supplier. CT Automotive has recently successfully completed supplier audits for two new major OEMs at our production facilities in China, further supporting future business opportunities.

OEMs suffer significant losses from any production line interruptions and are therefore risk averse in the selection of suppliers. The process of establishing embedded customers can therefore take many years but once established we become the 'go-to' supplier for our components.

Design and Tooling

Design teams are located in Pune, India and Shenzhen, China providing bespoke engineering and design services tailored to customer specifications. As part of the full-cycle service to our customers, we also develop and manufacture bespoke production tooling used in the serial production of interior components. Tooling is produced at the Group's dedicated workshop in Shenzhen, China and undergoes rigorous customer validation and testing prior to the start of serial production.

Diversified Customer Base

Exposure across volume and premium brands, with meaningful Tier 1 channels reinforcing customer reach. 64 vehicle models supplied to 21 OEM customers during 2025.

OEM	% of Revenue
Nissan	45%
Ford	28%
Mazda	5%
Renault	5%
Other	5%
Skoda	3%
Lucid	3%
GM	1%
Seat	1%
VW	1%
Bentley	1%
TOGG	1%
Honda	1%
Major EV OEM	<1%
Lamborghini	<1%

Engineered, Every Step

Advanced polymer moulding processes, additional finishing techniques, including chroming and wrapping, rigorous quality control, and just-in-time dispatch. Eight interlocking stages, delivered across four technologically advanced production facilities.

Stage 01: Polymer moulding

High-precision injection moulding of polymer substrate components to tight tolerances.

Stage 02: Precision cutting

Pattern-based precision cutting on advanced table systems, delivering consistent material utilisation, reduced handling, and high repeatability across production.

Stage 03: Auto-wrapping

Polymer substrate wrapped in trim material via automated tooling, all to a consistent finish.

Stage 04: Robotic assembly

Sub-components assembled by robot with force measurement feedback for quality control.

Stage 05: Surface treatment

Plasma and vacuum treatment for adhesion bonding, for high quality surface finish.

Stage 06: Paint and coating

Robotic paint lines with automated booth control for a uniform finish as well as to reduce waste.

Stage 07: Quality control

Automated vision systems, force measurement, and operator inspection to ensure enhanced defect detection and adherence to customer specification.

Stage 08: JIT dispatch

Just-in-time dispatch to OEM assembly lines via nine global distribution hubs.

Enterprise resource planning ("ERP") systems support efficient raw material procurement and production planning aligned with customer demand forecasts. Overlayered across our existing systems, the Group is developing its own agentic AI tool to further drive efficiency and ensure our facilities are at the forefront of manufacturers supplying the automotive market.

Production is directly tied to vehicle build schedules, platform cycles and program lifetimes, which are largely determined at the outset of the project. Once nominated for a vehicle platform, CT Automotive supplies components throughout the platform lifecycle, which typically lasts five years. This provides predictable, serial production revenue following the initial development and tooling phase.

Supply Chain

CT Automotive's supply chain is robust and diverse, including large polymer suppliers to smaller bespoke suppliers of specific products. We monitor our supply chain for early detection of supply weakness and work with our suppliers to build strong relationships.

Where possible, we localise our supply chain to reduce costs and environmental impact. Suppliers are subject to audits to ensure that the companies we work with share our high standards for environmental, social and governance practices.

Sustainability

The Group has improved its sustainability and ESG positioning over the last two years and we are focused on reducing our energy consumption, waste reduction and water management as well as aligning with our customers' sustainability targets. We continue to improve in this area and in 2025 were awarded a Bronze medal by EcoVadis, an independent assessor of ESG compliance.

Navigating a shifting industry

Our Addressable Market

The global automotive industry remains one of the largest and most technologically advanced manufacturing sectors, generating an estimated US$2.75 trillion in annual vehicle sales and producing approximately 90 million vehicles annually. Production and demand are geographically concentrated, with the Asia-Pacific region accounting for more than half of global automotive output and market value, driven primarily by China, Japan, South Korea and increasingly India. Europe and North America remain key centres for vehicle design, engineering and high-value manufacturing, while emerging markets in Southeast Asia and Latin America continue to expand their role in vehicle assembly. With its global footprint, CT Automotive has a presence in all key markets.

China accounts for approximately 30% of global demand, meaning that the addressable market for suppliers outside the Chinese domestic market is estimated at approximately US$1.7 to US$2.0 trillion across Europe, North America, Japan, Korea and other international markets. At present, CT Automotive does not serve the Chinese market due to price pressure and duality of supply, however, we remain close to market participants in the Chinese market and are ready to enter the supply chain when the market normalises.

There are approximately 30 major global OEMs (excluding Chinese domestic manufacturers) of which CT Automotive currently supplies 21. The Group's recently expanded sales team is focused on strengthening existing OEM relationships and generating new OEM target customers, whilst our commercial team continues to seek increased content per vehicle, looking to expand our product base within each vehicle platform we supply.

Niche Market

The automotive interior components market is a niche sector, supplying specialist components that are required to meet exacting technical and safety standards, and are integrated into vehicle designs from the earliest development stages.

The market is characterised by high barriers to entry, as a result of customers' stringent supplier onboarding requirements and risk aversion resulting from the significant costs that can arise from production line stoppages in the event that components are not delivered to the requisite quality standards and on time.

Automotive Market Environment

In 2024, the market was transitioning at pace to EV platforms reaching more than 14 million units per annum. This was driven by government subsidies and regulatory policies across major markets. During 2025, the pace of electrification moderated following changes in government policy and evolving customer demand. ICE vehicles continue to represent the majority of global vehicle production and installed vehicle fleet, and the industry is expected to operate with a mixed propulsion landscape for many years to come, as electrification progresses at different speeds across regions and vehicle segments.

As a supplier of interior components, CT Automotive is drive-train agnostic and supplies a range of products for traditional ICE, EV and hybrid vehicle platforms. While these policy shifts do not directly affect CT Automotive's business model, they can influence overall automotive production volumes and vehicle platform timelines.

Chinese OEMs are disrupting the global automotive market at a record pace, driving change and challenging traditional OEMs in all aspects of their production cycles. Timescales to bring new vehicles to market have shortened considerably; in some cases, to less than 18 months from concept. Pricing pressure, driven by Chinese OEMs bringing vehicles to western markets at subsidised rates, are impacting traditional OEMs and driving further cost pressure through traditional OEM supply chains. At the same time, new design concepts, particularly from Chinese EV manufacturers, have raised expectations for vehicle design and interior user experience. This has increased focus among global OEMs on improving interior aesthetics, functionality and driver engagement.

CT Automotive offers our traditional OEM customer base solutions to these rapidly evolving challenges. Recent program launches in Mexico, delivered on accelerated timelines of approximately six months demonstrate the Group's ability to deliver fast, and on time, and our low-cost, technologically advanced business model remains competitive.

Growing EV Sector

Whilst the pace of electrification has moderated in recent months, the EV sector continues to grow. The shift toward battery-electric vehicles has changed the interior-design brief. Without an internal-combustion engine, cabin acoustics are different, surfaces and touchpoints become more prominent, and manufacturers increasingly differentiate through interior experience. In addition, technological advances in autonomous driving have been most prevalent across EVs, resulting in more 'hands-off' time and interaction with a vehicle's interior.

Trade and Supply Chain Dynamics

Global trade policies continue to affect world markets, not just in the automotive sector. Trade friction caused by global tariffs and broader geopolitical trade tensions have impacted OEMs, increasing input costs and adding complexity to the sourcing of interior components.

In response, many OEMs have accelerated efforts to near-shore supply chains in order to reduce tariff exposure and improve supply chain resilience. This trend has resulted in the relocation of certain vehicle programs from Asia to the Americas. CT Automotive has benefited from this shift, with several programs transferred to the Group's Mexican manufacturing facility.

The global automotive market is undergoing structural change; electrification, software-defined vehicles, regional protectionism, and evolving demand for premium cabin experiences, are reshaping demand for interior components. Ongoing pricing pressure, particularly from Chinese OEMs, is expected to continue to affect the automotive market in the short to medium term. In time, we expect global trade to normalise, supply chains to continue to be near shored, the transition to EV to continue but at a more measured pace and Chinese OEMs to consolidate and normalise their supply chains.

Q&A with Simon Phillips

Q: Simon, 2025 was another year of underlying profit growth. What stood out for you?

A: The fact that we delivered a third consecutive year of improved PBT against a genuinely difficult industry backdrop. Global light-vehicle production was flat, tariff regimes were shifting every quarter, and several of our OEM customers were making structural changes. Against that, our teams won 15 new programs worth approximately $47 million of annualised revenue once fully operational, scaled our Mexican facility significantly, and drove further operational efficiencies through automation. It's a validation of the strategy we've been executing.

Q: You've made further investment in automation, AI and digitisation. Where is this having the biggest impact?

A: Everywhere, but most visibly on the paint lines and in our vents assembly operations. We've deployed robotic auto-assembly of vents with force-measurement feedback, automated leather and PVC CNC cutting, and vacuum- and plasma-surface treatment systems that reduce cycle times and improve consistency. In parallel, our India-based engineering team is applying AI tools to tooling design iteration, which shortens our program development time. All of this shows up in gross margin, labour productivity and scrap rates.

Q: The Mexican facility has been a major focus. How has the scale-up gone?

A: Very well. It's now an important piece of our near-shoring proposition to North American OEMs. Customers want to reduce their exposure to trans-Pacific supply chains and tariffs, and Mexico allows us to offer them the cost structure of an emerging-economy manufacturing base with the logistics proximity of a domestic supplier. We've scaled-up production, completed customer-audit cycles, and we're seeing a meaningful uplift in quote activity as a result. Since the beginning of 2026, we've identified inefficiencies that are natural in an early-stage production facility and are rapidly making improvements.

Q: On sustainability — what progress did you make in 2025?

A: Considerable. We were awarded a bronze rating by EcoVadis, which matters to our OEM customers and is increasingly a gating criterion for new business. On HSE, total reportable incidents fell from 55 to 24 year-on-year, with lost-time injuries and first-aid cases both materially lower. Energy consumption, water withdrawal and hazardous waste all reduced. We've also expanded training hours and invested in leadership development. Sustainability is no longer a parallel workstream, it's embedded in how we win business.

Q: Chinese cars are on UK roads. What does this mean for the global market and CT Automotive in particular?

A: The growing presence of Chinese OEMs in the UK and European markets reflects a broader structural shift in the global automotive industry, driven by scale, vertically integrated supply chains and strong capabilities in EV technology. This is increasing competitive intensity and accelerating innovation across the industry.

For us, it reinforces the importance of our strategic focus. We have made a deliberate decision not to operate in the Chinese domestic market, where structural factors - including sustained margin pressure and a dual-supplier ecosystem - limit value creation. Instead, we are focused on supporting established global OEMs and Tier 1 customers in markets where quality, reliability and technical capability are prioritised, and where we believe we can generate attractive, sustainable returns. The size of this market remains very attractive.

Q: Looking forward what are your priorities for 2026?

A: Three things. First, convert our expanded sales pipeline into launched programs; we have a strong pipeline building on the 15 wins in 2025. Second, continue to extract operational leverage from the scale-up of our Mexican production facility as volumes build. Third, complete the next phase of our technology roadmap, particularly around AI-assisted factory management, which we believe will be a durable competitive advantage. Underpinning all of this is our people agenda; we're investing in training and leadership to make sure we have the capability to deliver, and we continue to ensure we have the right environment for a safe working environment and drive home the importance of health and safety in everything we do.

Chair's Statement: A year of disciplined progress

Three consecutive years of improved PBT – delivered while investing in technology, people and sustainability.

I am pleased to present another strong financial performance from CT Automotive. Our relentless drive for operational efficiency, supported by the continued adoption of AI, digitisation and robotics, has delivered sustained continuous improvement in our adjusted profit before tax for a third consecutive year.

During 2025, fluctuating trade policy created significant disruption across the automotive industry. Rapidly changing tariff regimes, in some cases implemented with little notice, affected OEM production planning, global logistics and just-in-time supply chains, and created risks to OEM production lines.

Sheltering from tariff exposure by seeking alternative production locations and near-shoring supply chains increased in importance for our customers. CT Automotive was able to take advantage of this by offering to supply from our Mexican production facility, providing a shelter from tariff exposure and near-shoring supply lines to more reliable overland routes.

We were not immune to global trade disruption however, and suffered volume reductions due to OEMs de-stocking, reducing production volumes and delaying start of production on some new programs. As a consequence, and with pricing remaining stable, revenue was down slightly from the prior year at $114.8 million (FY24: $119.7 million), a reduction of 4%.

Despite these external pressures, CT Automotive improved adjusted profit before tax for the third consecutive year, up by 20% to $9.5 million (FY24: $7.9 million restated) demonstrating that our relentless focus on operational efficiency and cost management is delivering sustained results. Reported PBT was $9.1 million, up by 38% in comparison to FY24 ($6.6 million restated). To achieve this, we have continued to adopt the latest technology, improving margins by increasing automation, digitisation and robotics and incorporating AI driven systems into our manufacturing processes. From early 2026, we are now utilising a bespoke agentic AI system within our production facility in Mexico, making CT Automotive one of the most technologically advanced manufacturers in our sector.

Board changes

At the end of the financial year, Nick Timberlake stepped down from his role as Non-Executive Director. In addition, in early 2026, Salman Mohammed resigned as Chief Financial Officer. The Board would like to thank both Nick and Salman for their contributions to CT Automotive and wish them well in their future endeavours. Following these changes, our Group Head of Finance, Anshul Gupta, and Group Financial Controller, Victoria Thomas, lead the finance function and report directly to the Board with the support of Geraint Davies, Senior Independent Non-Executive Director and Chair of the Audit and Risk Committee. The Board will determine the most effective longer-term structure for finance within CT Automotive in due course.

In February 2026, we were pleased to welcome Gary McGrath to the Board as an Independent Non-Executive Director. Gary, a chartered accountant with over 30 years' international finance experience, brings extensive operational and listed company expertise, which will strengthen the Board's capabilities in finance, strategic planning, governance and investor engagement.

Prior year adjustments

The Board has been concerned by the discovery of certain accounting misstatements, the primary impact of which is a downward adjustment in FY24 adjusted profit before tax of $0.8 million and a reduction in net assets of $5.0 million. The detail for this is provided in the Finance Review and Note 2 to the Consolidated Financial Statements. The Group has conducted a comprehensive review of the Group's balance sheet and historical accounting treatments and has satisfied itself that no further adjustments are required and that it has a more robust internal financial control structure in place to avoid any future repetition. None of these prior period accounting adjustments affect working capital or cash and have no impact on the underlying operational performance of the business in FY25 or the Group's expected future financial performance.

Governance and culture

As I said in my statement last year, we remain focused on what we can control, and we have delivered on that. Our relentless drive for cost reduction, utilising the latest technology, has produced a third consecutive year of improvement in reported PBT. Our entrepreneurial culture means we continue to evolve at pace and this year we have successfully scaled-up production in our Mexican facility, and streamlined our operations in China, with Shenzhen now an innovation and technology hub and production consolidated in Ganzhou. Our facility in Türkiye is operating well and remains profitable despite the impact of ongoing hyper-inflation in the region.

The significant scale-up of production in our Mexican facility has demonstrated the strength of our culture. Teams from across the Group provided hands-on support on the ground in Mexico, working tirelessly alongside local operators to deliver program launches. The senior leadership team have been heavily involved in Mexico, identifying and resolving implementation issues and seizing the opportunity to deploy new AI technology to take operational efficiency beyond that anywhere else in the Group.

I would like to recognise the dedication and commitment shown by employees across the business during what has been a particularly demanding year.

Our training programs have continued to improve, again using the latest technology to deliver relevant and targeted training, and our focus on health and safety has delivered a reduction in reportable HSE incidents from 55 in 2024 to just 24 in 2025. Our sustainability program continues to progress, as we work to improve the environmental performance of our products and operations in support of our customers' sustainability objectives.

Finally, our expanded sales team is now in place and beginning to deliver new customers and increased content per vehicle platform, all of which will go straight to the bottom line. Importantly, our facilities retain additional capacity to support future growth without requiring significant additional capital investment.

Looking ahead

When I look back at 2025 and consider the volatile macro-economic backdrop, I am proud of the resilience of our teams and the financial results we have delivered. CT Automotive is a financially robust business, with a strong culture and an experienced leadership team working collaboratively across our international operations.

We are now well placed to increase market share in our traditional automotive market, as well as potentially developing new complementary revenue streams leveraging our technical capabilities.

As we progress through 2026, I am confident in our strategy and our ability to deliver a strong financial performance, despite the current macro-economic challenges the world is facing, not least, the conflict in the Gulf which is only starting to impact global markets. I also know we will not rest on our laurels and will continue to seek continuous improvement in all aspects of our business.

CEO's Statement: Execution; Innovation; Discipline.

CT Automotive enters 2026 with a stable operational footprint, a scaled Mexican operation, and a clear technology roadmap – well positioned to continue delivering sustained, profitable growth for shareholders.

The Group delivered a strong financial performance in 2025, achieving its highest adjusted profit before tax in the past four years at $9.5 million (FY24: $7.9 million restated). Reported profit before tax was $9.1 million, up by 38% in comparison to FY24 ($6.6 million restated). While the global automotive sector continues to experience structural change and uncertainty, CT Automotive has remained focused on innovation, operational discipline, and strategic positioning in order to strengthen the business for long-term sustainable growth.

During the year, the Group delivered improvements across several key financial metrics, including gross margin and adjusted profit before tax. Gross margin improved by 295 basis points to 31% (FY24: 28%) and adjusted profit before tax was $9.5 million (FY24: $7.9 million restated). These gains have been achieved through a combination of continuous adoption of the latest technology to drive operational efficiencies through our manufacturing processes, and further automation within our production facilities to ensure that CT Automotive remains a leading high-tech manufacturer in our market sector.

We continued our relentless focus on driving operational efficiency throughout the business integrating further automation and digitisation into our operations. In early 2026, we adopted the latest technology, agentic AI, to begin to develop a Factory Operating System (FOS) and assist with the continuing scale-up of our operations in Mexico. This has proved to be a significant step towards our broader strategy of innovation, integrating advanced digital technologies into our manufacturing environments.

During the preparation of the Consolidated Financial Statements, certain accounting misstatements were identified. The detail for this is provided in the Finance Review and Note 2 to the Consolidated Financial Statements. None of these prior period accounting adjustments affect working capital or cash and have no impact on the underlying operational performance of the business in FY25 or the Group's expected future financial performance.

Operational review

A key contributor to margin improvement has been our continued investment in Engineering, Design and Development (ED&D) capabilities. Over recent years we have deliberately invested in additional tooling, plant and technical capabilities in order to vertically integrate activities that were previously subcontracted. By bringing these capabilities in-house, we have not only strengthened our technical offering to customers but also materially improved the profitability of our ED&D operations.

Our Mexican facility scaled up production during the year, as programs were transferred from our Chinese locations in order to benefit from reduced tariff exposure and near-shoring of supply. During the second half of the year our teams successfully executed six new program launches simultaneously, demonstrating the Group's ability to scale production rapidly in response to customer demand.

This rapid growth in production inevitably created some short-term inefficiencies, which are being tackled with the help of the ongoing development of a bespoke Factory Operating System, over-layering agentic AI onto existing systems. Operations have returned to previously targeted efficiency levels, but further efficiencies have been identified as we begin to adopt the new system.

While the year delivered strong financial progress, it was not without its challenges. Tariff uncertainty affected global demand and Chinese OEMs continued to take market share. Marelli Corporation, an important customer to the Group, entered chapter 11 administration, and in the early part of the year, the Group experienced significant salary demands from the unions within our Türkiye operations. These events have been, and continue to be, carefully and successfully managed by the Group's leadership team. Moreover, rather than viewing these events solely as a challenge, they have prompted a broader strategic review of how our business and operations should evolve, including consideration of ancillary production locations in lower labour cost jurisdictions and opportunities to further increase our revenue.

Technological advances

As mentioned above, operationally, the second half of the year saw the Group navigating a complex scale-up phase at our Mexico manufacturing facility, as several new programs entered production at the same time. While this created short-term operational challenges, it also served as a catalyst for significant innovation within our manufacturing systems.

The internally developed Factory Operating System is an AI-enabled digital platform designed to sit above our traditional Enterprise Resource Planning (ERP) system and Manufacturing Execution System (MES). This new system integrates real-time production data, operational performance metrics and supply chain information to provide management with a significantly higher level of visibility and decision-making capability across our factories. As this new system is proved out, potential wider market opportunities for this will be considered.

Through the integration of advanced digital systems, data connectivity and artificial intelligence, we believe CT Automotive is one of the most technologically advanced AI-enabled manufacturers within our sector. These capabilities are already delivering operational benefits within our production facilities and represent an important step in the Group's broader strategy of innovation - integrating advanced digital technologies into manufacturing environments.

Sales

From a commercial perspective, in 2025 the Group continued the major restructuring of its global sales organisation, begun at the end of 2024, and which is now delivering significant results that will flow though into future revenues. Our sales strategy has shifted towards a more structured regional focus, with dedicated teams covering North America, South America, Europe, Japan and Southeast Asia.

Alongside this regional structure, we have invested significantly in improving the quality of market intelligence, using detailed program launch data and vehicle production forecasts to target new opportunities more effectively. Importantly, we have also strengthened the technical capability of our sales organisation by bringing experienced engineers into commercial roles. This enables our teams to engage with customers not only on pricing but also on engineering solutions and product integration, which is proving to be a powerful differentiator.

As a result of this restructuring, the Group secured the highest level of new business wins in the Company's history during 2025, with approximately $47 million annualised revenue when all 15 new program awards are fully operational within the next three years. These program wins provide strong visibility of future revenues as they move through development and into production.

Strategy

CT Automotive has prioritised strengthening profitability in recent years and creating a solid platform for growth, in line with shareholders expectations. Given the significant uncertainty within the automotive sector over this period - including geopolitical tensions, tariff developments, supply chain disruption and evolving strategies around electric versus internal combustion vehicle platforms - the Group's strategy has been to focus first on building a leaner, more resilient operating structure.

With that lean platform firmly established, and with a strengthened sales and commercial organisation in place, our focus has now shifted to the top line and the new programs secured in 2025 are expected to begin driving both revenue growth and further profitability improvements in the years ahead.

Under strong entrepreneurial leadership, we are also directing resource towards developing new revenue streams that complement our existing core business, including opportunities to expand beyond the automotive sector leveraging our technologically advanced manufacturing capabilities.

Customers

The Group was delighted to strengthen its relationship with several leading OEM customers during the year, and passed challenging customer audits for two new OEMs that opens the door to begin supplying to them. We service 21 OEMs, and this now includes supplying a new product, to a new customer using in-mould decoration (IMD). We intend to build on this and expand our IMD product range.

CT Automotive is particularly proud to be a development partner on the new R2 platform for Rivian (an existing OEM customer). Throughout 2025, our engineering and development teams worked closely with Rivian as the R2 platform progressed through its development phases, and this has resulted in securing meaningful product content on one of the most highly anticipated electric vehicle launches, scheduled for launch in 2026. Market reaction to the vehicle has been extremely strong, with Rivian reporting over 68,000 reservations within the first 24 hours of its unveiling and with the potential to broaden Rivian's addressable market considerably. The R2 promises to become one of the most significant EV vehicles in North America in the coming years and we are extremely pleased to be part of this program and look forward to supporting Rivian as it brings the R2 platform into full production.

During the year, we also continued our close collaboration with Forvia and Marelli, crucial Tier 1 suppliers. During 2025, Marelli entered Chapter 11 administration globally, creating a period of uncertainty across the supply chain and requiring careful management of both operational continuity and financial exposure. Production continued throughout this period and proactive engagement and disciplined cash management ensured that CT Automotive successfully navigated this situation without any material financial loss. Marelli remain in Chapter 11 at the time of signing of this report and our production continues uninterrupted at broadly the same volumes and on materially the same commercial terms as prior to Chapter 11.

This outcome further demonstrates the resilience of CT Automotive's business model. We are power-train agnostic, supplying internal combustion, hybrid and electric vehicle platforms. The products we manufacture are highly engineered and bespoke components that are critical to OEM production lines, meaning our customers rely heavily on our ability to deliver consistent and reliable supply. We remain committed to a continued close collaboration with Marelli.

The global automotive market

2025 continued to be characterised by structural change. Production volumes in certain areas of the global market were marginally lower as OEMs reassessed their strategies between electric and internal combustion vehicle platforms. In several cases, manufacturers delayed or revised EV rollout plans, resulting in a more balanced product mix across the industry. The transition to EV has minimal impact on our business. We remain power-train agnostic, focused on supplying high-quality, low-cost interior components to all models and drivetrains from our technologically advanced production facilities.

During the year, Chinese OEMs continued to take market share outside of their domestic markets, delivering credible vehicle designs and enhanced user experience in record time and at low cost. Electric vehicles produced by Chinese OEMs are now increasingly visible on European roads, reflecting the pace at which these manufacturers are entering established automotive markets.

As an increasingly cost-competitive supplier, CT Automotive has taken advantage of this market dynamic to support our legacy OEM customers as they drive down costs across their supply chain. Our program launches in Mexico have clearly demonstrated our ability to work to accelerated timescales to meet competition from Chinese OEMs. We see opportunity to increase market share with this strategy. At present, supplying directly to Chinese OEMs is not a core element of our strategy due to the structural characteristics of that market. However, we maintain close relationships with OEM customers operating in China and will continue to monitor opportunities as the market evolves.

Our people

I would like to reiterate the sentiments of the Chair of the Board and recognise the dedication and commitment shown by employees across the entire business during what has been a particularly demanding year. I would like to thank all our teams across the globe for their continued hard work and for delivering another strong performance for the business in 2025. Since year end, staff in our Mexico production facility have embraced the new agentic AI Factory Operating System, demonstrating the flexibility of our teams and the continuous drive for operational improvement, core to the CT Automotive culture.

Current trading and outlook

Trading in the first quarter of 2026 was in line with management expectations, despite ongoing market uncertainty, including the recent events in the Gulf, that are making trading conditions challenging. Input costs are increasing, but cost escalation clauses in our agreements allow these to be recovered, albeit in some cases with a time lag.

Looking ahead, the successful completion of multiple major program launches in Mexico, improving operational execution across all facilities, and a continued focus on cash discipline and working capital management provide a solid foundation for the remainder of 2026, and the Board continues to expect profitability to be modestly ahead of FY25.

The Board is pleased with the sustained improvement in the Group's adjusted profit before tax over the last three years. The Group will increasingly benefit from a combination of strong operational execution, greater commercial momentum and the continued development of advanced digital manufacturing capabilities. Together, these elements provide CT Automotive with a platform that is both operationally resilient and well established within an evolving automotive supply chain. Our focus is now on increasing our market share in the automotive sector and developing new revenue streams to complement our existing core business.

CT Automotive is now reaching an important stage in its development. The work undertaken to strengthen margins, improve operational efficiency and secure a strong pipeline of new programs, means that the Group is well positioned to generate sustained levels of cash flow from its operations. This will strengthen the Group's balance sheet, provide greater financial flexibility and allow the Board to consider how best to allocate capital to support long-term shareholder value.

Business strategy

Combining technologically advanced engineering expertise with emerging economy low-cost structures.

Owning the full supply chain from design, prototyping, tooling and validation testing to serial production and distribution substantially improves margins. Our key strategic focus is to continue to integrate advanced technology into our manufacturing environments to deliver high quality products at the lowest landed cost possible to our customers. In 2025, we invested in our sales team to help deliver our second strategic goal of enhanced market share in our core automotive market. At the end of 2025, our strategy evolved further to reflect our new growth ambition of developing new revenue streams, and this is taking shape as we progress through 2026. We continue to give careful consideration to our social, ethical and environmental responsibilities and were awarded a Bronze Award by EcoVadis in 2025, scoring highly in categories of environment, ethics, labour and human rights, and sustainable procurement.

INNOVATION: Integrating advanced technology into our manufacturing environments

Strategic Objective	How CT Automotive performed in 2025	2026 and looking ahead
Adopting the latest technology throughout our business, CT Automotive is a leading digitally advanced manufacturer, delivering high quality products at low cost to our customers. We remain focused on cost reduction across all our manufacturing sites by driving performance improvements through the integration of digitisation, robotics and automation, and the widespread adoption of AI across our business.	Building on what we achieved in 2024, at the beginning of 2025 we implemented an AI solution for production planning of injection moulding, significantly reducing our change-over times and cutting direct labour costs, as well as improving consistency and quality. At the end of the year, we began installation of a new, fully automated, paint line into our Mexican facility, further reducing direct labour costs and improving quality and consistency. We are increasingly adopting digital training tools, including AI generated training content, to allow operators to gain a clearer understanding of process standards and reduce any repeat quality issues. Gross margin has once again improved, demonstrating the operational efficiencies of our production facilities.	To assist with the significant scale-up of our Mexican production facility, we have begun to develop our Factory Operating System, a new bespoke agentic AI manufacturing platform overlaying an AI decision maker across our ERP systems, production monitoring systems and supply chain processes. This has strengthened our inventory control, supplier ordering decisions and production scheduling, and enabled us to identify operational risks in real time. This new system has been easily adopted by operators and has proven to be more successful than initially anticipated. Once fine-tuned, it will be rolled out across all our facilities.

ENHANCED MARKET SHARE: Increasing our market share via increased penetration of our existing customer base and expanding to new OEMs and Tier 1 suppliers

Strategic Objective	How CT Automotive performed in 2025	2026 and looking ahead
We remain focused on increasing penetration of our existing OEM and Tier 1 customers, both through increasing content and value of components per vehicle and supplying additional vehicle models to each of our existing customers. We aim to further diversify our customer base, supplying new OEMs and Tier 1 suppliers.	We continued our close collaboration with Forvia and Marelli and we maintain our existing critical supplier status with Nissan, Ford and Volkswagen Audi Group. During 2025, our sales team were embedded in their regions and we secured significantly more Requests For Quotations (RFQ) and Requests for Information (RFI) than in previous years. In addition, CT Automotive successfully completed supplier audits for two new major OEMs, a key step required by OEM customers before being considered for RFQs and RFIs. We strengthened our relationship with Rivian, working closely with them as a development partner on the new R2 platform, and won a nomination from a new customer to the Group. We supplied a new product using in-mould decoration (IMD) to a new customer. During 2025, we were awarded 15 new programs across a number of OEMs, and by the end of 2025 we were supplying 64 different vehicle models to 21 OEMs, an increase of 9 vehicle models from the prior year (2024: 55 models supplied).	As we progress into the second half of 2026 and into 2027, we continue to strengthen our embedded relationships and will focus on increasing our supply to new vehicle models and new components. The sales team is now established in their geographical regions and is focused on building momentum to deliver new customers from those key markets in 2027 and 2028. We are looking to expand our IMD product base further, building on our 2025 success. As the market continues to react to macro-economic changes, including trade tariffs and constantly shifting government policy, we remain agile and flexible to meet customers' changing needs.

NEW REVENUE STREAMS: Developing profitable new revenue streams leveraging our core competencies

Strategic Objective	How CT Automotive performed in 2025	In 2026 and looking ahead
With an entrepreneurial culture, the leadership team is keen to develop new business ideas and, accordingly, the Board has determined a new strategic objective to develop new and complementary revenue streams for the Group. Our focus is on expanding beyond the automotive sector, utilising our technologically advanced manufacturing facilities.	With the business on a more stable and leaner footing, the Board is encouraging the leadership team to explore new opportunities in a more meaningful way. Whilst the focus of the leadership team remains on continuous improvement to our core manufacturing capabilities and on growing our share of the automotive market, there is potential for complementary revenue streams to grow long-term shareholder value. New product and customer categories have been identified to assess synergies and new opportunities.	Further consideration will be given to new opportunities in 2026, with the Board focused on identifying revenue streams that align with CT Automotive's core skills of developing and creating new solutions and platforms using the latest technology, as well as being a leading technologically advanced manufacturer. Potential wider market opportunities will be considered for the new Factory Operating System currently being built for CT. Additional customer categories will be explored in more depth, with detailed consideration given to new opportunities before any meaningful investment is made.

GROWING SUSTAINABLY: Careful consideration for our wider impact and our social, environmental and ethical responsibilities

Strategic Objective	How CT Automotive performed in 2025	2026 and looking ahead
In line with our value of achieving growth responsibly we carefully consider our wider impact and our social, environmental and ethical responsibilities. We remain focused on increasing market share within a growing framework of sustainability. Our global footprint is strategically valuable as customers seek to shorten supply chains, with localisation playing a direct role in lowering carbon emissions.	In 2026, our scores in the EcoVadis assessment continued to improve, however due to changes in the scoring assessment by EcoVadis we were awarded a bronze medal. We remain positioned in the top 35% of assessed companies, globally, and we strive to continually improve our scores in this assessment in future years. We scored highly in categories of environment, ethics, labour and human rights, and sustainable procurement. We reduced our energy consumption across our facilities from 19,198,681 kWh in 2024 to 18,040,427 kWh in 2025 and reduced our water consumption by nearly 20%. We covered all our electricity emissions associated with our manufacturing facilities through a combination of Energy Attribute Certificates (EACs) and verified carbon offsets. We improved health and safety across all our operations recording fewer lost-time injuries and first aids in 2025 in comparison to 2024. Our healthcare assistance program supporting children with Thalassemia in India was expanded to 10 children. We are publishing our first stand-alone Sustainability Report for 2025 which can be found on our website at https://ct-automotive.net/investors#documents-and-reports.	Over the next 12 to 18 months, we intend to expand our corporate social responsibility program with additional projects in geographic locations where we operate. Closely linked to our relentless drive for operational efficiencies, we continue to seek improvements to our environmental performance, reducing our emissions, water consumption and waste in order to meet our sustainability goals and support our customers in achieving their environmental targets.

Finance Review: Disciplined capital investment

2025 was a third consecutive year of improved profit before tax for CT Automotive, supported by margin expansion, disciplined working-capital management, and continued investment in capacity.

I am pleased to report a third consecutive year of improved adjusted profit before tax, demonstrating the financial strength of the business. During 2025, we continued to focus on the integration of AI, automation, robotics and digitisation, improving our production facilities to remain one of the most technologically advanced suppliers in our industry. This led to further gross profit margin improvement in 2025, another increase of 295 basis points to approximately 31%.

Group revenue was down 4% year-on-year at $114.8 million (2024: $119.7 million) reflecting the challenging macro-economic conditions in 2025. However, our sales team are now firmly embedded in all key regions and generating new business leads and, in 2025, achieved the highest level of new business wins in the Company's history. These programs are expected to deliver approximately $47 million of annualised revenue when all 15 new program awards are fully operational over the next three years.

Adjusted EBITDA remained flat against the prior year at $14.8 million (2024: $14.8 million restated) and adjusted profit before tax rose by 20%, reaching $9.5 million compared to $7.9 million (restated) in FY24. Reported profit before tax was $9.1 million, up by 38% in comparison to FY24 ($6.6 million restated). This improvement was driven by our ongoing focus on operational efficiencies and lower fixed costs and also through an increase in tooling revenue, with a further increase in 2025 in the gross margin associated with tooling revenue.

Adjusted EBITDA and adjusted profit before tax in FY25 excludes non-cash foreign exchange translation gains of $0.5 million (FY24: $1.2 million loss), one-off redundancy costs of $0.4 (FY24: Nil) and the negative impact of Türkiye hyperinflation which amounted to $0.4 million in 2025 (FY24 $0.2 million gain).

Currency movements positively impacted PBT by $1.0 million (FY24: $1.8 million loss). The currency movements were split between cash impacting movements of $0.4 million gain (FY24: $0.6 million loss) and non-cash foreign exchange translation gains of $0.5 million (FY24: $1.2 million loss). As in previous years, we continue to hedge our currency exposure between USD and CNY as part of our strategy to remove volatility against future forecasts.

During the preparation of the FY25 Financial Statements, the Group identified certain prior period accounting misstatements requiring adjustment. These restatements have a non-cash impact on the FY24 Financial Statements, by increasing administrative expenses by $0.8 million and reducing total net assets as at 31 December 2024 by $5.0 million, to $21.2 million. FY24 adjusted profit before tax has therefore been restated to $7.9 million (from $8.7 million).

Revenues and Margins

Production revenue declined marginally to $101.4 million (2024: $107.8 million) in part due to the macro-economic conditions and a number of programs reaching end of production in FY24.

In contrast, tooling revenue rose by 12.5% to $13.4 million, up from $12.0 million in FY24, boasting a favourable margin. Continued growth in tooling ensures CT Automotive is well established for future years as those tools are used for serial production of the vehicle component.

Gross profit increased for the third consecutive year to $35.0 million in 2025 from $33.1 million in 2024, and gross margins improved again in 2025 to approximately 31%, compared to 28% in the previous year, an increase of 295 basis points. This improvement reflects our continuing focus on operational efficiencies across our manufacturing platforms. The further integration of automation, robotics, digitisation and AI across our business reduced our direct workforce by 9.74% in 2025 in comparison to 2024, driving cost savings through our production facilities.

Distribution and Administrative Expenses

Reported distribution and administrative costs reduced to $24.4 million in 2025 (2024 $25.2 million restated). However, within administrative expenses, were $0.5 million of non-cash foreign exchange gains (compared to a loss of $1.2 million in FY24), which is attributed to the revaluation of inter-company loan balances.

Excluding currency impacts, distribution and administrative costs increased in FY25. In 2025, head office costs and administrative costs in China reduced but our administrative workforce based in our Mexico offices increased to support the scale-up of production in our Mexican facility. There was a significant increase in the cost of our workforce in Türkiye due to the effects of hyperinflation increasing wages. A significant proportion of the increased cost of wages in Türkiye is passed on to our customers through our agreements with them.

Distribution expenses increased due to temporary supply chain inefficiencies, as we successfully executed the launch of six new programs in Mexico on a challenging time scale. Additionally, a non-cash stock valuation adjustment, as a consequence of improved production efficiency and lower manufacturing cost rates, reduced the year-end inventory valuation by $1.0 million to $25.6 million (2024: $27.4 million restated). Distribution expenses are expected to return to normal levels during 2026.

EBITDA and Operating Result

Adjusted EBITDA remained flat at $14.8 million as we continued to focus on enhancing margin efficiencies to navigate the challenging macro-economic environment. Our position as a technologically advanced, cost-effective manufacturer in the automotive components sector was firmly established in 2025. In early 2026, we started to develop a Factory Operating System in our Mexican production facility, which we anticipate will drive further operational efficiencies and underpin our market-leading position as one of the most technologically advanced suppliers in our industry.

Taxation

In FY25, the Group recognised a tax charge of $0.7 million, compared to a credit of $0.2 million in FY24. This year's tax charge is mainly driven by deferred tax adjustments on consolidation, particularly relating to the provision for unrealised profits that arises on movements between subsidiary companies and tooling adjustments, and the recognition of UK brought-forward losses.

The Group employs a transfer pricing policy based on residual profit allocation, which assigns a risk level to each entity within the Group. Under this policy, profits are allocated to entities where key decisions are made, as these entities typically carry a higher risk profile. Following the annual review, our Mexican subsidiary is now included in our transfer pricing policy, whilst previously it had been excluded on the basis that it was a new entity with a fixed cost base.

Profit from Continuing Operations and EPS

Adjusted profit before tax increased to $9.5 million from $7.9 million (restated) in FY24. The reported profit before tax also saw a significant rise, reaching $9.1 million compared to $6.6 million (restated) in FY24. This improvement in our reported profit before tax is partly due to foreign-exchange gains in 2025 (both cash and non-cash), an increase in tooling revenue at an increased margin, and continued benefit from operational efficiencies driven by automation, robotics, digitisation and the use of AI across the business.

Reported profit after tax for FY25 climbed to $8.4 million, up from $6.8 million (restated) in the previous year (FY24 included a gain of $0.8 million from discontinued operations). As a result, reported basic earnings per share (EPS) improved to 11.4 cents, up from 9.2 cents (restated) in FY24.

Non-Recurring Items

During FY25, non-recurring items represented a net cost of $0.4mil (FY24: $nil). This relates to a one-off redundancy cost of $0.4 million incurred to optimise our manufacturing footprint in Türkiye.

Prior Period Restatements

During the preparation of the FY25 Financial Statements, certain prior period accounting misstatements were identified that impacted the reported profits, assets and liabilities of previous years. These errors affected both the Balance Sheet and the Statement of Profit or Loss for 2024 and prior periods. These corrections have no impact on the Group's cash position and no impact on underlying operational performance in 2025 or going forward.

These restatements relate to:

- an overstatement of revenue in 2022 for one tooling project, where income had been correctly accrued in prior years but the final receipt in 2022 was mistakenly recognised as revenue instead of being recorded against the previously recognised accrual balance. As a result, revenue for 2022 was overstated by $825k. Subsequently, the related accrual balance was incorrectly written off through administrative expenses during 2023 and 2024, resulting in an overstatement of administrative expenses in those periods (FY23: $169k and FY24: $68k);

- in 2021, a customer overpaid due to their auto-billing system and this was recorded as a prepayment and amortised over the life of the contract, rather than correcting revenue that had been overstated in 2021. This resulted in an increase in the accumulated deficit of $1.9 million as at 31 December 2024 and a corresponding reduction in trade receivables;

- a consolidation error made in 2021 incorrectly reversed previously recognised amortisation, with the error being carried forward in the Consolidated Financial Statements in subsequent periods, resulting in an increase in the accumulated deficit as at 31 December 2024 of $763k and a corresponding decrease in trade receivables;

- historical IFRS 16 consolidation adjustments relating to the Group's Chinese subsidiary. Plant and machinery balances were incorrectly stated as right-of-use assets in FY23 and FY24, resulting in an overstatement of property, plant and equipment and an understatement of administrative expenses across both of those years. In addition, manual consolidation adjustments were incorrectly posted in 2022 to gross up certain lease balances, which resulted in artificially inflating right-of-use assets and lease liabilities. To correct these errors a prior year restatement has been recorded which has increased administrative expenses in FY24 by $1.6m reducing reported profit by the same and reduced plant and machinery as at 31 December 2024 by $2.1m;

- certain audit adjustment entries relating to costs were recorded in the Group's Chinese subsidiaries' local statutory records for FY24 following the finalisation of the statutory audit in China, as well as certain tooling adjustments. This correction has resulted in a net increase in 2024 reported profit of $280k, with a corresponding increase in opening net assets of $312k. The net impact has been recognised through a decrease in the accumulated deficit of $280k, with the balance of $32k reflected in translation reserves;

- certain comparative figures have been reclassified to align with the current year presentation of the financial statements. These reclassifications related solely to presentation changes and do not have any impact on the previously reported Consolidated Statement of Profit or Loss.

Please see Note 2 to the accompanying Consolidated Financial Statements for a comprehensive presentation of the full impact of these Prior Year Adjustments.

In respect of one particular prior period error, relating to the incorrect classification in the consolidation when converting finance leases in our Chinese subsidiary from local GAAP to IFRS, the Board determined that an external expert should conduct a review to confirm the impact of those errors on the FY24 Financial Statements. In April 2026, the Board appointed Rebus Partners Limited to review and confirm the accounting treatment regarding this one particular area. The review concluded in May and concurred with Management's determination.

In aggregate, the above restatements impacted the FY24 Consolidated Statement of Profit or Loss by increasing administrative expenses by $0.8 million and the FY 24 Consolidated Statement of Financial Position by reducing total net assets as at 31 December 2024 by $5.0 million.

The Group has also restated its opening balance sheet as at 1 January 2024, in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. The restatement adversely impacted retained earnings due to an increase in expenses of $4.2 million related to periods prior to 2023, with a corresponding reduction in opening net assets of the same amount.

None of these prior period accounting adjustments affect working capital or cash and have no impact on the underlying operational performance of the business in FY25 or the Group's expected future financial performance.

In light of these prior period accounting misstatements the Group has immediately implemented stronger controls relating to the consolidation of the Financial Statements. Additional controls will be reviewed and implemented during 2026, ahead of the preparation of the FY26 Financial Statements.

Capital Structure, Working Capital and Interest

Since the end of December 2024, the Group's net asset value has increased significantly to $29.8 million, up from $21.2 million (restated). This increase was driven primarily by movements in working capital and capital investment during the period.

This upside was supported by an increase in plant, property and equipment of $5.6 million, reflecting continued investment in the Group's manufacturing capacity, primarily in Mexico.

Additionally, an increase of approximately $6.4 million in net trade receivables was primarily due to higher sales to one customer on longer credit terms in Mexico and the receivable profile changing for another major customer from 15 days to 30 days from December 2025.

An increase in the VAT recoverable amount in Mexico of $1.7 million was as a result of an increase in local and imported materials, equipment and services, as we scaled-up production. As the business does not charge output VAT on its export sales from its Mexico plant to North American customers, we expect to maintain a net refund position with the Mexican tax authorities. VAT returns are now prepared internally to improve recovery times and the VAT recovery program is operating on a stable and predictable schedule.

These increases were partially offset by a reduction in inventories of $1.8 million and a decrease in cash and bank balances of $1.1 million in comparison to FY24.

The Group has continued to manage its working capital prudently, effectively utilising available debt facilities and cash generated from operations. As of 31 December 2025, cash and cash equivalents stood at $2.5 million, compared to $3.6 million in FY24.

Lower than anticipated net debt as of 31 December 2025, was $7.7 million, ($6.7 million in FY24 restated) primarily due to careful financial management. Net debt was also impacted by the withdrawal of funding on invoice financing related to Marelli Corporation entering Chapter 11 Administration.

After applying IFRS 16 accounting standards for right-of-use assets related to current and non-current lease liabilities, net debt further adjusts to $13.5 million, compared to $13.5 million (restated) in the previous year.

Cash Flow

The Group continues to demonstrate its strong cash-generating capability, achieving net cash from operations before investments in working capital of $14.9 million in FY25, compared to $15.2 million in the previous year. Of this, $5.6 million was reinvested into working capital, compared to $9.1 million in FY24.

Several factors influenced the working capital dynamics during 2025:

- *Marelli Chapter 11 Administration:* One of our main customers, Marelli Corporation, entered Chapter 11 Administration in June 2025. This resulted in CT Automotive being unable to finance invoices from Marelli Corporation via our normal working capital facility. Our teams worked closely with Marelli Corporation during this uncertain period, supporting them to avoid stoppages to OEM production lines and leveraging our strong relationship with Marelli Corporation to recover outstanding balances. As a critical supplier, CT Automotive continued supplying to Marelli Corporation, and, whilst this did place some pressure on our working capital during the second half of the year, it demonstrates the robustness of our business model and the resilience of our people, to be able to respond to this situation and emerge with a closer collaboration with Marelli Corporation and the OEMs that they serve;

- *Trade and Other Receivables:* There was an increase of $7.1 million in trade and other receivables, due to higher sales to Forvia and an increase in the VAT recoverable amount in Mexico. Furthermore, in Mexico the accounts receivable profile changed for a major customer from 15 days to 30 days at the end of the year leading to an increase in trade receivable balances;

- *Inventories:* A decrease in inventories by $489k, was due to a number of factors, including one program reaching EOP status, and a change of incoterms relating to another customer;

- *Trade and Other Payables:* An increase in trade and other payables of $1.1 million was driven by increased capital creditors in Mexico in order to support the scale-up of operations in our Mexico production facilities.

Cash generated from operations was higher than the previous year, totalling $9.3 million compared to $6.0 million in FY24. As we look ahead to 2026, we expect the business to become increasingly cash generative.

Throughout the year, the Group paid $1.7 million in interest costs related to borrowings and lease liabilities, a decrease of $0.4 million from $2.1 million in FY24.

In alignment with its strategic vision for future growth, the Group invested $5.8 million in property, plant, and equipment, focusing on opportunities that enhance operational capabilities. This investment included advancements in robotics, automation, and digitisation, which contributed to improved margin efficiencies throughout FY25.

FGI Facility

Our relationship with FGI Worldwide LLC (FGI), our primary finance provider, strengthened during the year. In October, we re-negotiated some elements of the FGI facility and added an additional machinery and equipment facility to help fund future capital expenditure requirements to scale-up our Mexico production facility.

In June, as a result of Marelli Corporation entering Chapter 11 administration, we were unable to finance Marelli Corporation receivables in the normal way, reducing our availability under the terms of the facility. We worked closely with FGI to adjust the facility to ensure that CT Automotive had sufficient availability at that time.

Under the terms of the FGI facility, the Group is required to maintain a Fixed Charge Coverage Ratio (FCCR) being the ratio of operating cash flow to relevant interest, principal, and dividend payments, of at least 1.5x on a trailing twelve-month basis. As of 31 December 2025, the Group reported an FCCR of 1.8x.

The Group is committed to maintaining compliance with this covenant and submits updated FCCR calculations to FGI on a monthly basis. Additionally, future financial forecasts indicate significant headroom, assuring the Group's ability to comfortably sustain the ratio above the stipulated threshold, supporting ongoing financial stability and strategic growth initiatives.

Going Concern

The Directors believe that the Group is well placed to manage its business risks. Having assessed the Group's business activities and factors likely to affect future performance, including a review of forecasts and predictions, and after taking account of reasonable possible changes in trading performances and available borrowing facilities, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the next twelve months following the date of approval of the Financial Statements.

Therefore, the Directors continue to adopt the going concern basis of accounting in preparing the Financial Statements.

Please refer to Note 1 of the Notes to the Consolidated Financial Statements below.

Simon Brian Phillips

Chief Executive Officer

What drives us

Our Culture

At CT Automotive we pride ourselves on our entrepreneurial and innovative culture underpinned by a strong work ethos where we strive to find solutions faster and more efficiently than our competitors, embracing new technology to maximise our competitive edge.

Our culture is embodied by our Board members and senior leadership team who have a 'sleeves - rolled-up' approach actively involved in our daily operations and championing the integration of new technology in every aspect of our business.

Our Purpose

Driving innovative design and industry leading engineering solutions to deliver manufacturing excellence, efficiently and sustainably.

Our Mission

Growth: To grow profitability and improve stakeholder returns.

Innovation: To drive continual innovation and operational efficiencies to maintain our position as an industry leader.

Quality: To maintain our reputation for quality and design excellence across our markets.

Global: To build our global presence in response to market trends.

Sustainability: To deliver products more sustainably and reduce our impact on the environment.

Supported by our Values

People:

Growth driven by the strength and commitment of our people constantly striving for improvement and innovation.

Trust:

Building trust in our brand and capabilities within our marketplace.

Collaboration:

Working closely with our customers and suppliers to deliver market leading, innovative designs.

Operational excellence:

Striving for continuous efficiency and quality improvements to achieve the highest quality solutions for our customers.

Sustainability:

Achieving growth responsibly, with careful consideration of our wider impact and our social, environmental and ethical responsibilities.

Agility:

Remaining agile and fast to react and adapt to market trends.

Principal Risks and Uncertainties

Governance of Risk

The automotive sector presents a range of risks that could impact the Group's financial performance, operational resilience and long-term growth. During 2025, the Board increased its scrutiny of risk, focusing on the Group's exposure to external factors, such as continued upheaval in global trade, shifts in consumer demand putting pressure on OEMs and Tier 1 suppliers, and the continued transition towards electric vehicles and the disruption to that transition caused by changing government policies. Escalating global tariffs, geopolitical instability and increasing cybersecurity threats across all industries have also been areas of risk scrutiny for the Board.

The Board identifies the risks affecting the Group as well as the opportunities that may arise from the changing landscape in which we operate. It has overall responsibility for risk management, ensuring that the Company has in place the right processes to manage risk and ensure delivery of our strategic goals. Responsibility for this is delegated to the Audit & Risk Committee (ARC), which is supported in its work by the Management Risk Committee, established in 2025. The ARC is responsible for identifying and recording risks, horizon scanning for new risks, overseeing the implementation of agreed mitigating actions and ensuring compliance with relevant local laws and regulations.

The Management Risk Committee comprising members of the senior leadership team from across the Group, leads the Group's risk assessment, meeting regularly throughout the year. Risks are separated into four different categories: 1) Strategic and political risks; 2) Economic and financial risks; 3) Legal and regulatory risks; and 4) Operational and technical risks, and once a risk is identified its potential impact and probability are assessed and mitigating actions identified. The ARC periodically reviews the Group's risk register and dedicates time to horizon scanning for new risks affecting the Group. Climate risk management is integrated into our overall risk management process.

A key part of the Management Risk Committee's work this year has been to undertake a risk assessment across the Group. The global risk assessment, carried out in the summer of 2025, identified some areas requiring mitigating actions. The ARC reviewed the outcome of the risk assessment and continues to monitor progress in addressing those issues identified.

During 2025 the ARC considered risk appetite for the first time. As reflected in our culture, CT Automotive operates in an entrepreneurial environment and our attitude to risk reflects this. In order to achieve our ambitious goals, we are open to higher levels of risk, albeit based on a balanced assessment of our exposure to any identified risk.

The ARC began by labelling our risk appetite with three defined categories:

Averse: an extremely low tolerance for any risk in this area;
Cautious: an acceptance of some risk in this area in order to be able to develop the business;
Open: willing to take risk in this area to achieve strategic objectives.

Our work on risk will continue into 2026, as we further develop our guidance around risk appetite in order to provide clarity on the Board's approach to managing risk within our operations.

ISO accreditation

We retained our compliance with globally recognised ISO standards and we hold ISO certification ISO 14001 (Environmental Management Systems), ISO 45001 (Occupational Health and Safety Management Systems), and ISO 27001 (Information Security Management Systems) across our four main production facilities. This reflects our commitment to quality, sustainability, workplace safety and information security across our business.

Cyber security

In early 2026, further attention was focused on our IT strategy and systems. A review of our suppliers and their cyber security arrangements was conducted at the end of 2025 and completed in early 2026, and issues highlighted were addressed. Our internal systems are continuously tested, and frequent cyber security awareness testing takes place for managers and staff, with regular bite-sized training being provided and phishing tests emailed to staff on a regular basis. There was no instance of a cyber security breach in 2025, but CT Automotive remains vigilant and intends to conduct penetration testing in the future to ensure our systems remain robust.

Specific Risk Considerations in the year

Global conflicts

The conflicts in Ukraine and Gaza had very little direct impact on the Group. The more recent conflict in the Gulf states has also had very little direct impact to date, other than some shipments returning to the Cape route to avoid the Suez Canal and therefore experiencing slightly longer shipping times. While freight cost is passed on to our customers, the ARC noted the increasing risk to the business due to these unstable global conflicts.

Finance Facilities

The successful refinancing in October 2024 with FGI Worldwide LLC (FGI) provided financing to the Group via a working capital facility of up to $20 million structured as an asset-backed facility. As a result of one of our significant customers entering into Chapter 11 administration, some limitations were placed on our facilities. As a consequence, we made certain amendments to the facility to help fund machinery and equipment for our Mexican plant and support future revenue growth. As a critical supplier, the Group has no exposure to bad debts from the Chapter 11 administration, demonstrating how robust the business model is, however the circumstances have resulted in the ARC recognising an increase associated with this risk.

Shareholder concentration

As a relatively small Company with a tightly held share capital, the ARC had previously identified illiquid share trading as a significant risk to shareholder value. During 2025, Otus Capital Management, our second largest shareholder at the end of 2024, reduced their shareholding in the Company from just under 18% to less than 10% resulting in less concentration within the shareholder base and greater liquidity in CT Automotive's shares.

Principal Risks and Uncertainties

The details of the principal risks and uncertainties affecting the Group and the mitigating actions taken can be found below. The Group is exposed to a wide range of risks in addition to the key risks disclosed below.

KEY

Strategic & Political Risks

1. Geopolitical environment
2. Geopolitical logistics
3. Customer or supplier concentration
4. Shareholder concentration

Legal & Regulatory Risks

8. Regulatory, legal and tax environment of global operations
9. Environmental, Social and Governance requirements

Economic & Financial Risks

5. Availability of financing and working capital
6. Control environment, fraud, depletion of funds
7. Fluctuations in input prices and labour costs

Operational & Technical Risks

10. Cybersecurity & managing technology change
11. Health & Safety
12. Physical climate-related risks

Key Strategic & Political Risks

Identified risk	***Risk mitigation***	***Risk impact and probability after mitigations, and risk appetite***
1. Geopolitical environment		**Risk trend: Increasing**
Group performance may be adversely impacted by uncertain and volatile macroeconomic conditions. In particular, global tariffs, trade agreements and political factors may affect CT.	The Group conducts forward-looking business planning with current performance monitored on a weekly and monthly basis. The Group's manufacturing footprint is diversified and the Board is considering further geographic diversification, remaining agile to changing environments. Close relationships are maintained with major customers. The Group remains agile and fast to react to changing geopolitical situations.	*Impact:* **Medium** *Probability:* **Medium** *Risk Appetite:* **Cautious**
2. Geopolitical logistics		**Risk trend: Increasing**
Ongoing conflicts around the world cause disruption to global shipping routes. Localised political issues can affect ground transportation resulting in disruption to and from production centres. Potential loss in resilience in our supplier network could hinder the Group's activities.	Alternative transportation routes remain open and available and the Group's focus on near shoring of operations reduces the risk of disruption. The Group runs a replenishment model, incorporating customer demand forecasts to ensure correct stocking levels, and our network of distribution centres house 2-4 weeks of supply. The Group works closely with customers to reduce the impact of any disruption.	*Impact:* **Low** *Probability:* **Medium** *Risk Appetite:* **Open**
3. Customer or supplier concentration		**Risk trend: No change**
Exposure to a major customer makes us vulnerable to that customers' challenges. Additionally, reliance on suppliers who are exposed to one major customer could impact CT Automotive, should that supplier be affected by a major customer failure.	Customer concentration is mitigated, in part, due to supplying multiple programs and geographies. CT Automotive continues to focus on diversification of its customer base, significantly increasing the sales team in recent years. The Group conducts supplier audits to identify 'at-risk' suppliers and source dual supply if required.	*Impact:* **Medium** *Probability:* **Low** *Risk Appetite:* **Open**
4. Shareholder concentration		**Risk trend: Decreasing**
Shareholder concentration can lead to a depressed share price due to lack of liquidity. Additionally, the share price may be impacted by the financial position of shareholders who may require to liquidate assets.	The largest shareholder is the CEO with whom the Group has a Relationship Agreement. The Chair maintains a good relationship with other major shareholders. Increased investor engagement has enabled major shareholders to partially sell down, reducing shareholder concentration over the previous 12 months.	*Impact:* **High** *Probability:* **Low** *Risk Appetite:* **Averse**

Key Economic & Financial Risks

Identified risk	*Risk mitigation*	*Risk impact and probability after mitigations, and risk appetite*
5. Availability of finance & working capital	**Risk trend: Increasing**	
Inability to access sufficient funds under the Group's financing arrangements would have a significant impact on the Group's ability to fund working capital requirements and fund future growth.	Working capital is monitored weekly. The Company's debt facility was extensively negotiated to provide sufficient funding. A close relationship is maintained with FGI Worldwide LLC and key individuals in the finance team are trained to manage the facility.	*Impact:* **Critical** *Probability:* **Medium** *Risk Appetite:* **Averse**
6. Control environment, fraud, depletion of funds	**Risk trend: No change**	
The Group is subject to extensive regulations to ensure that it does not engage in, or facilitate, bribery and corruption, fraud, tax-evasion or money-laundering. Any breach of these regulations could lead to reputational damage, financial penalties and enforcement action. Falling victim to fraud could cause significant depletion of funds.	Key policies are in place across the Group relating to anti-money laundering, anti-bribery and fraud. Oversight and review procedures are in place via the global purchasing function that monitors the purchasing functions of our production facilities. A risk assessment was conducted across the Group in 2025 and training has been provided to staff across the Group in key areas. The Group continues to review its internal controls to further strengthen its control environment.	*Impact:* **Low** *Probability:* **Low** *Risk Appetite:* **Averse**
7. Fluctuations in input prices and labour costs	**Risk trend: No change**	
Raw materials are linked to commodity prices, exposing them to fluctuations as well as fluctuating energy costs. Rising labour costs may negatively impact the Group.	CT Automotive operates open book pricing, allowing input price increases to be passed on to customers. Input prices are monitored and reflected in Quotation Analysis Forms. Labor costs are monitored and mitigated by increasing automation and efficiency and moving production to lower cost sites if required.	*Impact:* **Low** *Probability:* **Low** *Risk Appetite:* **Cautious**

Key Legal and Regulatory Risks

Identified risk	*Risk mitigation*	*Risk impact and probability after mitigations, and risk appetite*
8. Regulatory, legal and tax environment of global operations	**Risk trend: No change**	
Operating in multiple jurisdictions involves navigating diverse regulatory frameworks, legal systems and taxation structures. The Group's AIM listing imposes additional regulatory and legal requirements.	The Group employs experienced local management and uses reputable local and global advisers to ensure compliance with laws and regulations. The Group maintains a close relationship with its Nominated Adviser to ensure compliance with its AIM Listing.	*Impact:* **Medium** *Probability:* **Medium** *Risk Appetite:* **Cautious**
9. Environmental, Social and Governance requirements	**Risk trend: No change**	
Regulatory compliance is increasing globally with additional pressure placed on businesses by virtue of the transition to a low carbon environment. The Group's listing on AIM places an enhanced reporting burden on the Company.	The Company has expanded its ESG and compliance team over the last three years. Since 2022, the Group has partnered with EcoVadis, an independent third party, to assess our annual ESG performance, achieving a bronze award in 2025. The Group is committed to reducing our carbon emissions, waste and water consumption. Key risk mitigation measures include improving energy efficiency across our production facilities and installing automated taps etc. in our facilities to reduce water usage. The Group uses a range of metrics and targets to assess progress against these objectives The Group established an ESG Committee of the Board in 2025 to give greater oversight to this area. This Committee is assisted in its role by a Management Ethics Committee.	*Impact:* **Low** *Probability:* **Low** *Risk Appetite:* **Cautious**

Key Operational & Technical Risks

Identified risk	***Risk mitigation***	***Risk probability, impact and risk appetite***
10. Cyber Security & managing technology change	**Risk trend: No change**	
The Group sees technological change as an opportunity, embracing new technologies. However, the increased reliance on digital systems, automation and data-driven processes makes the Group more vulnerable to cyber threats.	The Group's IT team has been expanded and procedures and processes in this area improved. We have ISO/IEC 27001:2022 accreditation for our operations in the UK, India and Türkiye (and we are preparing to obtain this certification in our Mexico facility), as well as TISAX for our administrative centre in India. We have in place layered controls across identity, endpoints, email/collaboration, networks, vulnerability management, logging/monitoring, data protection, and business continuity. The Group has used external consultants to carry out a thorough risk assessment and addressed potential vulnerabilities identified. All employees undertake mandatory annual training, and continuous bitesize training is delivered during the year.	*Impact:* **Medium** *Probability:* **Medium** *Risk Appetite:* **Averse**
11. Health and Safety	**Risk trend: No change**	
Employee well-being and Health and Safety are critical concerns for the Group. Any incident may result in injury to an employee, and any breach of Health and Safety regulations may affect employee well-being, impact operations and cause reputational damage or result in enforcement action by authorities.	The Board reviews HSE data regularly. The ESG Committee reviews HSE data twice a year, conducting a deep dive into any HSE incidents. All production facilities are subject to external review and customers undertake their own audits. Annual training is provided to all staff, and regular 'safety drives' are conducted across all facilities, with training provided to new operatives. The Group has achieved ISO 45001 (Occupational Health and Safety Management System) certifications for its four main production facilities.	*Impact:* **Medium** *Probability:* **Medium** *Risk Appetite:* **Averse**
12. Physical climate-related risks	**Risk trend: No change**	
Physical climate related risks, such as flooding, drought and extreme weather events, could impact production facilities and distribution centres, resulting in loss to the Group.	CT Automotive operates four main production facilities in China, Mexico and Türkiye, which have not previously been affected by physical climate-related risks. No production facilities are currently considered to be at risk, and warehouse facilities and assembly lines can be relocated at short notice.	*Impact:* **Negligible** *Probability:* **Negligible** *Risk Appetite:* **Open**

Key: **Impact & Probability:** **Negligible→ Low→ Medium → High → Critical**

Risk Appetite: **Open → Cautious → Averse**

Risk Trend: **Decreasing ← No change → Increasing**

This Strategic Report was approved by the Board of Directors on 19 May and signed on its behalf by: Simon Phillips

Director'

Non-Financial and Sustainability Information Statement

This statement forms part of the Strategic Report in accordance with section 414CA of the Companies Act 2006

Environment

Our approach to sustainability focuses on delivering value for our customers through responsible manufacturing, reducing our environmental impacts across our operations and safe-guarding employee well-being.

Our ESG framework is structured around three pillars:
Environmental: Reducing emissions, improving energy efficiency, managing water resources, and minimising waste;
Social: A safe and healthy workplace, employee engagement and development, fair employment practices, and community impact;
Governance: A clear corporate culture and values, supported by strong internal controls, and comprehensive policies and procedures, with ethical behaviours at the centre of our decision making.

During 2025, we continued to strengthen the way we measure performance, implement improvement programs at site level, and integrate sustainability considerations into operational planning.

To improve our reporting for FY 2025, we have produced a separate Sustainability Report available on our website https://ct-automotive.net/investors#documents-and-reports. Information contained in this section is information required to be included in the Annual Report. More detailed information is available in the separate Sustainability Report.

The disclosures in this section of the report are made in line with the Streamlined Energy and Carbon Reporting requirements.

CO_2 Emissions

We categorise and disclose our emissions in alignment with the internationally recognised Greenhouse Gas Protocol (GHG Protocol) as follows:

> **Scope 1:** Direct emissions from sources owned or controlled by CT Automotive, such as manufacturing facilities and company-owned vehicles; **Scope 2:** Indirect emissions from the generation of purchased electricity, heating and cooling consumed by CT Automotive;
> **Scope 3:** Certain other indirect emissions occurring across our value chain, including business travel, shipping and employee commuting.

We calculate our Scope 1, Scope 2 and relevant Scope 3 emissions in accordance with ISO 14021:2016 and the GHG Protocol Corporate Standard. We use activity data (e.g. fuel, electricity) multiplied by the appropriate emission factors. Scope 2 reporting is presented using location-based methods.

In 2025, total Scope 1 emissions across our production facilities in Shenzhen, Ganzhou, Gebze and Puebla was 10,660 tCO_2e, a 9% increase compared to 2024. This was primarily due to some production inefficiencies related to the transfer of production operations from Shenzhen to Ganzhou and the rapid increase of production in our Mexico facility. Additional emissions were generated during commissioning of equipment and extended operating hours to support new programs coming online. We expect Scope 1 emissions to fall across our production facilities in 2026.

Scope 2 emissions reduced in the year, in comparison to 2024, driven by consolidating our production in China and reducing our facility footprint in the region. The scale-up in Mexico and transfer of serial production from Shenzhen to Ganzhou did have an impact on our Scope 3 emissions though, driving higher shipping emissions as we moved materials and components to new locations. This is expected to normalise in 2026 as all programs have now transferred to their new locations. Business travel emissions remained broadly stable in the year, whilst employee commuting emissions decreased year-on-year as a result of the reduction of our operational footprint in Shenzhen and a continued transition to electric vehicle fleets in China. Scope 3 emissions include approximately 19 tCO_2e incurred by employees commuting to Group facilities in company-controlled vehicles. In China, the majority of company- controlled vehicles are electric, with petrol and diesel vehicles being used across the remainder of the Group.

GHG Emissions		***2025***		*2024*
(tCO_2e,)	***Group***	***UK***	*Group*	*UK*
Scope 1	**10,661**	**-**	9,738	-
Scope 2	**9,344**	**12**	10,013	16
Scope 3	**758**	**-**	649	-
Employee	**157**	**-**	176	-
Business travel				
Shipping	**582**	**-**	440	-

Further information can be found in our Sustainability Report, which can be found on our website at https://ct-automotive.net/investors#documents-and-reports.

Energy Use

Reducing energy consumption and improving efficiency remain a priority at CT Automotive. In the year, we reduced our energy consumption by 6% compared to 2024. Whilst energy consumption increased in our Mexican facility, due to the scale-up of production and the commissioning of new equipment, our facilities in China reduced their energy consumption overall. Our facility in Shenzhen recorded a reduction in electricity consumption, as production moved to Ganzhou, whilst electricity consumption in Ganzhou remained stable, despite absorbing programs from Shenzhen.

We continue to proactively manage our energy use and are sourcing energy efficient equipment for our new facility in Mexico. At the end of 2025 we started a program to install sensor-controlled utility equipment in our Chinese production facility and we intend to roll this out across all production facilities in the medium term. The engineering team follow preventative maintenance practices to reduce machine breakdowns to prevent increased energy consumption on operational equipment. In addition to engineering and administrative control, the Group manages its carbon emissions using EACs and carbon offset.

Further information can be found in our Sustainability Report, which can be found on our website at https://ct-automotive.net/investors#documents-and-reports.

Energy use – Electricity (kWh)	*2025 (kWh)*	*2024 (kWh)*
Group (including UK)	**18,040,427**	19,198,681
UK only	**56,426**	80,807

Water Management

Our water consumption is managed with a focus on responsible usage, leak prevention and, where possible, reuse and efficiency practices. We track water use through utility invoices and/or on-site meters and review consumption trends to identify anomalies and improvement opportunities. In 2025, total water usage across the Group decreased compared to 2024, primarily driven by operational restructuring, infrastructure improvements and production shifting between manufacturing facilities. Further information can be found in our Sustainability Report, which can be found on our website at https://ct-automotive.net/investors#documents-and-reports.

Water use – Kilolitres	*2025 (Kilolitres)*	*2024 (Kilolitres)*
Group	**73,276**	88,352

Waste Management

We aim to minimise waste generation and improve waste segregation to support responsible recycling and disposal. We monitor waste by stream wherever practicable (e.g. general waste, recyclable packaging, metal, hazardous waste, production scrap) and work with authorised vendors. In 2025, our total waste increased, including an increase in hazardous waste linked to higher output of programs requiring adhesives, catalysts and associated chemicals which generate increased packaging and containers. This increase in our waste generation was disappointing and again linked to the operational rationalisation we undertook in 2025 to move serial production from Shenzhen to Ganzhou, and the movement of some programs to our Mexican facility. We are working to reduce this in 2026 once the operational restructuring is completed. We are also looking at ways we can improve our recycling of waste across all of our facilities. Further information can be found in our Sustainability Report, which can be found on our website at https://ct-automotive.net/investors#documents-and-reports.

	2025	*2024*
Total waste generated (tons)	**474.13**	452.8
Total waste generated (tons per $1 million revenue)	**4.12**	3.8
Hazardous waste (tons)	**72.4**	66.3
Percentage of total waste considered hazardous	**15.27%**	14.6%
Percentage of waste recycled	**63.7%**	78.7%

Carbon Management: EACs and carbon offset instruments

During 2025, we supplemented our electricity decarbonisation strategy with a combination of Energy Attribute Certificates (EACs) and verified carbon offsets to address all of our Scope 2 emissions.

For the Chinese manufacturing facilities, renewable electricity coverage was supported through EAC procurement during the first half of the year (January to June 2025). These instruments demonstrate renewable electricity sourcing and support the reduction of market-based Scope 2 emissions in accordance with recognised accounting practices.

For the second half of the year (July to December 2025), electricity-related emissions from our Chinese plants were addressed through verified carbon offset instruments. In addition, electricity emissions associated with Türkiye and Mexico manufacturing operations, as well as UK, Czech, and India office locations, were covered through carbon offset measures for the full reporting period.

This combined approach reflects a transitional decarbonisation pathway. EACs support the shift toward renewable electricity procurement where market availability allows, while carbon offsets are used selectively to complement operational efficiency measures and support broader climate objectives.

Management recognises that carbon offset instruments represent a supplementary measure rather than a substitute for direct emissions reduction and the Group continues to prioritise energy efficiency improvements and increased renewable electricity sourcing as part of its long-term carbon management strategy.

In the first half of 2025, renewable electricity coverage was supported through EAC procurement. In the second half of the year, CT Automotive invested in verified carbon offset instruments covering all Scope 2 emissions for the full reporting period.

Carbon offset:
5,806 T CO_2 (2024: 16,000 T CO_2)
Energy Attribute Certificates
3,540 T CO_2 (2024: 0T CO2)
Certification:
Carbon offset: Verified by the Carbon Offset Retirement Certificate
Energy Attribute Certificates

Material Sourcing
In 2025, CT Automotive continued to apply and reinforce the material sourcing framework established in prior years. Our approach remained focused on managing our risk, maintaining strong governance, ensuring supplier accountability, and strengthening transparency across our supply chain.

The Group applies the following practices to material sourcing.

Supplier due diligence: All key suppliers are subject to due diligence, with particular attention paid to the sourcing of materials such as rare earth elements, metals, and engineered plastics, to ensure alignment with responsible sourcing standards.

Ethical sourcing standards: Our Supplier Code of Conduct sets clear expectations for ethical and sustainable sourcing, including the exclusion of conflict minerals and sourcing from high-risk regions.

Customer-led validation of materials and sources: Any proposed change to material specifications or supplier sources is carried out in alignment with OEM requirements, and is subject to rigorous internal validation, testing, and customer approval.

Engagement and assurance: We engage with suppliers on sustainability topics and conduct desktop reviews to validate their compliance with applicable ESG standards.

Improved transparency and monitoring: We are working towards improved traceability of select materials across the supply chain, particularly those flagged by global benchmarks such as the EU Critical Raw Materials List.

Emissions intensity

Energy and greenhouse gas emissions for FY 2025

	Units	2025 Group	2024 Group	Year on Year % change in total
Revenue	**$m**	**114.8**	**119.7**	
Total CO_2 emissions (Scope 1 & 2)	**Tons**	**20,006**	**19,751**	**1.3%**
Intensity by revenue (Scope 1 & 2 market based)	**tCO_2e per $m revenue**	**174.26**	**164.9**	**5.4%**
Total CO_2 emissions (Scope 1, 2 & 3)	**Tons**	**20,764**	**20,400**	**1.8%**
Intensity by revenue (Scope 1, 2 & 3 market based)	**tCO_2e per $m revenue**	**180.87**	**170.4**	**5.9%**

SASB Disclosures

SASB – 2025

Topic	Metric	Measuring Unit	Category	Code	CTA China-Shenzhen	CTA China-Ganzhou	CTA Turkey-Gebze	CTA Mexico-Puebla	CTA Czech-Kolin	CTA UK-DC
Energy Management	Total energy consumed (electricity power consumption) from January to December 2025	Giga joules	Quantitative	TR-AP-130a.1	12,498.65	36,265.43	11,107.11	4,522.36	190.70	177.21
	Percentage grid electricity (Electricity coming from powerhouse provided by government, municipality, corporation etc.)	Percentage (%)			100%	100%	100%	100%	100%	100%
	Percentage renewable (Solar, Wind, Hydro or Biomass energy installed at plant premises)	Percentage (%)			0%	0%	0%	0%	0%	0%
Waste Management	Total amount of waste generated at manufacturing facilities	Metric Tons			31.40	163	136	100.3	31.73	12.01
	Percentage of hazardous waste	Percentage (%)	Quantitative	TR-AP-150a.1	1.3%	31.3%	13.2%	3.0%	0%	0%
	Percentage of waste recycled	Percentage (%)			98.7%	68.8%	32.2%	71.3%	100%	100%
Product Safety	Total units recalled	Numbers	Quantitative	TR-AP-250a.1	3	33	52	77	0	0
Material Sourcing	Description of the management of risks associated with the use of critical materials	NA	Discussion & Analysis	TR-AP440a.1	Refer to the Material sourcing section on page number 44.					
Competitive Behaviour	Total amount of monetary losses as a result of legal proceecings associated with anti-competitive behaviour.	$ (US Dollar)	Quantitative	TR-AP-520a.1	$0	$0	$0	$0	$0	$0

Our people

Our people are our most valuable asset. Our employees are central to operational performance and long-term success. We aim to create a workplace that is safe, respectful, inclusive, and supportive of professional growth. This section contains a summary of our commitment in this area and further information can be found in our Sustainability Report, which can be found on our website at: https://ct-automotive.net/investors#documents-and-reports.

We conducted our employee survey in late 2025. This indicated positive team collaboration and leadership engagement. Some themes coming from the employee survey will be addressed in 2026, particularly the need to strengthen communication around reward, career pathways and recognition programs. While employees generally support ongoing transformation initiatives some employees may require more structured communication during periods of organisational change.

Health and Safety

At CT Automotive, we uphold the principle of "come safe, work safe, go safe," reinforcing our commitment to maintaining a secure and clean working environment across all operations. Health and safety remain a top priority, and we are dedicated to preventing workplace injuries and promoting employee well-being across our global sites.

We conducted periodic safety campaigns (approximately every two months) to reinforce critical risk awareness and safe behaviours, typically focusing on topics such as electrical safety, fire safety and evacuation readiness. We also embraced new technology, adopting the widespread use of video avatars to engage with our employees in their chosen language and using AI generated, digital training to deliver more targeted and relevant training to operatives.

In 2025 we reduced lost time injuries to 18 across all sites compared to 24 in 2024 and first aids fell to only 6 from 31 recorded in 2024, a significant improvement.

	2025	*2024*
Fatalities	**0**	0
Reportable incidents (per 100,000 hours worked)	**0.33**	0.33
First aids (per 100,000 hours worked)	**0.07**	0.43

Diversity, Inclusion and Gender Pay Gap

Across our operational sites women make up 49% of the total workforce (2024: 52%). As at 31 December 2025, across all sites we employed 1,030 men and 976 women. Female representation in technical roles in production facilities has increased to 60% (2024: 55%) and base salaries are standardised across operational sites, ensuring equal pay for equal roles. At mid-management level, female representation also remains strong at 50% (2024: 55%) and at this level the gender pay gap has improved from approx. 9% in 2024 to approximately 4% in 2025.

The Board is entirely male while the Company Secretary is female. Seven of the Group's subsidiaries have a female director or legal representative. Of the senior managers, one is female while the remaining persons identified on page 59 are male. Across our sites, the overall average gender pay gap for the Group in 2025 was 0.88% (2024: 0.36%).

We have policies in place to ensure those with disabilities are treated fairly, including an Equality, Diversity and Inclusion Policy, an Ethical Recruitment Policy, and a Gender Equality and Prevention of Harassment Policy. Our facilities are inclusive for employees with disabilities. Our Türkiye facility continues to lead in this effort, currently supporting six employees with disabilities.

The Company has comprehensive policies relating to its employees, all under an over-arching Code of Ethics. We adhere strictly to local and international labour laws and regulations and recognise freedom of association and the right to collective bargaining as fundamental workplace rights.

Our manufacturing sites in China and Türkiye operate with formally established employee union representation structures, enabling progressive dialogue between employees and management. In our Mexican facility the process for formal union registration is currently ongoing in line with local labour regulations.

Training and Development

Continuous learning is considered a priority within CT Automotive and our training approach continues to evolve beyond compliance awareness to focus on capability building, leadership development and long-term talent investment across the Group.

During 2025, we delivered 3,800 hours of structured workplace training (2024: 3,412 hours) and we expanded our structured development pathway for newly hired engineers across multiple regions providing certain employees with cross-department exposure within the Group.

Workplace ethics training continued in 2025, with the online platform set up in 2024. Senior and middle managers completed a number of modules across the year, ranging from Anti-Bribery and Corruption to Modern Slavery.

Community Engagement

In 2025, we adopted a formal CSR policy identifying that our community involvement programs should be local to our sites targeting improving opportunities for children and those with disabilities and supporting programs focused on education and healthcare.

In 2024, we initiated a healthcare assistance program in India, supporting six children diagnosed with thalassemia, covering essential medical treatment costs to help ease the financial burden on their families. In 2025, we extended this to an additional four children, supporting ten children and their families in total.

During 2026, we will extend our CSR programs in line with our new policy to align our chosen programs with our stated objectives.

Climate related governance

The Board

The Board leads the Group's sustainability governance and climate strategy and has overall responsibility for the oversight of climate-related risks and opportunities and their integration into the Group's strategy and risk management framework.

Supported by the ESG Committee and the Audit and Risk Committee, the Board monitors performance against ESG metrics, in particular energy management, water management and waste management.

The Remuneration Committee sets ESG targets for the Executive Director and other senior managers as part of bonus arrangements. The Board is responsible for reporting on all ESG matters, including our climate related activity and our corporate social responsibility programs.

The Board holds a meeting each year focused on strategy, including climate-related strategy. The Audit and Risk Committee, which has delegated responsibility for the Group's risk management, considers climate-related risks and opportunities at least twice a year as part of the wider risk management framework. The potential impacts of climate-related risks are included in our analysis of our key risks and mitigation measures on page 30.

Management level responsibility for ESG matters sits with the CEO and senior leadership team, but to assist with management oversight, the Group has a Management Ethics Committee and a Management Risk Committee. Both management committees comprise members of the senior leadership team and meet at least three times a year.

The Management Ethics Committee has responsibility for monitoring compliance with ethical standards, and the Management Risk Committee has oversight over the Group's risk management framework, which includes climate-related risks.

The Head of ESG reports to the senior leadership team on all climate-related matters

Our climate-related risk process is part of our wider risk management review, including horizon scanning for new climate related risks, identifying and assessing climate-related risks and opportunities and consideration of the impact of each risk and the probability of the identified risk impacting the Group. Climate-related risks are managed in the same way as other risks affecting the Group with mitigations identified and applied as appropriate. The Group's current risk assessment is conducted at Group level only.

In 2026, the Group intends to develop a bottom-up risk assessment framework focusing on specific risk identification in each geographical location.

The Group has adopted an Environmental and Energy Policy which is reviewed annually by the Board.

Risk Identification and Assessment

Time horizons

The Group considers climate-related risks and opportunities across the following time horizons:

Short term: 0-3 years, aligned with the Group's annual budgeting cycle and near-term operational planning.

Key climate-related considerations include energy cost volatility, regulatory developments, customer requirements and supply chain disruptions. Impacts

are primarily reflected in operating costs, margins and working capital and are managed by through-put pricing to our customers, continuous monitoring of evolving regulatory requirements and a relentless drive to improve operational efficiency by the rapid adoption of AI, automation, digitisation and robotics;

Medium Term: 3-10 years, aligned with the Group's strategic planning, customer platform lifecycles and capital investment decisions.

Key climate-related considerations include the acceleration in the transition to EV, evolving technology and material transition, longer-term regulatory developments and customer concentration risk. Identified impacts are mitigated by the Group's drive-train agnostic strategy as well as our focus on expanding our customer base and improving our environmental performance in line with customer requirements.

Long term: 10 years or more, reflecting structural industry transformation and evolving physical climate conditions.

Key climate-related considerations include structural shifts in the automotive industry, chronic physical climate risks and policy and societal shifts. Identified impacts include changes in long-term demand and supply chain restructuring and are addressed in the context of the Group's long-term viability and resilience.

Climate-related risks affecting the automotive sector

In the short to medium term, the automotive sector continues to face climate-related transition risks and opportunities as the shift toward electrification continues globally. Electric vehicles (EVs) represented a growing share of new vehicle sales in 2025 across major markets, supported by regulatory frameworks and government incentives designed to accelerate the transition to EVs. Policy support remains a key driver of demand, aimed at supporting EV purchases and charging infrastructure investment.

In the UK, the government has introduced the Electric Car Grant, offering discounts of up to £3,750 on eligible EVs, and there are similar schemes in Europe, while the transition in the USA has been influenced by federal incentives under the Inflation Reduction Act. That said, the policy environment is evolving, with some markets adjusting incentives and introducing vehicle taxes or other measures as EV adoption increases; this may lead to regional variations in the pace of transition and short-term demand volatility.

CT Automotive supplies both ICE and EV platforms and the Board has identified both risks and opportunity in the transition to EV. The move to EV may alter vehicle design and impact anticipated production volumes, resulting in reduced sales. Demand for interior systems and components is expected to remain broadly independent of powertrain technology, but the increasing demand for light weight and sustainable materials may result in higher raw material costs, impacting margins. As a highly innovative company we are continuously investing in process innovation and sustainable materials.

Chinese OEMs are rapidly gaining market share, with new models coming on stream at accelerated development cycles. CT Automotive considers this an opportunity, having demonstrated our ability to bring programs on stream in very short timescales in our Mexico facility, and thus offering legacy OEM customers a cost effective, rapid response to Chinese OEMs gaining market share.

Regulatory and compliance climate-related risks affecting CT Automotive

Increasing climate-related regulation in the medium-term is creating additional compliance obligations for companies operating within global automotive supply chains. In the short-term in Europe, regulatory initiatives linked to the EU Green Deal are expanding reporting and supply-chain due-diligence requirements for manufacturers and suppliers. In the USA, provisions within the Inflation Reduction Act have introduced detailed sourcing, traceability and reporting requirements tied to EV tax-credit eligibility and in the UK, the regulatory landscape is evolving, with the development of the UK Sustainability Reporting Standards (UK SRS) and broader sustainability disclosure requirements. In the medium to longer term policy, and societal shifts are likely to continue towards increased net zero commitments and evolving stakeholder expectations.

The Board has identified that these developments lead to a greater requirement to reduce our carbon emissions, waste and water consumption and increase the administrative and data-management burden across the automotive value chain. Key risk mitigation measures include improving energy efficiency across our production facilities and installing automated taps etc. in our facilities. The Group uses the metrics and targets set out below to assess progress against these objectives.

For CT Automotive, compliance may also require enhanced supplier monitoring, lifecycle emissions data collection and expanded sustainability reporting to support our customers' regulatory requirements. To support this, we have already begun enhanced supplier monitoring, and our teams are tasked with improving emissions data collection. This year, we have expanded our sustainability reporting by publishing a separate Sustainability Report which is available on our website at https://ct-automotive.net/investors#documents-and-reports.

Physical climate-related risks affecting CT Automotive

The Group's international manufacturing footprint exposes us to a range of physical climate-related risks that could affect operations and supply chains over the medium to long term. The Board has identified that in the medium term, our facility in Puebla, Mexico may face increasing risks from extreme rainfall events and flooding, as well as periodic drought affecting regional water availability. Operations in Shenzhen and Ganzhou, China may be exposed to intensifying typhoons, heavy rainfall and flooding linked to changing monsoon patterns, potentially disrupting manufacturing activity and logistics. In Türkiye, our facility in Gebze may experience rising temperatures, more frequent heatwaves and occasional severe rainfall events, which could affect workforce conditions and local infrastructure.

Across all locations in the longer term, more frequent or severe weather events could lead to operational disruption and supply chain delays that lead to CT Automotive being unable to supply its customers in accordance with its contractual obligations and which may therefore increase insurance costs. The Group monitors these risks as part of its broader operational and business continuity planning and has assessed that this risk is relatively low with no significant physical climate-related risks having affected our facilities to date. Our distribution centers can be moved at short notice and therefore pose less of a risk of disruption to CT Automotive's ability to supply its customers.

Metrics and targets
The ESG Committee monitors our climate-related performance against a range of metrics to assess and manage climate-related risks and opportunities. Specifically, the Committee monitors performance against the prior year, using intensity metrics (per $1 million of revenue) and direct measures in respect of:

- Scope 1 GHG Emissions;
- Scope 2 GHG Emissions;
- Certain Scope 3 GHG Emissions (shipping, business travel and the Group's vehicle fleet);
- Total energy consumption across production facilities;
- Waste generated by our production facilities;
- Water consumption across the Group.

At present, the Group has set targets to:

- reduce consumption in each of the identified metrics above annually;
- increase the use of renewable energy used by the Group annually;
- improve data collection in each of the identified metrics above; and
- set a clear and defined path within the next 24 months to work towards developing a certified climate action plan with SBTi certification.

Scope and reporting boundaries
We report our performance for 2025, with comparative reference to 2024. Data is compiled from operations within our reporting boundary and includes:
• Manufacturing facilities and operational sites under operational control.
• Offices and distribution/warehouse locations where data is available and material.
• Energy, water, and waste metrics captured through utility invoices, meter readings, vendor reports, and internal reporting systems.

Where estimates are used (for example, in emissions conversion factors or supplier-provided waste weights), we apply consistent methodologies and document assumptions.

Scenario analysis and resilience
The Group has undertaken a high-level qualitative climate scenario analysis to assess the resilience of its strategy under a range of plausible climate futures, including:

A 1.5°C orderly transition scenario;
A delayed transition scenario;
A 3°C+ high emissions scenario.

The analysis indicates that:

- Under an orderly transition, the Group is likely to benefit from increased demand linked to electrification, although this may be partially offset by higher compliance and input costs.
- Under a delayed transition, the Group may face short-term volatility and cost pressures arising from abrupt regulatory changes.
- Under a high emissions scenario, physical risks may lead to operational disruption, supply chain instability, and increased costs.

Overall, the Group's strategy is considered resilient, supported by its diversified customer base, adaptable manufacturing capabilities, and ongoing investment in innovation. The Group intends to develop its scenario analysis to consider more quantitative metrics and more specific climate-related analysis at site level as part of a bottom-up risk review to be conducted in 2026.

Conclusion
The Board recognises that climate change presents both risks and opportunities for the Group and remains committed to its strategy of being a power-train agnostic supplier, supplying both ICE and EV vehicle platforms. Operational efficiency, whilst simultaneously driving cost reduction, is also focused on reducing energy consumption, and we continue to improve the efficiency of our manufacturing operations with rapid adoption of AI, automation, robotics and digitisation. Increasing demand for more sustainable and light-weight materials, particularly across premium brands, offers CT Automotive an opportunity to supply into that demand.

The Group will continue to develop its approach to climate-related risk management and disclosure, in line with evolving regulatory requirements and industry practice, ensuring that climate considerations remain integrated into the Group's long-term strategy and operational decision-making.

The Group intends to develop a more detailed analysis of climate-related risks based on different climate-related scenarios in future years.

No environmental fines or penalties have been received or paid in the past 12 months or the previous five years, underscoring our strong commitment to regulatory compliance and responsible environmental stewardship.

Anti-Bribery and Corruption and Fraud

CT Automotive has a zero-tolerance approach to bribery and corruption supported by an Anti-Bribery policy and training provided to all senior members of staff via an online portal.

We prohibit bribery and all forms of fraud and corruption and will take robust disciplinary action in all cases. All instances of bribery, corruption and fraud are investigated by the Executive Directors and reported to the Board.

During 2025, we conducted a Group-wide risk assessment of fraud, corruption, bribery and facilitation of tax-evasion to review our systems and controls and identify any areas for improvement in our processes. Supported by the Management Risk Committee, the risk assessment reviewed these areas of risk across all production facilities and distribution centers, and matters identified as needing strengthening are being addressed in 2026.

Ahead of legislative changes in the UK, the Group adopted an updated Anti-Fraud Policy and delivered Group-wide training to all senior staff via the online portal.

We remain vigilant against all forms of bribery, corruption, fraud and tax-evasion.

Whistleblowing

The Group has adopted a Whistleblowing Policy, where all staff members are encouraged to come forward and speak up if they are concerned about anything. We have established a new anonymous reporting system using QR codes which can be accessed confidentially by all staff members using mobile devices. All whistleblowing reports are investigated and acted

upon. They are directed to the Chair of the Audit and Risk Committee in the first instance and are then investigated under the supervision of the Non-Executive Directors.

IT Security

Cyber security remains a key focus of the Board, particularly given high-profile cyber-attacks in the UK during 2025. The Board periodically reviews the Group's cyber security measures and has closely followed progress in the closure of outstanding items arising from a cyber security review undertaken by PwC.

Our IT systems are continuously upgraded to the latest versions and any weakness is addressed with urgency. During 2025, we have extended our cyber security review into our supply chain, reviewing suppliers' cyber security systems to be watchful of any weakness which may affect CT Automotive.

Our internal systems are continuously tested and there is ongoing cyber security awareness testing for managers and staff with regular bite-sized training being provided and phishing tests emailed to staff on a regular basis. There was no instance of a cyber security breach in 2025, but CT Automotive remains vigilant and intends to conduct penetration testing in the future to ensure our systems remain robust.

The Head of IT is responsible for the Group's IT systems, ensuring the integrity and security of the systems we use. We will continue to ensure our IT department is well resourced and seeks continuous improvement in IT infrastructure and security.

We use KPIs to track our performance in this area of our business:

- Ticket management: 90% of tickets resolved monthly with 80% user satisfaction and average handling times under eight hours reflecting rapid response times;
- Cyber security: Achieved a 92% success rate in phishing simulation tests with additional training delivered automatically where required;
- Infrastructure: Maintained 99.9% server uptime, minimising disruption to the business and maintaining availability of critical systems
- Training: Regular bite-sized training to ensure continued employee awareness across the user base.

ISO Certifications

	ISO 14001 Environmental Management Systems	**ISO 45001** Occupational Health & Safety Management Systems	**ISO 27001** Information Security Management Systems
Gebze Türkiye			
Puebla Mexico			n/a
Shenzhen China			n/a
Ganzhou China			n/a
Pune India	n/a	n/a	

Our regulatory and operational discipline is reinforced by internationally recognised certifications which demonstrate our commitment to environmental responsibility, workplace health and safety, information protection and structured risk management.

We continue to work towards achieving ISO 37001 (Anti-Bribery Management Systems) certification.

This table outlines how CT Automotive meets the non-financial reporting requirements contained within Sections 414CA and 414CB of the Companies Act 2006.

Reporting requirement	Relevant policies	Where to find more information	Page references/URL
Environmental Matters	Environmental & Energy Policy	Non-Financial and Sustainability Information Statement Principal Risks and Uncertainties SASB Disclosures Website: Sustainability Report Website: Investors	Annual Report page 36 Annual Report page 30 Annual Report page 45 https://ct-automotive.net/investors#documents-and-reports https://ct-automotive.net/investors/
Company Employees	Group Ethics & Code of Conduct Ethical Recruiting Policy	Non-Financial and Sustainability Information Statement Chair's Governance Statement Website: Sustainability Report Website: Our people	Annual Report page 36 Annual Report page 50 https://ct-automotive.net/investors#documents-and-reports https://ct-automotive.net/our-people/
Social Matters	Group Ethics & Code of Conduct Whistleblowing Policy	Non-Financial and Sustainability Information Statement Chair's Governance Statement Website: ESG Website: Sustainability Report	Annual Report page 36 Annual Report page 50 https://ct-automotive.net/investors/#esg https://ct-automotive.net/investors#documents-and-reports
Respect for Human Rights	Anti-slavery policy Equality, Diversity & Inclusion Policy Gender Equality & Prevention of Harassment Policy	Non-Financial and Sustainability Information Statement Modern Slavery Statement Chair's Governance Statement Website: Sustainability Report	Annual Report page 36 https://ct-automotive.net/mordern-slavery-policy Annual Report page 50 https://ct-automotive.net/investors#documents-and-reports
Anti-Bribery and Corruption	Anti-Bribery & Corruption Fraud Policy Whistleblowing Policy	Non-Financial and Sustainability Information Statement Chair's governance statement Website: Sustainability Report	Annual Report page 36 Annual Report page 50 https://ct-automotive.net/investors#documents-and-reports

CT Automotive reports in compliance with SECR regulations and provides metrics on our energy consumption, Scope 1, Scope 2 and select Scope 3 Emissions, including those related to business travel. Our metrics against which we report can be found in the Non-Financial and Sustainability Information Statement on page 36 of this Annual Report.

Governance

Chair's Governance Statement

I am pleased to report a third year of improved profit before tax. The business continues to upgrade its manufacturing facilities through the further adoption of automation, robotics, digitisation and AI with a focus on cost efficiencies and margin improvement. In addition, we have worked to improve our corporate governance and have pushed ahead with improvements to our ESG compliance and disclosures.

At the end of 2025, Nick Timberlake stepped down from the Board, following Otus Capital Management reducing their shareholding to below 12% of the issued share capital. In early 2026 our CFO, Salman Mohammed, also stepped down from the Board. We are grateful for their contributions during their tenure on the Board and wish them every success in the future.

At the beginning of 2026 we were delighted that Gary McGrath joined the Board as an Independent Non-Executive Director, bringing over 30 years of international experience from his previous senior finance leadership roles and, most recently, as CFO of a main market listed business. A more detailed biography for Gary is included on p52.

Board composition will remain an area of focus as we progress through 2026. Anshul Gupta (Group Head of Finance) and Victoria Thomas (Group Financial Controller) continue to manage the day-to-day financial operations of the Company, with Geraint Davies, the Chair of the Audit and Risk Committee, providing support. The Board will determine the most effective longer-term structure for finance within CT Automotive in due course.

Building on our work in 2024, we continued to improve our environmental sustainability governance in the year, with the ESG Committee beginning its work and the two new management committees becoming established in the framework of the business.

A significant amount of work has been undertaken on risk, both identifying and understanding the risks facing the Group. A risk assessment was conducted across the Group in the summer of 2025, to ensure compliance with the Economic Crime and Transparency Act 2023 coming into effect in September 2025, and we have worked on those areas identified for improvement. In addition, an internal controls review was also initiated in 2025 and continues into 2026, improving our internal processes and procedures, and we have remained focused on our cyber security exposure, particularly following the high-profile cyber-attacks in the UK during the year.

In 2026, I intend to focus on expanding our corporate social responsibility programs, with specific emphasis on providing healthcare and development opportunities for children located close to our global sites.

As a Board we remain committed to transparency and good governance and continue to adopt the Quoted Companies Alliance (QCA) Corporate Governance Code 2023 (QCA Code). Further details of the Group's compliance with the QCA Code can be found below, and on our website.

Ray Bench
Non-Executive Chair

Matters reserved for the Board
The Board's key areas of focus are:

- Engagement with key stakeholders;
- Formulating, reviewing and approving the Group's strategy;
- Approval of the Group's reports and Financial Statements;
- Review and appraisal of the Group's risk register and the risk management processes;
- Approval of the annual budget, with reference to historical and current trading conditions;
- Approval of new bank facilities, or significant changes to existing facilities;
- Ensuring the Group maintains appropriate internal control and risk management systems;
- Approval of any major corporate finance transactions such as acquisitions, refinancing and new share issues;
- Reviewing and maintaining the Group's overall corporate governance, with reference to the QCA Code, including performing annual performance evaluations of the Board and its Committees;
- Reviewing and recommending overall capital allocation including dividend policy;
- Approval of the delegation of authority between Executives and Non-Executives, and the terms of reference of all Committees of the Board.

Board of Directors

Our Board of Directors consists of one Executive Director and three Independent Non-Executive Directors. The Board is functioning well, with Board members between them holding significant industry expertise, senior finance level insight and with a strong operational background. Following the CFO stepping down from the Board in early 2026, Board composition remains under review.

Raymond (Ray) John Bench Independent Non-Executive Chair (53)
Appointment: December 2021

Ray has worked in the global automotive industry for the past 30 years, 12 of which were spent working for a Chinese OEM. He is an experienced automotive design engineer with extensive knowledge of automotive design processes. Ray has significant experience of business and departmental management, including having been part of Shanghai Motor UK Technical Centre's UK senior leadership team. Ray's experience also includes leadership roles at Ricardo, Rover Group, and Land Rover. Ray was appointed as the Non-Executive Chair in July 2023.

Chair of the Board
Chair of the Remuneration Committee
Chair of the ESG Committee

Simon Brian Phillips Chief Executive Officer (56)
Appointment: September 2021

Simon co-founded CT Automotive in 2000 in the UK, having identified an opportunity to disrupt the automotive tooling market, which at that time was primarily centred in Europe. He soon led a move to relocate the business to China, where the Company could manufacture in a lower cost environment but to high standards. This successful combination helped drive the growth of the business and transformed CT Automotive from its tool-making roots into the global serial production operation it is today, serving many of the world's largest automotive OEMs. Simon has an engineering background having studied Mechanical Engineering at Portsmouth University, with a specific emphasis on sub-sonic to super-sonic flight.

Geraint Davies
Senior Independent Non-Executive Director (69)
Appointment: September 2023

Geraint is a Chartered Accountant with over 30 years' experience as a Partner in the "Big Four" accounting firms, working principally with global businesses in manufacturing, real estate, mining, distribution and financial services. Prior to his appointment, Geraint held senior leadership roles in EY's practices in the Channel Islands, the UK, and Malta. He has also previously held roles with PwC and Deloitte. Throughout his career, Geraint has had specific responsibility for risk, both at regional and national level, and has led talent development and senior recruitment.

Chair of the Audit & Risk Committee
Member of the Remuneration Committee
Member of the ESG Committee

Gary McGrath Independent Non-Executive Director (58)
Appointment: February 2026

Gary is a Chartered Accountant with over 30 years' international finance experience across listed and multinational businesses. He has held senior finance leadership roles within industrial and manufacturing businesses, with responsibilities spanning strategic planning, operational finance, IT, treasury and investor relations. Gary has worked in Germany, Belgium and the USA as well as the UK. Most recently, he served as Group Chief Financial Officer of Zotefoams plc, a FTSE- main market-listed world leader in supercritical foams, and brings deep expertise in financial governance, capital markets and supporting growth in international organisations.

Member of the Audit & Risk Committee
Member of the Remuneration Committee

Board Responsibilities

Our purpose is to drive innovative design and industry leading engineering solutions to deliver manufacturing excellence, efficiently and sustainably. We embrace new technology, and in 2025 we continued to drive further efficiencies through our operations, using AI, robotics, automation and digitisation. At the end of the year, we began to develop a bespoke Factory Operating System, an agentic AI agent layered over our existing systems, to drive further efficiencies through our operations. Our drive to adopt the latest technology is embedded in our Group culture.

My role as Chair of the Board is to lead the Company with a keen focus on strategy, business performance and corporate governance, demonstrating our values and ensuring that those values are firmly rooted in our organisation and our culture. As Chair of the Board, I lead our shareholder engagement and ensure that we make informed, responsible and ethical business decisions. Geraint Davies heads the Audit and Risk Committee and ensures that the Company has in place appropriate internal controls and risk management strategies, as well as overseeing our relationship with our external auditors. Gary McGrath is tasked with strengthening our strategic planning and governance, and improving investor relationships.

There were 11 formal meetings of the Board during the year and attendance is set out below:

	Board	***Audit and Risk Committee***	***Remuneration Committee***	***ESG Committee***
Executive				
Simon Phillips	11	-	2	-
Salman Mohammed*	11	4	6	1
	Board	***Audit and Risk Committee***	***Remuneration Committee***	***ESG Committee***
Non-Executive				
Raymond Bench	11	4	6	1
Nick Timberlake**	11	4	6	1
Geraint Davies	11	4	6	1

***Salman Mohammed resigned from the Board on 28 January 2026**

**** Nick Timberlake resigned from the Board on 31 December 2025**

The majority of Board meetings are virtual, with in-person meetings held at key times of the year. All Committee and Board meetings held in the period were quorate. The Executive Directors and the Senior Leadership Team report to the Board and support the Board's assessment of performance, discuss progress and developments and agree key priorities. The Board receive information about key areas of the business ahead of each Board meeting covering emerging issues, strategy, financial and operational performance, business development and risk management, as well as compliance and governance and regular health and safety updates. The Directors may have access to independent professional advice, where needed, at the Group's expense.

Specific areas of focus for the Board during 2025

The most significant area considered by the Board during 2025 was strategy, which was reviewed on a regular basis, and included a strategy day in March dedicated to reviewing and formalising our strategy in order to give clear direction to operational teams. Operational performance, financial performance, sales pipeline and governance were also considered at each meeting. Key areas of focus of the Board during the year were as follows:

- Strategy review and approval and review of the impact on strategy from developments during 2025;
- Macro-economic factors impacting the business and operations;
- Geographic location of key facilities;
- Sales pipeline and sales team development;
- Production plant KPIs and operational performance and the expansion of production facilities;
- Health and Safety;
- Financial performance and financial KPIs;
- The relationship with FGI Worldwide LLC, the Group's finance provider, and approval of amendments to existing facilities and any new facilities available to the Group;
- Risk management and internal control;
- ESG and Sustainability;
- Investor relations and review and approval of all key stakeholder communications, including the Annual Report and Accounts and Interim results announcements;
- Oversight of capital market activities and the Group's relationship with its Nominated Adviser, Singers Capital Markets;
- Succession planning and review of Board performance and composition.

Our culture

At CT Automotive we pride ourselves on our entrepreneurial and innovative culture, underpinned by a strong work ethos where we strive to find solutions faster and more efficiently than our competitors, and embrace new technology to maximise our competitive edge. Our culture is embodied by our Board members who have a 'sleeves -rolled-up' approach, actively involved in our daily operations and championing the integration of new technology in every aspect of our business. Our corporate codes and policies are reviewed, at least annually, by the Board and include the Employee Code of Conduct, Anti-Fraud, Bribery and Corruption Policies, Modern Slavery Policy and Health and Safety Policies. The Company publishes its Modern Slavery Statement on its website in accordance with the Modern Slavery Act 2015.

Board induction, training and development

When appointed, new Directors are provided with a full induction program to introduce them to the business and management of the Group. Directors have access to the Group's operations and personnel and receive updates on relevant issues as appropriate. Directors are encouraged to visit operations and a site visit to one of the Group's facilities is arranged every year. Directors are required to undergo online training on a variety of compliance and governance topics as part of the Group's annual training program. The Board is satisfied that each Director has sufficient time to devote to discharging their responsibilities as a Director of the Group.

Re-election of Directors

In accordance with the CT Automotive Group plc's Articles of Association, all Directors must retire at the first AGM following their appointment and may offer themselves for election or re-election by shareholders. In accordance with best practice, all Directors will retire at the AGM and, being eligible, will offer themselves for election or re-election.

Stakeholder engagement

The Board approves all communication with shareholders and other stakeholders including the Annual Report and Accounts, Interim Financial announcement and other regulatory announcements. Board members are available at the AGM, and the Chair and Executive Director hold meetings with existing and potential new shareholders. Annual Reports, as well as other regulatory announcements and related information, are all available on the Group's website.

The Group maintains regular communication and dialogue with all stakeholders, including employees, customers, suppliers and regulators, to understand their needs and concerns, and factors these requirements into its decisions and activities. Key topics discussed with shareholders include historical financial performance and progress against our strategy. This year, as part of the Remuneration Committee's work, the Chair carried out extensive engagement with institutional shareholders regarding the CEO's proposed new remuneration package, and performance targets for the upcoming LTIP grant were considered and adjusted to align with shareholder feedback.

A list of the Group's significant shareholders can be found on page 59 and in the investor section of the Group's website, which is updated following formal notifications to the Group.

Board effectiveness

The Board undertook its annual Board Performance Review in March 2026, which followed a similar process to the review that took place in 2025. The review was conducted in accordance with Principle 8 of the QCA Code. The review covered a variety of topics, including the Board's approach to setting strategic objectives, management of risk and internal control, the operating style of the Board, individual Director contribution, how the Board manages its internal and external relationships, and a review of the performance of the Audit and Risk Committee and the Remuneration Committee.

The review was undertaken by four participants, being the three Non-Executive Directors and the one Executive Director. Following the review, the detailed findings were discussed by the Board and recommendations were agreed. Board performance reviews are conducted internally, led by the Chair and supported by the Company Secretary. There is no current intention to carry out an externally facilitated review but this remains under consideration by the Chair and, particularly if any significant issues are raised as part of the internally facilitated review, an external review might be commissioned.

The evaluation found that the Board was functioning well but there remained room for improvement in information flows to the Board. Risk identification at Group level had improved but focus in this area would move to operational risks and further work would be undertaken to clarify risk appetite. Internal control would continue to be strengthened and Board composition would remain under review given the significant changes to the Board in 2025 and early 2026. The Board has adopted an action plan to address issues raised during the 2026 evaluation.

Progress has been made against those areas identified as needing improvement in our Board effectiveness review last year. In particular, strategy discussions were better recorded and documented, risk reviews had moved to a more regular scheduled review process and were well supported by the newly established Management Risk Committee, and information flows to the Board had improved, although further improvement in this area would remain a focus for 2026.

Risk management and internal controls
The Board, with support from the Audit and Risk Committee, is ultimately responsible for the Group's systems of internal control and for reviewing their effectiveness throughout the year. The systems are designed to manage rather than eliminate risks that affect the Group's operations, and can only provide reasonable and not absolute assurance against material misstatement or loss. The Board monitors financial controls through the setting and approval of an annual budget and review of management accounts. In 2025, management established a capex committee to authorise capital expenditure.

Internal controls are in place which are intended to provide reasonable assurance of the custodianship of assets, the recognition and measurement of liabilities, the maintenance of proper accounting records and the reliability of financial information used within the business. In H2 25, an internal controls review was launched which started with a detailed risk assessment across the Group. In early 2026, a management capital expenditure committee was established to authorise spend, the delegation of authorities throughout the business was reviewed and updated, payment processes were reviewed and updated and more detailed lesson-learned reviews were implemented for various business processes, including program launches. The internal controls review will continue in 2026. The Group has in place a suite of codes and policies to promote good governance and ensure effective internal control processes. Further information in relation to the internal controls and consideration of internal audit of the Group can be found in the Audit and Risk Committee Report on page 57. Further information regarding the Group's risk management can be found in the section entitled Principal Risks and Uncertainties on page 30.

Senior Leadership Team

The Board recognises that the success and growth achieved to date is underpinned by the wealth of experience within its Senior Leadership Team, a fully cross-functional team spread across the Group's key locations providing clear operational oversight.

Name	*Role*	*Years of service*	*Expertise*
Scott McKenzie	Chief Commercial Officer	19	Sales and Product Development, New Business
Graham Mackey	Chief Operating Officer	11	People, Operations, Management, Regulatory
Vicky Thomas	Group Financial Controller	24	Finance, People, Management
Barry Stone	European Operations Director	24	Operations, People, Management
Taka Yoshike	Business Development Director	9	Commercials, Operations, Marketing
Anshul Gupta	Head of Finance	5	Finance, People, Management
Firat Biyik	Türkiye Plant Manager	3	People, Operations, Management, Regulatory
David Salas	Mexico Plant Manager	14	People, Operations, Management, Regulatory
Richard Liu	China Plant Manager	2	People, Operations, Management, Regulatory
Louis Evard	General Manager Projects & Engineering	16	Design, Development, Operations

Substantial Shareholders

In addition to the Interests of the Directors shown in the Remuneration Report, and in accordance with Part 22 of the Companies Act 2006, the Group has been notified that the following shareholder interests exceed 3% of the CT Automotive Group plc's ordinary share capital in issue at 31 December 2025 and as at the last practicable date of this document being 18 May 2026:

Name	**Number of shares held at 31 December 2025**	**% of ISC**	**Number of shares on 18 May 2026**	**% of ISC**
Simon Phillips	19,702,454	26.77	19,702,454	26.77
Otus Capital Management	8,005,012	10.88	3,708,304	5.04
LGT Bank, Vaduz	9,219,752	12.53	9,219,752	12.53
Premier Miton Investors	4,727,891	9.18	2,814,182	3.82
Charles Stanley	5,399,032	7.34	5,399,032	7.34
Stonehage Fleming	5,589,676	7.32	5,589,676	7.59
Pitharn Ongkosit	2,697,267	3.66	2,697,267	3.66
Lombard Odier Investment Managers	2,724,551	3.70	2,374,551	3.70
Scott McKenzie	2,244,758	3.05	2,244,758	3.05

QCA Code Compliance

Our Board of Directors has determined that the 2023 QCA Code is the most appropriate governance code for CT Automotive. Compliance against each Principle of the 2023 QCA Code is set out below and further information can be found on the Group's website at https://ct-automotive.net/investors/corporate-governance-principles.

Principle 1:

Establish a purpose, strategy and business model which promotes long-term value for shareholders

Our strategy and business model are informed by our purpose which is to drive innovative design and industry leading engineering solutions to deliver manufacturing excellence, efficiently and sustainably. Details of our business strategy and business model can be found in the Strategic Report on page 13. Our business strategy is clearly set out with four pillars: 1) Integrating advanced technology into our manufacturing environments; 2) Enhanced market share amongst OEMs and Tier 1 suppliers; 3) Developing profitable new revenue streams; and 4) Growing sustainably. Further details can be found on pages 20 to 22.

Principle 2:

Promote a corporate culture that is based on ethical values and behaviours

At CT Automotive we pride ourselves on our entrepreneurial and innovative culture underpinned by a strong work ethos. The Company's culture is embodied by the actions and leadership of our Board and our senior leadership team, who have a 'sleeves-rolled-up' approach and are actively involved in our daily operations, leading by example. We have an established set of values which promote ethical behaviours throughout the Group and this is supported by comprehensive group policies and procedures. For further information regarding our culture and values please see page 29 and the Chair's Governance Statement on page 50.

Principle 3:

Seek to understand and meet shareholder needs and expectations

Led by the Chair, the Board regularly engages with shareholders, both in one-to-one meetings with institutional investors and via our market communications. At our AGM every year, Board members are available in person to answer any questions shareholders may have. The Group has in place a Relationship Agreement with Simon Phillips, CEO, who holds 26.77% of the issued share capital of the Group. The Group's reporting of non-financial matters has significantly increased over the last two years and can be found in our Sustainability Report on our website here https://ct-automotive.net/investors#documents-and-reports.

Principle 4:

Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success

The Board recognises its responsibility to promote the Company's success for the benefit of its stakeholders and understands that the business has a responsibility towards its shareholders, employees, customers and suppliers and to the local communities in which CT Automotive operates. Our Sustainability Report sets out our approach to environmental social and governance issues and how we track our performance on such matters, and can be found on our website here https://ct-automotive.net/investors#documents-and-reports.

Principle 5:

Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The Board regularly reviews the framework of risk management, the specific risks and opportunities facing the Group, sets the risk appetite of the Group and records these in the Risk Register. Details can be found in the section Principal Risks and uncertainties on pages 29 to 34 and the report of the Audit and Risk Committee on pages 56 to 60. The Audit & Risk Committee monitors auditor independence at the planning stage of the audit, and again when the Report and Accounts are approved. The Company has adopted a policy on Auditor Independence and the provision of Non-Audit Services which is adhered to.

Principle 6:
Establish and maintain the Board as a well-functioning, balanced team led by the Chair

The Board currently comprises one Executive Director and three Non-Executive Directors. All Non-Executive Directors are considered independent, including Ray Bench, who was considered independent on his appointment as Chair and remains so. Further information is set out in the Chair's statement of Corporate Governance on page 50 of this report.

Principle 7:
Maintain appropriate governance structures and ensure that individually and collectively the Directors have the necessary up-to-date experience, skills and capabilities.

Full details of our governance structures can be found in the Chair's Governance Statement on page 50 of this report and on our website in the section Governance which can be found here: https://ct-automotive.net/investors/#governance. There is a formal schedule of matters reserved for the Board, and the Audit & Risk Committee, Remuneration Committee and ESG Committee each have responsibilities set out in their terms of reference which can be found on our website at https://ct-automotive.net/investors/#documents-and-reports. A report from each of the Audit and Risk Committee, the Remuneration Committee and the ESG Committee on their activities throughout the year can be found on pages 57, 63 and 72 respectively.

Principle 8:
Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

Details of the latest Board performance review, conducted in early 2026, is set out on page 52 of this report in the section entitled 'Board Responsibilities' and includes the results and recommendations of that review and progress made against previous recommendations. In 2025, the Group adopted a more formal organisational structure to give clarity to succession planning, and the Board considers succession planning for key roles.

Principle 9:
Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture

The Remuneration Committee report, including the Group's Remuneration Policy, can be found on page 63. In line with best practice, the annual remuneration report was put to an advisory shareholder vote at the Company's 2026 Annual General Meeting (AGM) and will be put to an advisory shareholder vote at the upcoming 2026 AGM. The Chair of the Committee has undertaken extensive consultation with shareholders throughout 2025 to further develop our remuneration policy, with particular regard to the CEO's remuneration.

Principle 10:
Communicate how the Company is governed and performing by maintaining a dialogue with shareholders and other key stakeholders

The Chair's statement and CEO statement on pages 14 and 16 of this report set out a detailed review of the challenges faced by the business in 2025 and into early 2026, and how the business has addressed these challenges. The Company has continued to make improvements in its public disclosures with a focus on making the information more accessible to retail investors, customers and our other stakeholders.

Audit and Risk Committee Report

Committee members
Geraint Davies (Chair),
Ray Bench,
Gary McGrath (appointed 16 February 2026),
Nick Timberlake (resigned 31 December 2025).

Dear Shareholder,

I am pleased to present the Audit and Risk Committee's ('the Committee') report on its activities for 2025. As a Group listed on the AIM Market of the London Stock Exchange, we are guided by the QCA's Audit Committee Guide and, when appropriate to do so, we look to the UK Corporate Governance Code for best practice.

Aims and objectives

The Terms of Reference for the Committee (available on the Company's website here: Term-of-reference-for-audit-and-risk-committee.pdf) are reviewed annually and approved by the Board. The Committee monitors the integrity of the Financial Statements of the Interim and Annual Reports and formal announcements relating to the Group's financial performance, including advising the Board that the Annual Report taken as a whole provides shareholders with the information necessary to assess the Group's performance, business model and strategy. It reviews significant financial reporting issues, key judgements and accounting policies and disclosures in financial reports, reviews the effectiveness of the Group's internal control and internal audit procedures and risk management systems, and considers the Group's internal audit requirements. It reviews the independent auditor's audit strategy and implementation plan and its findings in relation to the Annual Report and Financial Statements. It monitors the relationship with the Group's independent auditor, including the consideration of audit fees and independence.

To enable the Committee to discharge its duties effectively, the Company Secretary is responsible for ensuring the Committee receives high-quality, timely information. Members of the Committee have access to the Company Secretary who attends and minutes all meetings. When appropriate to do so, the Committee seeks the support of external advisers and consultants.

Membership of the Committee, meetings & attendance

The Committee is chaired by Geraint Davies and the committee in 2025 included Ray Bench and Nick Timberlake. Nick Timberlake resigned from the board effective from 31 December 2025 and Gary McGrath joined the Board on 16 February 2026 and was subsequently appointed as a member of the Committee.

Geraint Davies is a Chartered Accountant with over 30 years' experience as a Partner in the "Big Four" accounting firms, working principally with global businesses in manufacturing as well as other industries. The Board considers him to have recent and relevant financial experience that benefits his role as Chair of the Audit & Risk Committee. Gary McGrath, who joined the Committee in early 2026, is also a Chartered Accountant with over 30 years' experience leading the finance functions of international businesses. Geraint Davies, Ray Bench and Gary McGrath are considered by the Board to be independent members of the Committee, whilst Nick Timberlake was not considered to be independent. The Board considers that the Committee as a whole has

the competence relevant to the sector in which the Group operates.

The Committee met four times during the period with all Committee members attending all meetings.

Principle activities of the Committee in 2025

The main activities of the Committee were as follows:

- Reviewed the management and reporting of financial matters, including key accounting policies.
- Reviewed the Annual Report and Accounts and advised the Board on whether, when taken as a whole, it provides shareholders with the information necessary to assess the Group's performance, business model and strategy.
- Ran an audit tender process recommending the appointment of new external auditors to the Company.
- Agreed the fees to be paid to the external auditors for their audit and work on the Annual Report.
- Oversaw the relationship with, and the independence and objectivity of, the external auditors.
- Advised the Board on the Group's appetite for and tolerance of risk and the strategy in relation to risk management and considered risk appetite for the first time in FY25.
- Oversaw the launch of an internal control review.
- Reviewed the Group's procedures for detecting fraud, bribery and corruption, and ensuring arrangements are adequate for employees to raise concerns and the associated risk assessment undertaken during 2025.

FY 25 Audit

During the preparation of the FY25 Financial Statements, certain prior period accounting misstatements have been identified that impacted the reported profits, assets and liabilities of previous years. Please see Note 2 to the accompanying Consolidated Financial Statements for a comprehensive presentation of the full impact of these Prior Year Adjustments and the Finance Review.

In respect of one particular prior period error, relating to the incorrect classification in the consolidation when converting finance leases in our Chinese subsidiary from local GAAP to IFRS, the Board determined that an external expert should conduct a review to confirm the impact of those errors on the FY24 Financial Statements. In April 2026 the Board appointed Rebus Partners Limited to review and confirm the accounting treatment regarding this one particular area. The review concluded in May and concurred with Management's determination.

In aggregate, the restatements impacted the FY24 Consolidated Statement of Profit or Loss by increasing administrative expenses by $0.8 million and reducing total net assets as at 31 December 2024 by $5.0 million.

The Group has also restated its opening balance sheet as at 1 January 2024, in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. The restatement adversely impacted retained earnings due to an increase in expenses of $4.2 million related to periods prior to 2023 with a corresponding reduction in opening net assets of the same amount.

The Committee is satisfied that these corrections have no impact on the Group's working capital or cash position and no impact on underlying operational performance in FY25 or going forward.

Internal Audit

As per the Terms of Reference, the Committee has assessed the requirement for internal audit. Given the current size of the Group, level of oversight achieved by the management team, and breadth of knowledge and experience required to perform the function effectively, the Board does not currently consider an internal audit function to be the most effective way to ensure internal financial control. The Board is aware that the complexity and size of the Group will continue to grow and will therefore re-assess this annually.

Risk management and internal controls

The Board has primary responsibility for the Group's overall approach to risk management and systems of internal control, and has delegated its oversight to the Committee.

During the year, the Committee focused on identifying risks which may impact the Group and horizon scanning for new risks. Risk mitigations were considered for each of the principal risks identified. A risk assessment was undertaken across the Group in accordance with UK Government Guidance on Adequate Procedures and Reasonable Procedures following the six principles for organisations to use to prevent bribery, facilitation of tax evasion or fraud.

Identified risks were considered by the Management Risk Committee and mitigations have begun to be put in place. This will continue throughout 2026.

Internal controls are designed to manage, rather than eliminate risk and provide reasonable but not absolute assurance against material loss or misstatement. A review of internal controls began at the end of 2025 and work on internal control will progress into 2026.

In light of the prior period accounting misstatements discovered during the preparation of the FY25 Financial Statements, the Group has immediately implemented stronger controls relating to the consolidation of the Financial Statements.

The responsibilities surrounding risk management and internal control systems are designed to meet the needs of the size and complexity of the business.

The Committee is conscious of the applicable requirements of regulators in the various markets in which the business operates, as well as the legal requirements of being a UK company admitted to AIM.

Whistleblowing

The Group has a Whistleblowing Policy and procedures to help with the detection and prevention of fraud. The Policy provides all employees access to a confidential forum in which it is possible to raise concerns about potential and perceived improprieties. There were no whistleblowing reports in FY25.

Committee performance evaluation

In early 2026, the Board conducted an internal evaluation of the performance of the Board, its Committees, the Directors and the Chair. Further details can be found in the Chair's governance statement on pages 51 to 55. I am pleased to confirm that this process concluded that the Committee had fulfilled its role effectively and did not identify any significant development points requiring action.

Key judgements and estimates

The Committee reviewed the rationale used in arriving at the following significant key judgements and estimates in the preparation of the Financial Statements. The review included consideration of the points below:

KEY JUDGEMENT OR ESTIMATE	DESCRIPTION AND REVIEW UNDERTAKEN
Going concern	The Directors have assessed the Group's business activities and the factors likely to affect future performance in light of the current and anticipated trading conditions. In making their assessment, the Directors have reviewed the Group's latest budget, current trading, available current bank debt facilities and considered the likely impact of reasonably possible downside sensitivities in performance and the likely impact of potential mitigating actions. The Directors have considered the impact of the relocation of programs from China to Mexico specifically in relation to freight costs and gross margin achieved in each production facility. Any additional capex requirements to support the continued expansion of the Mexican production facility and our sustainability goals have been incorporated into the Group's budget. The Directors are confident that, after taking into account existing cash and available debt facilities, the Group has adequate resources in place to continue in operational existence for a period of at least 12 months from the date of approval of the Financial Statements. In making their assessment, the Directors have reviewed and approved Management's stress testing of the full cash flows of the business. For the purposes of stress testing, Management modelled a base case considered by the Board to be the most likely scenario, and several key sensitivity scenarios. Mitigating actions were considered to counteract the sensitivities identified. The base case is considered a prudent basis, assuming revenues based on production schedules and cost estimates. Key risks considered in preparing the sensitivity scenario included: - Reduction in revenue risk: revenue reduction of 20% driven by macro-economic weakness; - Increased cost of sales risk: a 10% increase in cost of sales due to inflation in materials, labour, and freight, which the Group is unable to recover from customers; and - Stock holding risk: an increased holding period of 12 weeks reflecting a scenario caused by disruption in customer schedules due to prolonged global conflicts or other plausible disruptions, resulting in the need to hold more than normal stock levels in distribution centres. Management has modelled a combined downside scenario and considered several controllable mitigating actions. Principle mitigating actions modelled are: - Reduction in administrative expenses: a 10% reduction in administrative expenses across the Group; - Extended supplier payment terms: an increase in payment terms where commercially feasible; - Deferral of capital expenditure: non-essential capital expenditure deferred until the business stabilises. The mitigating actions identified are considered to be within management's control and the business closely monitors appropriate lead indicators to implement these actions in sufficient time to achieve the required cash preservation impact. In the scenarios modelled as above, including the combined impact of the above downside assumptions, and incorporating the above principal mitigations identified, the business is able to maintain a positive cash balance throughout the entire going concern review period considered.

	The Group currently has borrowing facilities linked to inventories and accounts receivables through FGI W orldwide LLC. The facility is due to expire on 10th October 2027. Covenants regarding maintaining a fixed charge coverage ratio of 1.5x are tested monthly and, since April 2026, a liquidity covenant is also tested monthly, with the first covenant test demonstrating significant headroom on this metric. Forecast fixed charge coverage ratios and liquidity, under the above-mentioned stress tests, show that we maintain head room in all scenarios with the relevant mitigations in place. As a result of the above considerations, the Directors consider that the Group has adequate resources in place for at least 12 months from the date of approval of the FY25 Financial Statements, and have therefore adopted the going concern basis of accounting in preparing the Financial Statements.
Non-recurring items	The Group defines non-recurring items as items which, due to their one-off, non-trading and non-underlying nature, have been separately classified by the Directors in order to draw them to the attention of the reader, and allow for greater understanding of the operating performance of the Group. In FY25, a total of $425,000 in non-recurring items was recognised relating to severance expenses in our Türkiye production facility. The Committee considered the accounting and disclosures of non-recurring items (see note 7 and 34 of the Consolidated Financial Statements), in line with the accounting policy set out by the Group. The Committee reviewed with management and discussed the accounting and disclosures with the Group's auditors. The Committee concluded it was content with the accounting for, and disclosure of, non-recurring items.
Treatment of deferred taxes	A deferred tax asset has been recognised as at 31 December 2025 at a value of $1.43 million. Of this deferred tax asset, $332,000 arises on intergroup transactions related to the provision of unrealised profits and on tooling revenue. The remaining deferred tax assets have been recognised in relation to brought forward tax losses in the UK parent company ($1.0 million) and the Group's Mexican subsidiary ($97,000), whereby there are estimated probable future taxable profits, against which the Group anticipate utilising these losses. The Group has taken into consideration the future prospects and potential for utilising these deferred tax assets while not recognising assets against all available tax losses, ensuring the Group's future financial position, and its capacity to utilise such losses, is appropriately reflected. These balances were tested at 31 December 2025 and updated with minimal movements to the deferred tax asset balance.
Expected credit losses (bad debt provisions)	The Group has conducted a careful review of outstanding receivables and the estimation of potential credit losses that may arise from defaults and has included a bad debt provision of $220,000 for FY25. This provision reflects management's assessment of the collectability of accounts receivable and is based on historical collection patterns, current economic conditions, specific customer circumstances and post-year end recoveries (which have indicated no new issues), and is intended to present a more accurate representation of the financial position of the Group.
Expected credit losses (VAT recovery)	The Group has outstanding VAT receivables of $4.0 million (FY24: $2.4 million), with the increase in this receivable primarily due to VAT on local and imported materials and services. As the business does not charge output VAT on its export sales from its Mexico plant to North American customers, management expect the Group to maintain a net refund position with the Mexican tax authorities. Management expect all VAT receivables to be fully recoverable on an ongoing basis, subject to inherent uncertainties relating to potential changes in local tax laws and administrative procedures. From the beginning of 2025 the Group has prepared its own VAT returns in Mexico to improve recovery times in this country, and thereby reduce reliance on external advisers, and its VAT recovery program is now operating on a stable and predictable schedule. As at 31 December 2025, $307k remains outstanding from claims dating back to 2022. The Group has received legal advice and remains confident in full recoverability of these sums.

Carrying value of inventory	The Committee has considered inventory management and a provision of $672,000 has been assessed by the Committee as reasonable for slow-moving and end-of-production items, with provisions for unrealised profits included at $1.8 million reflecting improved production efficiency in China. A number of individual provisions have been considered in order to appropriately reflect the carrying value of inventory. Slow moving or obsolete stock that required provisioning has been identified via an entity level review. Simultaneously a net realisable value assessment has been conducted within the distributing entities to ascertain the profitability of various projects and identify those requiring provisioning. Lastly a stand-back assessment has been undertaken to determine the requirement for provisions after the adjustments are made at Group level for unrealised profit and overhead absorption. The Committee is satisfied with the judgments made by management.

Shareholders' attention is drawn to the section titled 'Auditor's responsibilities for the audit of the Financial Statements' in the report from the independent auditor, on page 79, about specific areas as reported by the independent auditor in providing its opinion on the Financial Statements as a whole.

Independent auditor

The appointment of the independent external auditor is approved by shareholders annually. The independent auditor's audit of the Financial Statements is conducted in accordance with International Standards on Auditing (UK) ('ISAs'), issued by the Auditing Practices Board. There are no contractual obligations that act to restrict the Committee's choice of external auditor.

At the Annual General Meeting held on 26 June 2025, the Board proposed, and shareholders approved, the appointment of BDO LLP as the Group's registered independent public accounting firm for the year ended 31 December 2025. Subsequently, the Audit Committee determined to put the audit out to tender and, following a competitive process, recommended to the Board the appointment of MHA as independent external auditor for the next financial year.

As part of the annual audit services, the independent auditor provides the following:

- A report to the Committee giving an overview of the results of their audit including highlighting areas of audit focus and highlighting to Management any areas of weakness or concern identified through the course of their audit work.
- An opinion on whether the Group and Company Financial Statements give a true and fair view.

The Committee regularly reviews all fees for non-audit work paid to the independent auditor in line with the Group's Policy on Auditor Independence and Provision of Non-Audit Services. In FY25, the independent external auditors did not undertake any non-audit work for the Group. The Committee will continue to keep the area of non-audit work under close review, particularly in the context of developing best practice on auditors' independence.

The Committee regulates the appointment of former colleagues of the independent auditor to positions in the Group. The independent external auditor also operates procedures designed to safeguard its objectivity and independence. These include the periodic rotation of the senior statutory auditor, use of independent concurring partners, use of a technical review panel (where appropriate) and annual independence confirmations by all staff.

The independent external auditor reports to the Committee on matters including independence and non-audit work on an annual basis.

Approval

This report was approved by the Committee, on behalf of the Board and signed on 19 May 2026 on its behalf by

Geraint Davies
Chair of the Audit and Risk Committee

Remuneration Committee Report

Committee members
Ray Bench, (Chair)
Geraint Davies,
Gary McGrath (appointed 16 February 2026),
Nick Timberlake (resigned 31 December 2025).

Dear Shareholder,
I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2025.

Aims and objectives of the Committee
The Terms of Reference for the Committee (available on the Company's website here: Terms-of-reference-for-remuneration-committee.pdf) are reviewed annually and approved by the Board. The Committee is responsible for developing remuneration packages to support the delivery of business objectives, aligning the interest of the Executives with the interest of long-term shareholders and ensuring that the Company can recruit and retain high quality personnel. In addition, the Committee is responsible for applying performance criteria to encourage Executives to operate within the risk parameters set by the Board.

Committee composition
At the beginning of 2025, I was appointed Chair of the Remuneration Committee and during 2025 the Committee comprised myself, Geraint Davies and Nick Timberlake. Geraint and I are considered independent although Nick Timberlake was not, resulting in a majority of the Committee comprising independent Non-Executive Directors. Nick Timberlake stepped down from the Board at the end of December 2025 and Gary McGrath was appointed to the Committee in Q1 2026 meaning that the Committee will comprise only independent Non-Executive Directors going forward.

Whilst it is not in compliance with best practice, after consideration, the Board determined that I was the most appropriate Director to Chair the Committee taking into account a number of factors including time commitment and independence. The Board considers the Committee to be well constituted and to have sufficient expertise to fulfil its objectives and responsibilities.

Committee meetings and attendance
The Committee met six times during 2025 with all committee members attending all meetings. The CEO and external advisers were invited to attend meetings when required. The Committee was advised during the year by PricewaterhouseCoopers LLP (PwC) who supported the Committee in relation to the review of the CEO's remuneration.

Performance of the business in FY 2025 and how this is reflected in remuneration outcomes
During the year ended 31 December 2025, the Group delivered another resilient performance for 2025 but not quite meeting the trigger thresholds for bonus payments to be made. As a result, no bonus payments were made for 2025 and no LTIPs vested during the period.

Work undertaken by the Committee during the period
During 2025 the Committee carried out a detailed review of the CEO's remuneration resulting in a higher number of meetings in the year in comparison to prior years. The Committee commissioned PwC to undertake a benchmarking study and advise the Committee on the CEO's remuneration package.

In addition to the review of the CEO's remuneration, the Committee carried out it's normal functions: reviewing pay for Executive Directors and certain members of the Senior Leadership Team; setting bonus targets for 2025 and assessing performance against those targets; making a grant of LTIPs in June to the Executive Directors and other members of the Senior Leadership Team; and reviewing and approving the Remuneration Committee Report.

CEO's remuneration
The CEO's previous remuneration package had been agreed when he was appointed as Executive Chair on a part-time basis in 2021. His remuneration had not been amended following his appointment as CEO in a full-time capacity in 2023 to stabilise the business and restore shareholder value.

The Committee reviewed the CEO's current duties and responsibilities, noting his extensive overseas travel on behalf of the Company. The CEO is considered vital for delivering shareholder value and in executing the strategy to restore shareholder confidence in the Company.

Considering the benchmarking provided by PwC and the existing Remuneration Policy, the Committee entered into consultation with major shareholders to ensure that shareholders' views were reflected in the outcome. Shareholders were aligned with the Committee's determination to align the shape and scale of the CEO's remuneration with that of a CEO of similar sized global manufacturing businesses. Proposed LTIP performance targets were adjusted to reflect shareholders expectations, and a two-year holding period will also be applied to the LTIP award to be made to the CEO in June 2026.

In early 2026, the Committee determined to award the CEO a significant increase in base salary to £350k (an increase of £130k) bringing his salary in line with comparable businesses. In addition, the Committee intends to increase the size of the annual LTIP grant for the CEO in the upcoming LTIP grant to 150% of base salary, in line with the typical grant level set out in the previously stated Remuneration Policy with new performance criteria, focused on revenue generation and total shareholder return, in addition to the existing EPS targets.

Full details of the CEO's remuneration for 2026 can be found in the Committee's report below in the section entitled 'Implementation of the Remuneration Policy for 2026'.

Application of the Remuneration Policy
The Committee reviewed the Remuneration Policy which was presented to shareholders last year, reviewing how the Remuneration Policy was operating and how elements of the Remuneration Policy linked to our purpose and strategy.

Changes to the application of the Remuneration Policy which flowed from the review of the CEO's Remuneration in 2025 are as follows:

- Typically, the Committee has previously set LTIP grants at approximately 50% of base salary. It now intends to award LTIPs to the CEO in the region of 150% of Base Salary, which is in line with the previously stated Remuneration Policy;
- Performance metrics for part of the LTIP grants to the CEO will now be linked to share price performance to more closely align with shareholders expectations, as well as being linked to revenue targets and EPS targets.

The Committee is satisfied that the Remuneration Policy supports delivery of the Group's strategy and is fit for purpose. Full details of our Remuneration Policy can be found below.

Committee performance evaluation
In early 2026, the Board conducted an internal evaluation of the performance of the Board, its Committees, the Directors and the Chair. Further details can be found in the Chair's Governance Statement on page 50. I am pleased to confirm that this process concluded that the Committee had fulfilled its role effectively and did not identify any significant development points requiring action.

Governance
Consistent with AIM best practice, the Committee has elected to provide full disclosure of our Remuneration Policy and practices to enable shareholders to better understand and consider our remuneration arrangements. This Directors remuneration report will be presented to shareholders for an advisory vote at our Annual General Meeting to be held in June and I do hope that you will support this resolution at our next meeting.

Directors Remuneration Policy

EXECUTIVE DIRECTORS

Element	Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Base Salary	To attract, retain and reward Executive Directors with the necessary skills and experience to successfully deliver the Group's strategy.	Base salaries are normally reviewed on an annual basis with changes effective 1 January each year. In determining base salaries, the Committee considers a range of factors including: - Company performance and external market conditions; - Role, experience and personal performance of the individual; - Salary levels at companies of a similar size and complexity; and - Significant changes to the scale and scope of an individual's role. There is no automatic entitlement to an increase each year.	There is no maximum salary, but salary levels are set at a modest level and progressively move to similar levels for companies of a similar size and complexity.	Company and individuals' performance as well as individual experience and skills are all considered.
Benefits	To provide a range of benefits which are market-competitive to help attract and retain Executive Directors with the necessary skills and experience to successfully deliver the Group's strategy.	The Committee may consider a range of benefits including: - Private medical insurance; - Expatriate benefits (including School fees); - Relocation expenses; and - Payment of any tax liability that may be due on these benefits. The Committee may introduce other benefits if it considers those appropriate.	Benefits vary by role and individual circumstances. Benefits are typically reviewed at the time of appointment of a Director.	Not performance related.
Pension	To provide a market standard benefit and appropriate means of saving for retirement.	The Group offers employer's contributions to a defined pension scheme.	Maximum employer payments are set at 3% of salary.	Not performance related.

Annual Bonus	To incentivise and reward Executive Directors based on performance against specific, pre-determined goals linked directly to the Company's strategy.	Financial and non-financial performance targets, including ESG targets, are set and reviewed by the Remuneration Committee. Payments are made in cash following completion of the annual audit.	Maximum entitlement is 75% of base salary for operational performance. A further cash bonus, (uncapped but at a fair and reasonable amount) can be awarded to Executive Directors and/or senior executives in relation to M&A activity. Awards are subject to malus and clawback provisions and overriding Committee discretion.	The parameters, performance criteria, weightings and targets are ordinarily set in Q1 of the financial year. Bonus targets are based on financial and non-financial metrics, and the Committee retains overriding discretion to adjust any bonus.
Long-term Incentive Plan	To align Executive Directors and certain senior employees with long-term shareholder interests.	Performance is assessed over a three-year period with awards vesting at the end of the three-year performance period. Awards are for nominal cost options over ordinary shares. The Committee retains discretion to set any performance condition. The Committee retains discretion to set any holding period following vesting of an award. The Rules of the plan contain malus and clawback provisions which allow the Board to cancel the option or determine a clawback sum within three years of the date of vesting of the LTIP in certain circumstances including: (i) a significant downward restatement of the financial results of the Company; (ii) reasonable evidence of fraud, gross misconduct or material wrongdoing; (iii) material breach of the Company's Share Dealing policy; (iv) reasonable evidence of conduct which has, or is likely to, result in significant losses or reputational damage to the Company; or (v) a breach of applicable restrictions on termination of employment.	Whilst there is no limit on maximum entitlement. Typically grants are in the region of no more than 150% of annual salary for Executive Directors. Awards are subject to malus and claw-back provisions. Pursuant to the terms of the LTIP, the number of shares issued or committed to be issued under all options (including Management Share Options) shall not exceed 10% of the issued share capital. The Committee intends to apply a two-year holding period from the date of vesting to any LTIP grants made to the Executive Director.	Performance metrics will be linked to: - Performance of the Company - Performance of any specific business unit or group company - Performance of the individual participant - Share price performance The Committee retains discretion to set any other condition it may consider appropriate. The Committee may also amend any condition it reasonably considers appropriate provided that the amended performance condition shall not be materially more or less challenging to achieve than the original performance condition.

Management Share Options	To incentivise and motivate senior management and align senior management with long-term shareholder interests.	Awards are for nominal cost options over ordinary shares. The vesting period is three-years.	There is no limit on maximum entitlement, however awards are set at modest levels. Pursuant to the terms of the LTIP, the number of shares issued or committed to be issued under all options (including LTIP) shall not exceed 10% of the issued share capital.	Typically, awards are not subject to performance conditions but only vest if the individual remains in employment at the end of the vesting period.

NON-EXECUTIVE DIRECTORS

Element	Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Base Fees	To attract, retain and reward Non-Executive Directors with the necessary skills and experience to successfully deliver the Group's strategy	Base fees are reviewed on an annual basis and may be increased in line with the market. Current base fees are: - Chair of the Board: £80,000 - Non-Executive Directors: £40,000 Reasonable business expenses can be reimbursed. Non-Executive Directors do not receive a pension or benefits and do not participate in any of the Company's performance-related incentive arrangements.	There is no base fee level, but fee levels are modest and set to progressively move to similar levels for companies of a similar size and complexity.	Company and individuals' performance as well as individual experience and skills are all considered. Additionally, salary levels at companies of a similar size and complexity are considered.
Fees for Additional Roles	To ensure that Non-Executive Directors are appropriately rewarded for their time and experience.	Committee Chairs of the ARC and Remuneration Committee receive an additional fee as does the Senior Independent Director. No other fees are paid for any other Committee chair or additional role. Current fees for additional roles are: - Audit & Risk Committee Chair £7,000; - Remuneration Committee Chair £7,000; - Senior Independent Director £2,000.	There are no additional fee maximum opportunity levels set but fee levels are modest and set to progressively move to similar levels for companies of a similar size and complexity.	Not performance related.

Other policy elements	
Discretion	The Committee has discretion to adjust the formulaic outcome of the bonus element of the Executive Directors awards to ensure alignment of pay with the underlying performance of the business over the financial year and to take account of personal performance. The Committee has limited discretion to adjust the LTIP performance conditions.
Notice Periods	The Executive Director has a service agreement which contains a twelve-month notice period to be given by either party. The Chair has a letter of appointment which contains a notice period of six months from either party. The remaining Non-Executive Directors have notice periods of three months from either party.

Recruitment Policy	Upon recruitment of an Executive Director, the Committee will aim to set a remuneration package in line with the Remuneration Policy. The Committee will consider the skills and experience of a candidate and the market rate for a candidate of that experience. The Committee will retain discretion to adjust elements (i.e. to replace remuneration arrangements forfeited by an Executive Director on leaving a previous appointment, or to determine future pay rises) in order to facilitate the recruitment of the Executive Director as may be reasonably necessary.
Shareholding Guidelines for Directors	The Company has not adopted shareholding guidelines for Directors. It is noted that Simon Phillips is a major shareholder of the Company.
Policy for Directors Leaving the Group	The Committee must satisfy any contractual obligations previously agreed with a Director on termination of their employment or appointment. Annual bonus payments may be payable for 'good leavers' at the Committee's discretion and will normally be subject to the original performance conditions. Share-based entitlements will be determined by the rules of the Long-term Incentive Plan. Under the plan the general rule is that any outstanding awards lapse when the individual leaves employment with the Group. Certain prescribed exceptions are on death, ill health or disability, transfer of the employing company or undertaking outside of the Group, redundancy or at the discretion of the Board whereupon any option will be exercisable for a further 12 months from the later of the date of vesting or termination of employment.

FY25 Annual Report on Remuneration

This section sets out how the Remuneration Policy was applied for the year ended 31 December 2025. Remuneration is shown in US$. The contractual terms of all Directors and Non-Executive Directors are in GBP£.

The single figure table for Director's remuneration reported below is reported in US$ and annual fluctuations may arise due to changes in the FX rate between US$ and GBP£ despite no change to individual Directors' contractual arrangements. All remuneration is settled in the currency stated in each Director's contract.

	Salary $000's		Taxable benefits $000's		Pension $000's		Bonus $000's		Total $000's		Fixed Remuneration		Variable Remuneration	
Executive Directors	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**
Simon Phillips	**281**	**289**	-	**0**	-	**0**	-	-	281	**289**	**281**	**289**	**0**	**0**
Salman Mohammed*	**43**	**219**	1	1	-	3	-	-	**44**	223	**44**	223	**0**	0
Non-Executive Directors														
Raymond Bench	**102**	**131**	-	-	-	-	-	-	**102**	**131**	**102**	**131**	**0**	**0**
Geraint Davies	**60**	**73**	-	-	-	-	-	-	**60**	73	**60**	73	**0**	**0**
Nick Timberlake **	**51**	**59**	-	-	-	-	-	-	**51**	**59**	**51**	**59**	**0**	**0**

Note: FY24 remuneration has been converted into USD using the exchange rate £1 = $1.320817 (FY24: $1.2791), being the average exchange rate during FY25.
** Salman Mohammed was appointed CFO on 17 October 2024 and resigned from the Board on 28 January 2026*
*** Nick Timberlake resigned on 31 December 2025*

Base Salary
Simon Phillips and Salman Mohammed were not awarded an increase in base salary for 2025 with their annual base salaries remaining at £220k ($289k) and £160k ($219k) respectively.

Annual Bonus
As the threshold target was not achieved no bonus payments were awarded to the Executive Director and senior management, and the Committee did not exercise its discretion to adjust the formulaic bonus outcome. No individual who had resigned from the business received any bonus payment in 2025. Salman Mohammed will not be eligible to receive any bonus payment following his resignation in January 2026.

Payments to past Directors for Loss of Office
There were no payments to Directors for loss of office during the year.

Long-term Incentive Plan
During the year the following awards were made to Executive Directors under the CT Automotive Group Long Term Incentive Plan 2022 (LTIP):

Executive Director	Awards granted	Award basis of salary	Grant Date	Vesting date	Performance conditions
Simon Phillips	271,605	50%	30 June 2025	30 June 2028	EPS target for years ended 31 December 2025, 2026, and 2027. 25% vesting on meeting minimum EPS targets with vesting on a straight-line basis to a maximum performance criterion
Salman Mohammed	197,531	50%	30 June 2025	30 June 2028	

In addition, LTIP awards were granted in the year over a further 419,753 ordinary shares to certain senior managers subject to the same performance conditions as those granted to Simon Phillips, and a further 36,049 LTIP awards were granted over ordinary shares to certain senior managers which were not subject to performance conditions. Full details of the awards existing under the LTIP plan can be found in Note 29 to the Consolidated Financial Statements

Table below shows existing LTIP awards to the Executive Directors who held office during FY25:

Executive Director	**Interest at 31/12/2024**	**Granted During the year**	**Exercise price**	**Vested**	**Exercised**	**Lapsed**	**Interest at 31/12/2025**
Simon Phillips	857,070	271,605	£0.005	-	-	-	1,128,675
Salman Mohammed*	38,835	197,531	£0.005	-	-	-	236,366

**Salman Mohammed resigned from his position as CFO on 28 January 2026 and left the Company with immediate effect. All options granted to Salman Mohammed have now lapsed.*

Non-Executive Director Remuneration

At the beginning of 2025, Ray Bench was appointed Chair of the Remuneration Committee and received an additional payment of £7,000 per annum and Geraint Davies was appointed Senior Independent Director and received an additional payment of £2,000 per annum for this role. Geraint Davies already received an additional £7,000 per annum for his role as Chair of the Audit and Risk Committee. The Non-Executive Director fees in FY25 were in accordance with the Remuneration Policy.

Interests of the Directors

The table below sets out the interests of the Directors and their families (within the meaning set out in the AIM Rules for Companies) (including any interest known to that Director which could with reasonable diligence be ascertained by him or her) in the issued share capital of the Group as at 31 December 2025 and at 18 May 2026, being the latest practicable date prior to publication of this Annual Report:

	No. of ordinary shares at 31 December 2025	**% of issued share capital**	**No. of ordinary shares at 18 May 2026**	**% of issued share capital**
Simon Phillips	19,702,454	26.77	19,702,454	26.77
Ray Bench	67,303	0.091	67,303	0.091
Geraint Davies	80,000	0.11	100,000	0.14
Gary McGrath	n/a	-	0	0
Nick Timberlake	100,000	0.14	n/a	n/a
Salman Mohammed	500	0.001	n/a	n/a

The City Code

On admission of the Company's shares to trading on AIM in December 2021, the Panel considered Simon Phillips (CEO), Scott McKenzie (CCO) and David Wilkinson (former CFO) as persons acting in concert for the purposes of the City Code (the "Concert Party"). Should any member of the Concert Party acquire an interest in ordinary shares in the Company which increases the Concert Party's aggregate holding of Ordinary Shares, the Panel may regard this as giving rise to an obligation upon that member of the Concert Party to make an offer for the entire issued share capital in accordance with the City Code.

Implementation of the Remuneration Policy in 2026

As set out at the beginning of the Remuneration Committee report, during 2025 the Committee conducted a detailed review of the CEO's remuneration, advised by PwC. Following extensive engagement with institutional investors, the Committee has determined to adjust the CEO's remuneration effective from 1 January 2026 as set out below.

Salman Mohammed left the Company in January 2026, so the Committee did not consider his remuneration for 2026.

Base Salary
Simon Phillips was awarded an increase in base salary of £130k, therefore with effect from 1 January 2026 his base salary is £350k. The Committee consider this to be in line with typical salaries for a CEO of similar businesses based on turnover and complexity.

Annual Bonus
The Executive Director will have a maximum bonus entitlement of 75% of base salary in accordance with the Company's Remuneration Policy. Bonus targets for 2026 were set for Simon Phillips and certain members of the Senior Leadership Team and include financial and non-financial targets, business development and certain ESG targets.

LTIP Awards
The Committee intends to make an LTIP award to the CEO and other senior managers in the coming months. Further to the review of the CEO's remuneration, the Committee intends to make an LTIP award to the CEO in accordance with the Company's Remuneration Policy of 150% of base salary for 2026. Performance conditions will be in line with the Remuneration Policy and will reflect institutional investor feedback. Specific performance targets for each third of the award will be set as follows:

- Earnings Per Share targets set at a stretching level for three years with 25% vesting on meeting minimum EPS targets with vesting on a straight-line basis to a maximum performance criterion;
- Revenue targets based on CAGR rate of 8 – 12% and assessed against aggregate revenue for the three-year performance period. 25% will vest on meeting minimum revenue targets set around an 8% CAGR for the three-year period, with vesting on a straight-line basis to a maximum performance criterion set by reference to 12% CAGR for the three-year period; and
- Absolute total shareholder return targets set at a challenging level in comparison to the current share price to reflect the fact that the Committee believes the current share price is depressed. Based on the share price at the date of this document the Committee intends to set targets in the region of 20% to 30% CAGR for the full three-year period.

Awards to other senior employees will include performance targets in accordance with the Remuneration Policy for a three-year performance period. Management Share Options granted to other senior employees will be for a modest number of options, exercisable after three years with no performance targets other than continued employment with the Group.

Non-Executive Director Remuneration
No changes have been made to the remuneration of the Non-Executive Directors in 2026. On his appointment at the beginning of 2026, Gary McGrath was awarded a fee of £40,000 per annum.

Miscellaneous Disclosures
Advice to the Committee
The Committee keeps itself informed of developments and best practice with regard to remuneration and seeks advice from external advisers as required. The Committee received legal advice from FieldFisher LLP and total fees for the advice provided by FieldFisher LLP in 2025 was £3,920 plus VAT. Following a tender process undertaken by the Committee, the Committee also received advice from PwC in relation to the CEO remuneration and total fees for the advice provided by PwC in 2025 was £5,000 plus VAT.

This report was approved by the Board of Directors, and signed on its behalf by Ray Bench, Chair of the Committee.

Ray Bench
Chair of the Remuneration Committee

ESG Committee Report

Committee members
Ray Bench, (Chair)
Geraint Davies,
Nick Timberlake (resigned 31 December 2025)

Dear Shareholder,

I am pleased to present the first ESG Committee Report for the year ended 31 December 2025.

The ESG Committee is primarily responsible for the Group's approach to the environment, its people and its corporate social responsibility. The new CSR Policy adopted across the Group ensures that CT Automotive is focused on environmental stewardship, community involvement, employee welfare and ethical practices. The Committee will oversee the Group's activities in this area.

Aims and Objectives of the Committee

The Terms of Reference for the Committee (available on the Company's website here: CT-ESG-Committe-TOR-final.pdf) will be reviewed annually and approved by the Board. The Committee is responsible for overseeing the development of the Group's ESG strategy and monitoring performance in relation to ESG matters ensuring governance and processes are in place to deliver the ESG strategy. The Committee shall monitor the integrity and completeness of our ESG reporting and shall review the Sustainability Report and recommend its adoption to the Board. In relation to the Group's Corporate Social Responsibility (CSR), the Committee shall ensure the CSR programs pursued by the Group are aligned to our values and benefit the environment and communities in which the Group operates and are in accordance with the CSR Policy.

The Committee is also responsible for conducting a deep dive on Health & Safety matters as well as overseeing training across the Group.

Committee Composition

Ray Bench has been appointed as Chair of the Committee and Geraint Davies and Nick Timberlake were members. Nick Timberlake stepped down from the Board at the end of December 2025. The Board considers the remaining Committee members to have sufficient expertise to fulfil the Committee's objectives and responsibilities.

Committee Meetings and Attendance

The Committee met once during 2025 with all committee members attending the meeting. The Executive Directors, certain senior managers and the Group's Head of ESG were invited to attend the meeting.

Work Undertaken by the Committee during the Period

The Committee was established in 2025 and began work in H2 2025. The Committee reviewed the Group's environmental KPIs and performance to date and set clear targets for 2026.

Gender pay gap calculations were reviewed by the Committee as well as Health & Safety and in particular, the safety campaigns and training being conducted across the Group. Employee engagement and the employee survey results were reviewed by the Committee in early 2026.

The Committee recommended for adoption the Group's new CSR Policy under which the Group's CSR program is going to be matured into longer-term projects. Existing programs were reviewed by the Committee who will review and approve new CSR projects adopted by the Group.

During 2025, the Committee reviewed the voluntary codes which CT Automotive complies with and considered any barriers to CT Automotive being able to comply with those codes.

The Group's EcoVadis assessment in 2025, which rated CT Automotive as Bronze, despite our scores in the assessment continuing to improve in 2026. This was due to changes in the scoring assessment by EcoVadis and we remain positioned in the top 35% of assessed companies, globally. We will strive to continue to improve our scores in this assessment in future years.

The Committee is looking forward to expanding its work during 2026, developing the Group's CSR programs and driving forward continued improvement in CT Automotive's environmental compliance.

This report was approved by the Board of Directors, and signed on its behalf by Ray Bench, Chair of the Committee.

Ray Bench
Chair of the ESG Committee

S.172 Statement: Stakeholder Engagement

In order to deliver our strategic goals, we remain reliant on the continued support and commitment of our stakeholders.

Focus area	***Why engagement matters to CT Automotive***	***How we engage***
Our People: Employees and contractors who work in our business	Our people are a core part of CT Automotive and we value the contributions they make each day. Without good people in our business we would not achieve our strategic goals and deliver growth and value for all of our stakeholders.	We are focused on Health and Safety. We engage with our employees via a periodic employee survey. All manufacturing sites have Worker Union Groups. Training is an important part of employee development. The Company has a zero-tolerance policy towards discrimination in the workplace.
Our Investors: Our shareholders	Without access to capital from our shareholders and finance providers we cannot deliver our long-term strategic goals. We value feedback from shareholders and prospective investors.	We engage with our shareholders via numerous different channels: our website; RNS announcements; Annual Report and Accounts; Annual General Meeting; investor roadshows; market analyst presentations; and results presentations. The Board oversees all communications with shareholders. Our CEO, Chair and Senior Independent Director are available to speak with major investors. We have a close working relationship with our finance provider.
Our Customers: Major OEMs and Tier 1 suppliers to the automotive industry	Our primary objective is to provide our customers with high-quality, bespoke products on a just-in-time basis. In order to grow our business and attract new customers we need to demonstrate that we can deliver to our existing clients to their exacting requirements.	We maintain close working relationships with our customers, ensuring we deliver the required goods on a just-in-time basis to enable them to meet their production schedules. Our quality teams ensure consistently high-quality production is maintained. We seek ongoing feedback from our customers addressing any issues as quickly as possible.
Our Suppliers: Our partners who source and supply products to us	Our suppliers are like-minded businesses who work with us to meet our customer demands.	Our suppliers range from small business to multinational petro-chemical companies but we expect all of our suppliers to share our values and to work with us to deliver sustainable growth in a responsible way. We audit our suppliers to review their compliance. We have a zero-tolerance policy to corruption, fraud and anti-competitive behaviour.
Our Communities and the Environment: Specifically, local communities around our operational sites	We are committed to managing the environmental impact of our activities with the goal of reducing our environmental impact. We engage with the local communities where we conduct our business.	We actively manage our environmental objectives through our Environment Management System ISO 14001. We continuously strive to reduce our environmental impact, including reducing waste generation and water usage across our operational sites. We run a varied CSR program which focuses on projects involving our local communities. The ESG Committee oversees our work in this area.

Governments and Regulators: Governments in the jurisdictions in which we operate and stock exchange regulators	Regional and national government bodies and agencies set the regulatory frameworks in which we operate and to which we need to comply. We operate across numerous jurisdictions and as such are subject to complex laws and regulations so we must work to optimise our legal and tax position across the Group.	We have effective and clear policies and procedures to ensure we adhere to all areas of legal and regulatory compliance. Our legal advisers advise the Group on a range of legal and regulatory obligations as required. We engage with our Nomad on a regular basis in respect of our obligations as a Company listed on the AIM Market of the London Stock Exchange.

Under s.172 of the UK Companies Act, a Director of a company must act in a way they consider, in good faith, would most likely promote the success of the company for the benefit of shareholders. In doing this, the Director must have regard, amongst other matters, to:

- Likely consequences of any decisions in the long term;
- Impact of the Company's operations on the community and the environment;
- Need to foster the Company's business relationships with suppliers, customers and others;
- Interests of the Company's employees;
- Company's reputation for high standards of business conduct; and
- Need to act fairly as between members of the Company.

The Directors are focused on their duties under s.172 (1) of the Companies Act 2006 and consider that they have acted in good faith and in a way that would be most likely to promote the success of the Company, for the benefit of its members as a whole, having regard to its stakeholders and the matters set out in s.172 (i) (a) - (f) in the decisions taken during the year ended 31 December 2025. The Board acknowledges that balancing the needs and expectations of all stakeholders is important, but often Directors have to make difficult decisions based on competing priorities where the outcome of any decision it makes may not necessarily result in a positive outcome for all of the Group's other stakeholders.

For further information relating to some of the key strategic decisions reached by the Board in the year and how s172 factors have been considered please, see the information contained in the Strategic Report.

This statement forms part of the Strategic Report in accordance with section 414CZA of the Companies Act 2006

Directors' Report

Results and proposed dividends

The Group generated revenue of $114.8 million in FY25 (FY24: $119.7 million) and an adjusted profit before tax of $9.5 million (FY24 Adjusted PBT: $7.9 million). Reported PBT was $9.1m up by 38% in comparison to FY24 ($6.6m restated). Adjusted EBITDA for the Group was $14.8 million (FY24: $14.8 million). Considering forecast cash requirements and given the current level of the Company's distributable reserves, the Board is currently unable to recommend a payment of dividends.

The Strategic Report, on page 13, provides a detailed analysis of the results in the year and an indication of future developments.

Annual General Meeting

The Annual General Meeting (AGM) will be held at 9.00am on 29 June 2026 at 1000 Lakeside North Harbour Western Road, Portsmouth, PO6 3EN. We encourage shareholders to attend the 2026 AGM, details of which can be found in the Notice of Meeting.

Although shareholders will be able to vote via a poll on resolutions at the AGM, we would recommend shareholders vote in advance of the AGM via CREST or by using the link https://uk.investorcentre.mpms.mufg.com.

Should shareholders wish to put questions to the Board, these can be submitted via the investor website or by emailing investors@ct-automotive.net in advance of the AGM. Any questions raised will be published on the website after the AGM, together with the results of voting.

AIM Listing

The Group is listed on the AIM Market of the London Stock Exchange and trades under the ticker CTA.

Directors & Officers

The Directors who held office during the year were as follows:

Executive Directors:

Simon Phillips (CEO)
Salman Mohammed (CFO – resigned from the Board 28 January 2026)

Non-Executive Directors:

Raymond Bench (Chair)
Geraint Davies
Nick Timberlake (resigned from the Board 31 December 2025)

Further information on the current Directors of the Group can be found on page 51.

The Directors' remuneration and their interests in share capital are shown in the Remuneration Committee Report on page 63. In accordance with the 2023 QCA code, the Remuneration Committee Report will be proposed to shareholders for an advisory vote and, in line with best governance practice, all Directors will be proposed for re-election at the 2026 Annual General Meeting. Further details can be found in the Governance Report on page 49.

The Company Secretary is an officer of the Company. All Directors appointed to the Board are male, the Company Secretary is female.

The Directors have the benefit of an indemnity covered by insurance which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The Group has granted this indemnity in favour of the Directors of the Group as is permitted by Section 232-235 of the Companies Act 2006. Neither the insurance nor the indemnities provide cover where the relevant Director or officer has acted fraudulently or dishonestly.

The Board may exercise all the powers of the Group, subject to the provisions of relevant legislation, the CT Automotive Group Plc's Articles of Association and any directions given by a special resolution of the shareholders. Specific powers are detailed in the Articles of Association, including the power to issue and buy back shares, along with the rules for the appointment and removal of Directors.

Employees

The Group offers equal opportunities to staff at all levels. All job applicants and employees receive equal treatment regardless of sex, race, colour, age, nationality or ethnic origin. As explained in the Sustainability Report, the Group employs a diverse range of staff. Regular consultation and meetings, formal, virtual or otherwise, are held with all levels of employees to discuss problems and opportunities. The Group also conducted an employee survey in 2025 to obtain employee feedback.

The Group recognises its obligations towards disabled staff in line with the Disabilities Discrimination Act. In particular:

- the continued employment and training of persons who become disabled during employment;
- the training, career development and promotion of opportunities to disabled persons;
- encouraging the involvement of employees in the Group's performance; and
- achieving a common awareness on the part of all employees for the financial and economic factors affecting the performance of the Group.

Indemnity

We have granted an indemnity to our Directors (including subsidiary undertakings) under which CT Automotive Group plc will, to the maximum extent possible, indemnify the Directors against all costs, charges, losses, and liabilities incurred by them in the performance of their duties. The Company provides Directors' and Officers' liability insurance.

Policy on the Payment of Creditors

The Group aims to abide by the terms and conditions for its business transactions with suppliers, subject to the supplier meeting its obligations. No single supplier arrangement is considered essential to the business of the Group.

Purchase of own shares by the Company

During the year, the Company did not buy back any of its own shares (FY24: nil).

Political Contributions

The Group made no political donations or incurred any political expenditure during the year (FY24: $Nil).

Events after the reporting period

Events after the reporting period are set out in Note 33 to the Financial Statements.

Related Party Disclosures (AIM Rule 13)

The related party transactions below were identified during the year in accordance with AIM Rule 13.

On 1 May 2024 the Group entered into a general service agreement which is continuing with iAqua Watercraft Limited (iAqua), (Service Agreement) a 100% wholly owned subsidiary of iAqua Limited, a Company which is 30% owned and controlled by Simon Phillips, CEO and Founder of CT Automotive. Under the Service Agreement the Group provides general services to iAqua on a 'cost-plus' basis which covers the provision of Engineering Services (including the design and development of automobile components) and product management (for automotive components). The Service Agreement is profitable for CT Automotive, which invoiced $7k in 2025 (FY24: $54k) under the Service Agreement.

On 20 February 2025 the Company's wholly owned Chinese subsidiary (Chinatool Automotive Mould Systems Limited (CMS)) entered into an agreement with Automotive Kinetic Systems Limited (AKSL), a company which is wholly owned by Simon Phillips. Under the terms of the agreement AKSL made an unsecured loan to CMS of US$300k repayable within 12 months at an interest rate of 12.4% per annum, to support with immediate capital investment requirements, while finance leases were being negotiated. The Loan Agreement is subject to the laws of the People's Republic of China. The interest rate is standard for unsecured loans of this nature in this region. During the year an additional CNY 600k (USD$ 85k) was loaned at an interest rate of 3.1%. This was repaid in three tranches in January, March and May 2026 leaving an outstanding balance of the Loan at $300k as at the date of this document.

In April, June and July 2025, three advances totalling £29,000 were made to Salman Mohammed, who at the time was a Director of CT Automotive Group plc. These balances were repaid in full in February 2026.

Streamlined Energy and Carbon Reporting (SECR)

The disclosure of streamlined energy and carbon reporting have been included as part of the Emissions section of the Non-financial and Sustainability Information Statement on page 36.

Articles of Association

The Articles of Association of the Company may be amended by special resolution of the Company's shareholders.

Financial Instruments

Information in respect of the Group's policies on financial risk management objectives, including policies to manage credit risk, liquidity risk and foreign currency risk, along with the capital structure of the Group, is given in Note 28 to the Financial Statements.

Cautionary Statement

The review of the business and its future development in the Annual Report has been prepared solely to provide additional information to shareholders to allow individual shareholders to consider the Group's strategies in more detail and consider for themselves the potential for these strategies to succeed. It should not be relied on by any other party for any other purpose. The review contains forward-looking statements which are made by the Directors in good faith based on information available to them up to the time of the approval of these reports; as such they should be treated with caution due to inherent uncertainties associated with such statements.

Auditor

The Group's independent external auditor, MHA, will be proposed by the Board for appointment at the AGM for the financial year ended 31 December 2026, with Andrew Moyser as the senior statutory auditor.

Registered Office

Riverside Road, Sunderland, SR5 3JG

Company registered number: 10451211.

Signed on behalf of the Board on 19 May 2026.

Simon Phillips
Chief Executive Officer

Statement Of Directors Responsibilities

In respect of the Strategic Report, Directors' 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 Financial Statements in accordance with UK adopted international accounting standards and the Company Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice and United Kingdom accounting standards, comprising FRS 101: Reduced disclosure framework, and applicable law. 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 comprising IFRS for Group and FRS 101 reduced framework for Parent company has been followed and subject to any material departures disclosed and explained in the Financial Statements; and
- 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 Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the Financial Statements and Directors' report comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Directors are aware, there is no relevant audit information of which the Group's and Company's auditor is unaware.

The Directors have taken all the steps they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditor is aware of that information.

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 Group'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 Group's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the Financial Statements contained therein.

Signed on behalf of the Board on 19 May 2026.

Simon Phillips
Chief Executive Officer

Independent auditor's report to the members of CT Automotive Group plc

For the purpose of this report, the terms "we" and "our" denote MHA in relation to UK legal, professional and regulatory responsibilities and reporting obligations to the members of CT Automotive Group plc. For the purposes of the table on pages 84 to 87 that sets out the key audit matters and how our audit addressed the key audit matters, the terms "we" and "our" refer to MHA. The financial statements, as defined below, consolidate the accounts of CT Automotive Group plc and its subsidiaries (the "Group"). The "Parent Company" is defined as CT Automotive Group plc, as an individual entity. The relevant legislation governing the Parent Company is the United Kingdom Companies Act 2006 ("Companies Act 2006").

Opinion

We have audited the financial statements of CT Automotive Group plc for the year ended 31 December 2025 which comprise:

- the Consolidated Statement of Profit or Loss and Other Comprehensive Income;
- the Consolidated Balance Sheet;
- the Consolidated Statement of Changes in Equity;
- the Consolidated Statement of Cash Flows;
- Notes 1 to 34 to the Consolidated Financial Statements, including material accounting policies;
- the Company Balance Sheet;
- the Company Statement of Changes in Equity; and
- Notes 1 to 8 to the Company financial statements, including material accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted International Financial Reporting Standards ("UK-adopted IFRS"). The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and FRS 101 Reduced Disclosure Framework ("United Kingdom Generally Accepted Accounting Practice").

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's profit for the year;

- the Group financial statements have been properly prepared in accordance with UK-adopted IFRS;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Our opinion is consistent with our reporting to the Audit and Risk Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the Directors' assessment of the Group's and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Consideration of the inherent risks to the Group and Parent Company's operations and specifically its business model;
- Evaluation of how those risks may impact the Company's available financial resources;
- Review of the mathematical accuracy of the cash flow forecast model prepared by management and corroboration of key data inputs to supporting documentation, ensuring consistency with assumptions used and with our knowledge obtained during the audit;
- Review of compliance with financial covenants during the year and assessed forecast covenant compliance over the going concern period;
- Challenge of management on the reasonableness of assumptions in respect of the timing and values of cash receipts and payments included in the cash flow model;
- Held discussions with management regarding future financing plans, corroborating these where necessary, and assessing the impact on the cash flow forecast;
- Performed sensitivity analysis and stress testing on key inputs to the cash flow forecast;
- Reviewed management's cash flow forecast and assessed the accuracy of forecast inflows by comparison to actual receipts; and

- Reviewed the completeness of disclosures included within the financial statements in connection with the Directors' assessment and conclusion surrounding going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and 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.

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

Overview of our audit approach

Scope	Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement.
First-year audit	The financial statements for the year ended 31 December 2025 represent the first year for which we have acted as statutory auditor of the Group. As part of our first-year audit engagement procedures, we designed and performed audit procedures in accordance with ISA (UK) 510 Initial Audit Engagements - Opening Balances in order to obtain sufficient appropriate audit evidence regarding: • whether opening balances contained misstatements that materially affected the current year financial statements; • whether prior period closing balances had been correctly brought forward to the current period or, where appropriate, had been correctly restated; • whether accounting policies reflected in the opening balances had been consistently applied in the current period financial statements; and • whether changes in accounting policies had been appropriately accounted for and adequately presented and disclosed. In performing these procedures, we obtained an understanding of the Group's historical financial reporting and consolidation processes, including the operation of controls over historical financial reporting balances, top-side consolidation adjustments and the treatment of significant accounting estimates and judgements.

Our work included reading the Group's prior period financial statements and the predecessor auditor's reports thereon, together with a detailed review of relevant predecessor auditor working papers and related audit documentation made available to us. This work informed our understanding of:

- opening balances and comparative information;
- significant accounting policies and judgements applied in prior periods;
- historical audit differences and unadjusted misstatements;
- areas of significant audit focus; and
- the design and operation of elements of the Group's historical financial reporting and consolidation processes.

We also evaluated whether audit procedures performed during the current period provided audit evidence relevant to opening balances and, where necessary, performed additional specific audit procedures over selected historical balances and transactions.

Given the international nature of the Group, we additionally communicated with component auditors, where considered necessary, in relation to prior period financial information relevant to our audit. Such communications were limited to matters necessary to support our understanding of opening balances and corresponding figures and included discussions regarding significant accounting policies, historical consolidation adjustments, key judgements and areas of prior audit focus.

As part of our first-year engagement procedures, we also performed additional procedures over selected historical balances and prior period adjustments identified during the current year audit, including evaluating whether identified matters represented prior period errors requiring retrospective restatement under IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Our procedures in this area were designed to enable us to obtain sufficient appropriate audit evidence to support our audit opinion on the current year financial statements.

Materiality	**2025**	**2024**	
Group	$1,060,000	$1,184,000	0.92% (2024: 1 %) of revenue
Parent Company	$971,000	$869,000	1.28% (2024: 1.25%) of gross assets

Key Audit Matters

Recurring	
	• Finished Goods Inventory – Valuation (Group) • Tooling Revenue Recognition – Occurrence & Cut-Off (Group) There are no key audit matters relating to the Parent Company.

Key Audit Matters

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

Finished Goods Inventory – Valuation
Financial Statement Elements

	2025	2024
Inventories (Note 20) –	$25,627,000	$27,426,000

Key audit matter description	The inventory held by the Group is a material area to the financial statements and represent a large amount of the Group's current assets. Due to the nature of the Group's operations, the inventory balance is inherently linked to both the purchases and the sales cycles. Typically, inventory comprises raw materials, work in progress and finished goods relating to the manufacture of automotive interior components, together with associated consumables and packaging materials. Raw materials primarily include plastics and other input materials, while work in progress and finished goods reflect partially completed and completed customer-specific products. In addition, for certain entities within the Group, inventory includes tooling and component parts held either for use in the production process or for sale to customers, reflecting the Group's involvement in both manufacturing and tooling activities. This results in a diverse inventory profile across the Group, with differing valuation considerations depending on the stage of production and nature of the item. We consider inventory to be a key audit matter because it is a material, judgmental and complex area, and therefore there is a risk that the valuation is materially misstated.

	Related disclosures are included in Note 1 and Note 20, which set out the details of inventory recognised including the basis of valuation.
How the scope of our audit responded to the key audit matter	Our audit work included, but was not restricted to the following: •We reconciled the year-end inventory listing to the amounts recorded in the consolidated financial statements and investigated any discrepancies identified. •We selected a sample of inventory items and agreed raw material costs to underlying supplier invoices, and assessed cost build-ups for work in progress and finished goods to confirm the accuracy of recorded costs. •We evaluated the appropriateness of overhead absorption into inventory, including assessing whether the allocation methodologies were reasonable, consistently applied and in accordance with IAS 2. •Where applicable, we compared inventory carrying values to post year-end sales prices to assess whether net realisable value exceeded cost. •We assessed the adequacy of provisions for slow-moving and obsolete inventory by reviewing ageing analyses, considering historical usage and post year-end sales, and corroborating management's assumptions. •We reviewed inventory-related disclosures within the financial statements, including valuation policies and key judgements, to assess compliance with IAS 2 *Inventories*.
Key observations	Based on our audit work detailed above, nothing has come to our attention that indicates that the Group's inventory accounting policy is not in line with the requirements of IAS 2, or that inventory has not been recognised in accordance with the Group's inventory accounting policy.

Tooling Revenue Recognition – Occurrence & Cut-Off

Financial Statement Elements

	2025	2024
	Revenue (Note 5) – $13,458,000	$11,967,000

Key audit matter description	Revenue is a key performance measure for the Group and a primary driver of profitability. The Group generates a significant proportion of its revenue from tooling arrangements, which are typically characterised by a low volume of high-value transactions. Revenue recognition for tooling is dependent on the satisfaction of performance obligations, receipt of formal documentation and also customer acceptance, and therefore involves a degree of management judgement. We identified both occurrence and cut-off as significant risks in relation to tooling revenue. There is a risk that revenue may be recognised for transactions that have not occurred or have not been appropriately supported, including through manual journal entries or unusual account combinations. In addition, given that a significant proportion of revenue is recognised towards the year end, and that recognition is contingent on customer acceptance, there is a heightened risk that revenue may be recorded in the incorrect accounting period. Due to the significance of tooling revenue to the Group's financial performance, the judgement involved in its recognition, and the audit effort directed to this area, we determined this to be a key audit matter.
How the scope of our audit responded to the key audit matter	**<u>Occurrence</u>** • We obtained an understanding of the tooling revenue process, identified relevant controls and evaluated the design and implementation of key controls, including IT general controls. • We used data analytics to identify journal entries with unusual account combinations and tested a sample by agreeing to supporting documentation to assess whether these represented genuine business transactions appropriately recognised as revenue. • We selected a sample of tooling projects and assessed whether revenue recognition was appropriate by reference to contractual terms and the requirements of IFRS 15, including evaluating management's judgement against the five-step model.

	• We tested a sample of completed tooling projects by agreeing revenue recognised to customer acceptance documentation (e.g. PSWs) and, where applicable, cash receipts, to confirm that revenue related to genuine completed projects. **Cut-off** • We selected a sample of tooling projects recognised in the final quarter of the year and assessed whether there was appropriate evidence of customer acceptance prior to year end. • We performed detailed cut-off testing around the year end, including testing transactions recorded before and after the reporting date, to assess whether revenue had been recognised in the correct accounting period. • We used data analytics to identify and test journal entries posted close to and after the year end to assess whether any revenue had been inappropriately accelerated or deferred.
Key observations	Based on our audit work detailed above, nothing has come to our attention that indicates that the Group's revenue recognition accounting policy is not in line with the requirements of IFRS 15, or that revenue has not been recognised in accordance with the Group's revenue recognition policy.

Our application of materiality

Our definition of materiality considers the value of error or omission on the financial statements that, individually or in aggregate, would change or influence the economic decision of a reasonably knowledgeable user of those financial statements. 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. Materiality is used in planning the scope of our work, executing that work and evaluating the results.

	Group	Parent Company
Overall Materiality	$1,060,000 (2024: $1,184,000)	$971,000 (2024: $869,000)
• Basis of determining overall materiality	We determined materiality based on 0.92% (2024: 1%) of the Group's revenue. We have considered revenue to be a key driver of the Group's financial performance for users of the financial statements. In addition, given its relative stability year on year, we have determined that it represents an appropriate and consistent benchmark for setting materiality.	We determined materiality on the basis of 1.28% (2024: 1.25%) of the Parent Company's gross assets. The parent company operates solely as a holding entity and does not undertake any trading activities. As such, we have concluded that gross assets provide the most appropriate benchmark for materiality in this case.

Performance materiality	$742,000 (2024: $830,000)	$679,000 (2024: $610,000)
• Basis of determining overall performance materiality	We set performance materiality based on 70% (2024: 70%) of overall materiality.	
	Performance materiality is the application of materiality at the individual account or balance level, set at an amount to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. The determination of performance materiality reflects our assessment of the risk of undetected errors existing, the nature of the systems and controls and the level of misstatements arising in previous audits.	
Error reporting threshold	We agreed to report any corrected or uncorrected adjustments exceeding $53,000 (2024: $36,000) to the Audit Committee as well as differences below this threshold that in our view warranted reporting on qualitative grounds.	We agreed to report any corrected or uncorrected adjustments exceeding $48,500 (2024: $26,000) to the Audit Committee as well as differences below this threshold that in our view warranted reporting on qualitative grounds.

Overview of the scope of the Group and Parent Company audits

Our Group audit was scoped by obtaining an understanding of the Group and the Parent Company and their environments, including internal control, and assessing the risks of material misstatement. The Group's Parent entity is based in the United Kingdom, with operational manufacturing and tooling entities located primarily in China, alongside additional operations in Europe, North America and Asia.

The audit scope included full scope audits of the financially significant components together with specified audit procedures over selected account balances, classes of transactions and disclosures for other components where this was considered necessary to address identified risks of material misstatement at Group level.

The Group audit scope was determined using a risk-based approach focused on areas of materiality and higher risk across the Group. Components subject to full scope audit procedures accounted for the substantial majority of the Group's revenue, total assets and profit before tax, with specified procedures and Group-level analytical review procedures performed over the remaining components to support our overall audit opinion.

In assessing the risk of material misstatement in the consolidated financial statements, and to ensure appropriate quantitative and qualitative coverage of significant accounts, we identified twelve components across the Group.

Full scope audit procedures were performed on CT Automotive Group plc ('the Company'), Chinatool UK Limited, Chinatool Projects UK Limited, Chinatool Mould Systems Limited, Chinatool Automotive Mould Systems Limited and Chinatool Automotive Components Co. Limited.

Specified audit procedures were performed on three entities, IMS / Chinatool JV, LLC, Chinatool Otomotiv San. Tic. Ltd. Şti. and CT Automotive Systems de Mexico S.A. de C.V, focusing on selected significant financial statement line items.

The remaining three components were subject to analytical procedures performed at the Group level.

The Group audit team was involved in the work performed across components through a combination of planning meetings and regular calls, issuance of detailed Group audit instructions, and review and challenge of component auditor reporting and findings. We directed, supervised and reviewed the work performed by component auditors, including evaluating the appropriateness of procedures performed and conclusions reached in response to identified risks of material misstatement.

As part of our oversight of the component audit work, members of the Group audit team travelled to China to meet with the component auditor and conduct an on-site review of their audit working papers. This included discussions with the component audit team regarding significant risks, key judgements, audit findings and the conclusions reached, as well as assessment of the sufficiency and appropriateness of audit evidence obtained.

Where component auditors were involved, we maintained regular interaction throughout the audit, including discussions of significant risks, key judgements and findings. For components audited directly by the Group audit team, work was performed centrally.

At the Parent entity level, we also tested the consolidation process and performed analytical procedures to support our conclusion that there were no significant risks of material misstatement in the aggregated financial information of components not subject to full scope audit or specified procedures.

The control environment

We evaluated the design and implementation of those internal controls of the Group, including the Parent Company, which are relevant to our audit, such as those relating to the financial reporting cycle.

Climate-related risks

In planning our audit and gaining an understanding of the Group and Parent Company, we considered the potential impact of climate-related risks on the business and its financial statements. We obtained management's climate-related risk assessment, along with relevant documentation and reports relating to management's assessment and held discussions with management to understand their process for identifying and assessing those risks.

We reviewed the operating activities of the Group to consider whether there were any other climate-related risks identified and where necessary, challenged management's assessment and the assumptions underlying their assessment.

We did not identify a risk of material misstatement regarding climate matters in the current year, after assessing those risks.

Reporting on other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

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; and
- 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 the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was considered 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.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

Identifying and assessing potential risks arising from irregularities, including fraud

The extent of the procedures undertaken to identify and assess the risks of material misstatement in respect of irregularities, including fraud, included the following:

- We considered the nature of the industry and sector, the control environment, business performance including remuneration policies and the Group's, including the Parent Company's, own risk assessment that irregularities might occur as a result of fraud or error. From our sector experience and through discussion with the directors, we obtained an understanding of the legal and regulatory frameworks applicable to the Group focusing on laws and regulations that could reasonably be expected to have a direct material effect on the financial statements, such as provisions of the Companies Act 2006, UK tax legislation, the AIM rules, Quoted Companies Alliance ("QCA") Corporate Governance Code or those that had a fundamental effect on the operations of the Group and the Parent Company;
- We enquired of the directors and management concerning the Group's and the Parent Company's policies and procedures relating to:
    - identifying, evaluating and complying with the laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they had any knowledge of actual or suspected fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We discussed among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud;
- We have undertaken a review of minutes of meetings of those charged with governance;
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This included utilising the spectrum of inherent risk and an evaluation of the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce costs, creating fictitious transactions to hide losses or to improve financial performance, and management bias in any accounting estimates and judgements; and

- We also considered matters arising during the year affecting the finance function and governance environment in assessing the risk of material misstatement due to fraud, and tailored our audit procedures accordingly, including enhanced focus on journals, management estimates and areas involving significant judgement.

Audit response to risks identified

In respect of the above procedures:

- we corroborated the results of our enquiries through our review of the minutes of the Group's and the Parent Company's Board and Audit Committee meetings and inspection of legal documents;
- audit procedures performed by the engagement team in connection with the risks identified included:
  - reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations expected to have a direct impact on the financial statements;
  - testing journal entries, including those processed late for financial statements preparation, those posted by infrequent or unexpected users and those posted to unusual account combinations;
  - evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias;
  - as part of our first-year audit procedures, we performed additional procedures over selected historical balances, prior period adjustments and consolidation-level journals, including evaluating whether identified matters represented prior period errors requiring retrospective restatement and assessing the impact on opening balances and comparative information;
  - enquiry of management around actual and potential litigation and claims; and
  - challenging the assumptions and judgements made by management in its significant accounting estimates.
- the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities; and
- we communicated relevant laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

Andrew Moyser FCA FCCA (Senior Statutory Auditor)
for and on behalf of MHA, Statutory Auditor
London, United Kingdom
19 May 2026

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

Consolidated Statement of Profit or Loss and other Comprehensive Income
For the year ended 31 December 2025

	Notes	2025 $'000	2024 [Restated] $'000
Continuing operations:			
Revenue	5	114,833	119,748
Cost of sales		(79,784)	(86,644)
Gross profit		35,049	33,104
Distribution expenses		(2,398)	(2,206)
Other operating income	6	145	717
Impairment loss / (reversal) on receivables		(3)	134
Administrative expenses		(21,988)	(23,034)
EBITDA (before non-recurring items)		14,894	13,590
Depreciation	8	(3,604)	(4,722)
Amortisation	8	(60)	(153)
Non-recurring items	7	(425)	-
Operating profit	8	10,805	8,715
Finance income		42	49
Finance expenses	10	(1,695)	(2,130)
Profit before tax		9,152	6,634
Taxation (charge)/credit	11	(726)	166
Profit for the year from continuing operations		8,426	6,800
Discontinued operations			
Profit for the year from discontinued operations	12	-	808
Profit for the year attributable to equity shareholders		8,426	7,608
Profit attributable to:			
Owners of the Company		8,363	7,809
Non-controlling interests		**63**	**(201)**
Other comprehensive income			
Items that are /may be reclassified subsequently to profit or loss:			
Foreign currency translation differences - foreign operations		75	747
Other comprehensive Income for the year, net of income tax		75	747
Total comprehensive income for the year		**8,501**	**8,355**
Total comprehensive income attributable to equity shareholders		**8,501**	**8,355**
Total comprehensive income attributable to:			
Owners of the company		**8,483**	**8,503**
Non-controlling interest		**18**	**(148)**
Total earnings per share			
From continuing operations:			
Basic earnings per share	13	11.4c	9.2c
Diluted earnings per share	13	10.9c	9.0c
From continuing and discontinued operations:			
Basic earnings per share	13	11.4c	10.3c
Diluted earnings per share	13	10.9c	10.0c

The notes on pages 101 to 142 form part of these financial statements.

Consolidated Balance Sheet
As at 31 December 2025

	Notes	2025 $'000	2024 [Restated] $'000	1 Jan 2024 [Restated] $'000
Assets				
Non-current assets				
Goodwill	14	1,259	1,259	1,259
Intangible assets	16	388	130	314
Property, plant and equipment	17	11,179	5,577	6,435
Right of use assets	18	5,508	6,428	6,688
Deferred tax assets	19	1,431	1,939	1,571
		19,765	15,333	16,267
Current assets				
Inventories	20	25,627	27,426	25,997
Trade and other receivables	21	29,532	23,155	26,894
Tax receivable		958	223	261
Derivative financial assets	25	91	-	-
Cash and cash equivalents	22	2,524	3,628	9,440
		58,732	54,432	62,592
Current liabilities				
Trade and other payables	23	(31,473)	(30,347)	(43,390)
Other interest-bearing loans and borrowings	24	(9,557)	(10,264)	(13,198)
Derivative financial liability	25	-	(49)	(52)
Corporate tax payable		(1,222)	(1,060)	(1,847)
Lease liabilities	18	(1,839)	(1,815)	(3,492)
		(44,091)	(43,535)	(61,979)
Non-current liabilities				
Lease liabilities	18	(3,955)	(4,947)	(4,099)
Other interest-bearing loans and borrowings	24	(694)	(100)	-
		(4,649)	(5,047)	(4,099)
Net assets		29,757	21,183	12,781
Equity attributable to owners of the Company				
Share capital	28	484	484	484
Share premium account	28	63,696	63,696	63,696
LTIP reserve		124	51	4
Translation reserve	28	(575)	(650)	(1,397)
Retained earnings/(accumulated deficit)	28	722	(7,641)	(15,371)
Statutory PRC reserve	28	1,194	1,194	1,115
Merger reserve	28	(35,812)	(35,812)	(35,812)
		29,833	21,322	12,719
Non-controlling interest	28	(76)	(139)	62
Total equity		29,757	21,183	12,781

The notes on pages 101 to 142 form part of these financial statements.
The financial statements were authorised and approved by the Board and were signed on its behalf by:

Simon Phillips
Director
Registered number: 10451211

Consolidated Statement of Changes in Equity
For the year ended 31 December 2025

	Share capital	Share premium account	LTIP reserve	Translation reserve	Retained earnings/ (accumulated deficit) [Restated]	Statutory PRC Reserve [Restated]	Merger reserve	Total equity before NCI	Non-controlling interest	Total Equity
	$000	$000	$000	$000	$000		$000	$000	$000	$000
At 1 January 2024	**484**	**63,696**	**4**	**(1,397)**	**(10,070)**	**-**	**(35,812)**	**16,905**	**62**	**16,967**
Adjustment for prior period items	**-**	**-**	**-**	**-**	**(5,301)**	**1,115**	**-**	**(4,186)**	**-**	**(4,186)**
Restated balance as at 1 January 2024	**484**	**63,696**	**4**	**(1,397)**	**(15,371)**	**1,115**	**(35,812)**	**12,719**	**62**	**12,781**
Total Comprehensive Income for the year										
Profit for	-	-	-	-	7,809	-	-	7,809	(201)	7,608
the year [Restated] Transfer to PRC reserve	-	-	-	-	(79)	-79	-			
Foreign currency translation	-	-	-	747	-	-	-	747	-	747
Total	**-**	**-**	**-**	**747**	**7,730**	**79**	**-**	**8,556**	**(201)**	**8,355**
Comprehensive income/(loss) for the year [Restated] Transactions with equity:										
Recognition of LTIP reserve	**-**	**-**	47	-	-	-	-	47	-	47
	-	-	**47**	-	-	-	-	**47**	**-**	**47**
At 31 December	**484**	**63,696**	**51**	**(650)**	**(7,641)**	**1,194**	**(35,812)**	**21,322**	**(139)**	**21,183**

2024 and at 1 January 2025 [Restated]										
Total Comprehensive Income for the year										
Profit for the year	-	-	-	-	8,363	-	-	8,363	63	8,426
Transfer to PRC reserve	-	-	-	-	-	-	-			
Foreign currency translation	-	-	-	75	-	-	-	75	-	75
Total Comprehensive income/loss for the year	**-**	**-**	**-**	**75**	**8,363**	**-**	**-**	**8,438**	**63**	**8,501**
Transaction with equity:										
Recognition of LTIP reserve	-	-	73	-	-	-	-	73	-	73
	-	-	**73**	**-**	**-**	**-**	**-**	**73**	**-**	**73**
At 31 December 2025	**484**	**63,696**	**124**	**(575)**	**722**	**1,194**	**(35,812)**	**29,833**	**(76)**	**29,757**

The notes on pages 101 to 142 form part of these financial statements.

Consolidated Statement of Cash Flows
For the year ended 31 December 2025

	Notes	2025 $'000	2024 (Restated) $'000
Cash flows from operating activities			
Profit from continuing operations		8,426	6,800
Profit from discontinued operations		-	808
Profit for the year after tax		8,426	7,608
Adjustments for:			
Depreciation	8	3,604	4,722
Amortisation	8	60	153
Interest expense	10	1,695	2,130
Interest income		(42)	(49)
Net fair value (profits) recognised in profit or loss		(815)	-
(Gain) / loss on disposal of ROU asset and fixed assets	8	(245)	402
Loss on stock write off net of claims received		637	-
Provision for inventory	20	672	662
Provision for expected credit losses	21	(3)	(134)
Taxation charge/(credit)	11	726	(166)
Charge to LTIP Reserve		73	47
Non cash other operating income	6	(145)	-
Change in fair value of financial derivative instruments	25	(138)	(3)
Hyperinflation impact on operating profit	8	427	(210)
		14,932	15,162
(Increase)/ Decrease in trade and other receivables		(6,997)	7,164
(Increase)/Decrease in inventories		489	(1,819)
Increase/ (Decrease) in trade and other payables		1,115	(13,839)
Tax (paid)/Received		(168)	(677)
Net cash generated from operating activities		9,371	5,991
Cash flows from investing activities			
Purchase of intangible assets	16	(309)	(62)
Purchase of property, plant and equipment	17	(5,778)	(1,721)
Sale of property, plant and equipment	17	56	171
Interest received		42	49
Net cash used in investing activities		(5,989)	(1,563)
Cash flows from financing activities			
Drawdown/(Repayment) of Machine Mortgage		1,460	(504)
Repayment of lease liabilities – Principal		(2,212)	(4,059)
Repayment of lease liabilities – Interest	10	(764)	(1,062)
Interest paid on borrowings	10	(931)	(1,068)
(Repayment) of trade loans		(2,327)	(9,000)
(Repayment) of invoice finance		-	(4,018)
Drawdown of borrowing		-	9,567
Drawdown of loan received from related party	30	385	
Net cash (used in)/generated from financing activities		(4,389)	(10,144)
Net (decrease)/ increase in cash and cash equivalents		(1,007)	(5,716)
Cash and cash equivalents at beginning of year		3,628	9,440
Effect of exchange rate fluctuations on cash held		(97)	(96)
Cash and cash equivalents at end of year (see Note 22)		2,524	3,628

The notes on pages 101 to 142 form part of these financial statements.

Notes to the Consolidated Financial Statements

1. Material accounting policies

Introduction

CT Automotive Group Plc (the "Company") is a public Company limited by shares listed on the Alternative Investment Market (AIM) and incorporated and domiciled in England and Wales under the Companies Act 2006. The registered number is 10451211 and the registered address is **Riverside Road, Sunderland, England, SR5 3JG**. The address of the principal place of business is 1000 Lakeside North Harbour, Western Road, Portsmouth, PO6 3EN.

The Company's functional and reporting currency is USD as the Group's revenue and working capital facilities are also predominantly denominated and/or received in USD.

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The parent Company financial statements present information about the Company as an entity and not about its Group.

The Group financial statements have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The Company has elected to prepare its parent Company financial statements in accordance with FRS 101; these are presented on pages 145 to 149.

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

Judgements or estimates that are deemed to have a significant effect on the financial statements are stated in Note 3.

Measurement convention

The financial statements are prepared on the historical cost basis except for the financial statements of the foreign operations in Türkiye which are subject to hyperinflationary accounting, and derivative financial instruments which are stated at fair value.

Going concern

The Directors have assessed the Group's business activities and the factors likely to affect future performance in light of the current and anticipated trading conditions. In making their assessment the Directors have reviewed the Group's latest budget, current trading, available current banking debt facilities and considered the likely impact of reasonably possible downside sensitivities in performance and the likely impact of potential mitigating actions. The Directors have considered the impact of the relocation of programs from China to Mexico specifically in relation to freight costs and gross margin achieved in each production facility. Any additional capex requirements to support the continued expansion of the Mexican production facility and our sustainability goals have been incorporated into the Group's budget.

The Directors are confident that, after taking into account existing cash and available debt facilities, the Group has adequate resources in place to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. In making their assessment the Directors have stress tested the forecast cash flows of the business.

For the purposes of stress testing, the Directors modelled a base case, several downside scenarios, a combined downside scenario and a set of mitigating actions to the combined downside scenario. The base case was modelled on a prudent basis, assuming revenues based on the production schedules and cost estimates. Positive cash headroom is maintained under the base case scenario. Taking into account the economic outlook, expected interest rates and geopolitical events, the Directors have identified certain specific key risks to the base case assumptions and have modelled the scenarios as follows:

- Reduction in revenue risk: the entire automotive market suffers a downturn of 20% in revenue, driven by macroeconomic weakness;
- Increased cost of sales risk: reflecting the impact of inflation in cost of sales raising by 10% and inability to recover the increase in costs from customers;
- Stockholding risk: reflecting a scenario caused by the disruption in customer schedules due to prolonged global conflicts or other plausible disruptions resulting in the need to hold more than normal stock levels required in the distribution centres.

In addition, the Directors have modelled a combined downside scenario and considered several controllable mitigating actions. The mitigating actions modelled are overhead reductions, extending supplier payment terms with vendors, reduction in capital expenditure and delaying tax payments. Such mitigating actions are within Management's control, and the business closely monitors appropriate lead indicators to implement these actions in sufficient time to achieve the required cash preservation impact. Additional mitigating actions which have not been modelled but are available for Management to deploy, if required, are negotiating with customers on reduced customer payment terms.

In any of the scenarios noted above, the combined impact of the above downside assumptions, the stress testing model, incorporating the above principal mitigation, demonstrates that the business is able to maintain a positive cash balance throughout the entire going concern review period considered.

As a result of the above considerations, the Directors consider that the Group has adequate resources in place for at least 12 months from the date of the approval of FY25 financial statements and have therefore adopted the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Non-controlling interest
Non-controlling interests represents the equity in subsidiaries that is not attributable to all shareholders of the Group.

Change in subsidiary ownership and loss of control
Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Where the Group loses control of a subsidiary, the assets and liabilities are derecognised along with any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation
Intra-Group balances and transactions, and any unrealised income and expenses arising from intra-Group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains.

Discontinued operations
When the Group has sold or discontinued a component that represents a separate major line of business or geographical area of operations during the year, or has classified the component as held for sale, its results are presented separately, net of any profit or loss on disposal, in the Statement of Profit or Loss and other Comprehensive Income, with the comparative amounts restated.

Foreign currency
Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss. Exchange differences arising on the retranslation of the foreign operation are recognised in other comprehensive income and accumulated in the foreign exchange reserve.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated into the Group's reporting currency, US Dollars, at foreign exchange rates ruling at the Balance Sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions.

Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income and accumulated in the translation reserve. When a foreign operation is disposed of, such that control is lost, the entire accumulated amount in the foreign currency translation reserve, is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while still retaining control, the relevant proportion of the accumulated amount is reattributed to non-controlling interests.

Effective from 1 January 2022, the Group has applied IAS 29, Financial Reporting in Hyperinflationary Economies, for its subsidiary in Türkiye, whose functional currency has experienced a cumulative inflation rate of more than 100% over the past three years. Assets, liabilities, the financial position and results of foreign operations in hyperinflationary economies are translated to US Dollars at the exchange rate prevailing at the reporting date. The exchange differences are recognised directly in the Statement of Profit and Loss impacting operating profit. Prior to translating the financial statements of foreign operations, the non-monetary assets and liabilities and comprehensive income (both previously stated at historic cost) are restated to account for changes in the general purchasing power of the local currencies based on the consumer price index published by the Turkish Statistical Institute. The consumer price index for the year ended 31 December 2025 and 31 December 2024 increased by 30.90% and 44.37% respectively. Monetary items are not restated because they are already expressed in terms of the monetary unit current at the end of the reporting period.

Revenue
Performance obligations and timing of revenue recognition
When (or as) a performance obligation satisfied, an entity shall recognise as revenue the amount of the transaction price that is allocated to that performance obligation.

Production Revenue - Revenue from the manufacture and supply of automotive interior components (including air vents, glove compartments, consoles, trim parts and other secondary vehicle components) is recognised in accordance with IFRS 15 *Revenue from Contracts with Customers*. For serial production contracts, the Group's performance obligation is the manufacture and delivery of individual units (parts) in accordance with customer specifications and releases.

Each part represents a distinct good, and the performance obligation is satisfied per unit, and revenue is recognised when control of the parts transfers to the customer based on Incoterms. Given the nature of serial production with standardised contractual incoterms, judgement is limited in determining the point of control transfer. Revenue is measured at the fair value of the consideration received or receivable, net of customer discounts, returns, and/or price concessions due to long term agreements, etc.

Tooling revenue - Revenue from tooling and associated engineering services is recognised in accordance with IFRS 15 - Revenue from Contracts with Customers. Tooling arrangements typically arise when the Group designs, manufactures or sources customer-specific tools, jigs, fixtures, or moulds that enable the production of serial automotive components such as air vents, glove compartments, centre consoles and other interior parts. The group follows the completed contract method where revenue from tooling is recognised at a point in time, when control of the tool is transferred to the customer. Control is deemed to transfer when the customer has formally approved the tooling, typically evidenced by Parts Submission Warrant (PSW), other documented customer acceptance or other evidence of the commencement of serial production.

Invoicing to customers is done based on agreed milestones. Amounts received from customers before customer acceptance of the tool are recorded as contract liabilities. While customer acceptance (such as PSW approval) determines the point at which the performance obligation is satisfied, the related contract liability is recognised as revenue at the next half-yearly reporting cycle in accordance with the Group's revenue-recognition process. These balances are released to revenue on a half-yearly basis in the period when the related performance obligation is met. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Determining the transaction price
Most of the Group's revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

There is no judgement in the allocation of the transaction price of identified performance obligations.

Government grants
Government grants received on capital expenditure are generally deducted in arriving at the carrying amount of the asset purchased. Grants for revenue expenditure are netted against the cost incurred by the Group. Where retention of a government grant is dependent on the Group satisfying certain criteria, it is initially recognised as deferred income. When the criteria for retention have been satisfied, the deferred income balance is released to the Consolidated Statement of Comprehensive Income or netted against the asset purchased. Government grants are recognised on the accrual basis and any performance requirements are disclosed as required.

Finance income
Interest income is recognised in profit or loss as it accrues, using the effective interest method. Cash held in overnight deposit accounts with financial institutions generates interest income, which is recognised in the Statement of Profit or Loss on an accrual basis in accordance with IFRS 9's effective interest method.

Expenses
Distribution expenses:
Distribution expenses incurred directly in respect of bringing products to market. These will include marketing and commissioning costs to distributors and are recorded at the point the expense is incurred.

Administrative expenses:
Administrative expenses represent expenses incurred as fixed costs of business operations of the Group, including rent, utilities and payroll. These expenses are incurred at the point they are incurred.

Finance expenses
Finance expenses comprise interest payable on borrowings and interest on lease liabilities which are recognised in profit or loss using the effective interest method and incremental borrowing rate respectively. Finance expense also includes the IAS29, hyperinflationary impact on the profit and loss of the Turkish subsidiary.

Non-recurring items
Non-underlying and non-recurring items are items, which, due to their one-off, non-trading and non-underlying nature, have been separately classified by the Directors in order to draw them to the attention of the reader and allow for greater understanding of the operating performance of the Group. Note 7 provides further details on the nature of the non-underlying and non-recurring items.

Taxation
(a) Current taxation
Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(b) Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. 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.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Cash flows
In the statement of cash flows, cash flows are reported on a net basis where they represent cash receipts and payments for items where the turnover is quick, the amounts are large, and the maturities are short. This applies to the Group's invoice financing and trade loans arrangements, which are used for the purposes of funding the working capital.

Goodwill
Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment in the investee.

The carrying amount of goodwill at 31 December 2025 was $1,259,000 (2024: $1,259,000) which solely relates to Chinatool UK Limited. Goodwill arising on the acquisition of Chinatool UK Limited by fellow Group subsidiary China Tool Projects UK Limited is measured as the excess of the consideration transferred over the fair value of the identifiable net assets acquired, in accordance with IFRS 3.The goodwill relating to Chinatool UK Limited was subject to annual impairment testing, and no need for impairment was identified during the year. Details of the impairment testing performed, and sensitivity analysis performed is set out in Note 14.

Intangible assets
Research and development
Expenditure on research activities is recognised in profit or loss as an expense as incurred.

Intangible assets (including software)
Expenditure on internally generated goodwill and brands is recognised in profit or loss as an expense as incurred.

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and less accumulated impairment losses.

Amortisation
Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Software -	2 - 5 years

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Assets under construction	-	not depreciated
Plant and equipment		
Tools and dyes	-	2-5 years straight line
Assembly line equipment	-	8-12 years straight line
Heavy production machinery	-	12-15 years straight line
Furniture, fixtures and equipment	-	2-5 years straight line
Motor vehicles	-	2-5 years straight line

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.
Residual values of property, plant and equipment represent the estimated amount that the Group would currently obtain from disposal of the asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life. Residual values are reviewed at each balance sheet date and adjusted where appropriate. Changes in residual values are accounted for prospectively as a change in accounting estimate. Management identifies assets for disposal based on technical obsolescence, physical condition, lack of future economic benefit, or where the asset is no longer required for operations.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realisable value is the value that would arise on sale of inventories in the normal course of business, minus a reasonable estimation of selling costs.

Impairment excluding inventories and deferred tax assets
The carrying amounts of the Group's non-financial assets, other than inventories 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 period 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 generates 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"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to a group of CGUs that are expected to benefit from the synergies of the combination.

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.

Classification of financial instruments issued by the Group
Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Company (or Group as the case may be) to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments, or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of any issues are classified as a financial liability.

Non-derivative financial instruments
Financial assets and liabilities are recognised when the Group becomes party to the contractual provisions of the instrument.

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables
Trade and other receivables are initially measured at their transaction price. Trade receivables and other receivables are held to collect the contractual cash flows which are solely payments of principal and interest. Therefore, these receivables are subsequently measured at amortised cost using the effective interest rate method.

Trade and other payables
Trade and other payables are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Interest-bearing borrowings
Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. See Note 24 for full details of classes of interest-bearing borrowings.

Effective interest rate
The 'effective interest' is calculated using the rate that exactly discounts estimated future cash payments or receipts (considering all contractual terms) through the expected life of the financial asset or financial liability to its carrying amount before any loss allowance.

Impairment of financial assets
A provision for impairment is established on an expected credit loss model under IFRS 9. The amount of the provision is the difference between the asset's carrying amount and the expected value of the amounts recovered.

The probability of default and the expected amounts recoverable are assessed under reasonable and supportable past and forward-looking information that is available without undue cost or effort. The expected credit loss is a probability weighted amount determined from a range of outcomes (including assessments made using forward-looking information) and takes into account the time value of money.

Impairment losses and subsequent reversals of impairment losses are adjusted against the carrying amount of the receivable and recognised in profit or loss.

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. The Group utilises derivatives consisting of exchange contracts to reduce foreign currency risk.

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss in the periods during which services are rendered by employees.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Provisions

A provision is recognised in the Balance Sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Amounts recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

All automotive products are sold with a warranty which mirrors the warranty offered by the Original Equipment Manufacturer (OEM) to consumers. Due to the thorough quality checking that is undertaken by the customers during assembly, and the low-risk nature of the products, it is the Company's policy to only hold a small provision for warranty claims. This is supported by the historically low value of warranty claims in the past few years which the Directors do not consider to be material.

Leases

Identifying leases

The Group accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

(a) There is an identified asset;
(b) The Group obtains substantially all the economic benefits from use of the asset; and
(c) The Group has the right to direct use of the asset.

The Group considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Group obtains substantially all the economic benefits from use of the asset, the Group considers only the economic benefits that arise from use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Group has the right to direct use of the asset, the Group considers whether it directs, how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Group considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group applies other applicable IFRSs rather than IFRS 16.

Lease measurement

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 unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to exercise that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of a termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

Incremental borrowing rate used to measure lease liabilities
Where the interest rate implicit in the lease cannot be readily determined, lease liabilities are discounted at the lessee's incremental borrowing rate. This is the rate of interest that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. This involves assumptions and estimates, which would affect the carrying value of the lease liabilities and the corresponding right-of-use assets.

To determine the incremental borrowing rate, the Group uses recent third-party financing as a starting point and adjusts this for conditions specific to the lease such as its term and security.

The Group used an incremental borrowing rate of 4.5% to 50.0% depending on the specifics of the lease, particularly based on which country the underlying asset is based in.

Earnings per share
Basic earnings per share (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 period. Share options are dilutive, and the Group has calculated dilutive EPS in note 13.

Segment reporting
IFRS 8 'Operating Segments' requires operating segments to be determined based on the Group's internal reporting to the Chief Operating Decision Maker. See Note 4 for the accounting policy and related disclosures for segment reporting.

Share-based payments
Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 29.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

New standards, interpretations and amendments
There have been a number of amendments to existing standards which are effective from 1 January 2025, but they do not have material effect on the Group financial statements.

New/Revised International Financial Reporting Standards	Effective Date: Annual periods beginning on or after:	UKEB adopted

IAS 21	Amendments to IAS 21: Lack of Exchangeability (Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates)	1 January 2025	Yes

At the date of approval of the consolidated financial statements, the IASB and IFRS Interpretations Committee have issued standards, interpretations and amendments which are applicable to the Group. For the next reporting period, applicable International Financial Reporting Standards will be those endorsed by the UK Endorsement Board (UKEB).

Whilst these standards and interpretations are not effective for, and have not been applied in the preparation of, these consolidated financial statements, the following could have a material impact on the Group's financial statements going forward:

New/Revised International Financial Reporting Standards		Effective Date: Annual periods beginning on or after:	UKEB adopted
IFRS 9 and 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026	Yes
IFRS 9 and 7	Contracts Referencing Nature-dependant Electricity	1 January 2026	Yes
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027	Yes
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027	No

Management anticipates that all relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement.

There are no other standards and interpretations in issue but not yet adopted that the Directors anticipate will have a material effect on the reported income or net assets of the Group.

2. Restatement of financial statements: prior period adjustments, 2024 comparatives, and opening balance sheet as at 1 January 2024

During the year ended 31 December 2025, several errors were identified relating to the incorrect recognition and classification of certain balances in prior periods. These errors affected the consolidated statement of financial position and the consolidated statement of profit or loss and other comprehensive income for both 2024 and prior periods. For all prior period restatements and reclassifications listed below, the relevant facts and information were available at the time the prior period financial statements were authorised for issue. Accordingly, management has concluded that these items represent prior period errors in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, rather than current-year events, changes in estimates, or changes in judgment.

These corrections of these errors through prior year adjustments have no impact on the Group's cash position and no impact on underlying operational performance in 2025 or going forward.

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the Group has corrected these errors retrospectively by restating the comparative amounts for 2024 and adjusting the opening balances as at 1 January 2024. The financial impact of these prior year adjustments is outlined in the restated opening and closing balance sheets for 2024 and the restated retained earnings for 2024 set out below.

a. The nature of the prior period adjustments is set out below.

1.Overstatement of revenue and administrative expenses on one project

During the year, Management identified an error relating to the accounting treatment of one particular tooling project. Tooling income had been correctly accrued in 2016, with recovery agreed through future piece price arrangements with the customer. The accrued amount was fully recovered in the years 2016 to 2022 through such pricing arrangements. However, the final receipt in 2022 of $825,000 was incorrectly recognised as revenue instead of being recorded against the previously recognised accrual balance.

The original treatment was incorrect because the final receipt represented recovery of an existing accrued balance rather than revenue earned in 2022. As a result, revenue for 2022 was overstated ($825,000). Subsequently, an element of the related accrual balance was incorrectly written off through administrative expenses during 2023 ($169,000) and 2024 ($68,000), resulting in an overstatement of administrative expenses in those periods. The correct accounting treatment is to offset the final receipt against the previously recognised accrual balance, with no additional revenue recognised upon settlement.

The correction of this error resulted in an increase in the accumulated deficit 1 January 2024 of $656,000 and as at 31 December 2024 $588,000 with a corresponding reduction in trade receivables. Comparative administrative expenses for 2024 have also been reduced by $68,000 to reflect the correction of the error.

2.Misclassification of a customer prepayment in 2021

During the year, Management identified an error relating to the accounting for a customer overpayment arising in 2021, where a total amount of €2.68 million was over-invoiced due to the customers auto-billing system and overpaid by the customer. The item was previously accounted for as a prepayment (recognised within trade and other receivables) and amortised to the statement of profit or loss over the expected life of the related contract under administrative expenses.

The original treatment was incorrect because the balance did not meet the definition of an asset under the IFRS Conceptual Framework, as it did not represent a controlled economic resource or provide future economic benefits. Accordingly, the overpayment should not have been recognised as an asset, but rather offset against the overstated sales recognised in 2021.

The correction of this error resulted in an increase in the accumulated deficit of $2.265 million as at 1 January 2024 with a corresponding reduction in trade receivables. This was partially offset by the reversal of $413,000 of administrative expenses recognised during FY24, resulting in an increase in the accumulated deficit of $1.852 million as at 31 December 2024 with a corresponding reduction in trade receivables. Comparative administrative expenses for 2024 have also been reduced by $413,000 to reflect the correction of the error.

3. Unsupported prior year consolidation adjustment reversing tooling amortisation

During the year, Management identified an error relating to a consolidation adjustment recorded in 2021 associated with the reversal of amortisation charged on tooling as part of a 2019 audit adjustment. The adjustment reversed previously recognised amortisation; however, there was no underlying economic event or accounting basis to support the reversal. The incorrect adjustment was carried forward in the consolidated financial statements in subsequent periods.

The original treatment was incorrect because the reversal of tooling amortisation did not reflect any commercial substance of the transaction and resulted in trade receivables and accumulated deficit being understated within the consolidated financial statements. The correct accounting treatment is to reverse the unsupported consolidation adjustment and reflect the appropriate amortisation treatment based on the underlying accounting records.

The correction of this error resulted in an increase in accumulated deficit as at 1 January 2024 and 31 December 2024 of $763,000, together with a corresponding decrease in trade receivables. The error has been corrected through retrospective restatement. There is no impact on profit for 2024.

4. Incorrect recognition and presentation of administration expenses and plant & machinery

During the year, Management reassessed historical IFRS 16 consolidation adjustments relating to the Group's Chinese subsidiary and identified two historical errors within the lease accounting balances.

Firstly, historical consolidation errors relating to plant and machinery balances from a plant & machinery control account used by the Group's Chinese subsidiary during the asset capitalisation process were recorded as a reduction in administrative expenses during 2023 and 2024. As a consequence of this error, administrative expenses were understated by $1.45 million in 2024 and $0.65 million in 2023, while plant & machinery balances were overstated by $2.1 million as at 31 December 2024 and by $0.65 million as at 01 January 2024.

Secondly, manual consolidation adjustments were posted in error in 2022, 2023 and 2024. These manual adjustments were intended to eliminate duplication on consolidation but had the effect of causing an incorrect gross up of certain lease balances and reducing administrative expenses. As a consequence, right of use assets were overstated by $1.2 million and lease liabilities were overstated by $1.35 million at 1 January 2024. Administrative expenses were understated by $0.15 million in 2024. The balance sheet impact of this second error was corrected through the opening balance sheet as at 1 January 2024. However, the income statement effect of this transaction had not been fully captured at that date. The subsequent adjustment in 2024 corrected administrative expenses to reflect the amortisation and interest expense element of this entry, resulting in administrative expenses being understated by $0.15 million in 2024.

In order to correct these errors, a prior year restatement has been recorded which has increased administrative expenses in 2024 by $1.45 million due to the correction of the correction of the Plant & machinery entry error, and by an additional $0.15 million due to the correction of the manual consolidation error, resulting in a total profit reduction of $1.6 million. The accumulated deficit as at 1 January 2024 was increased by $0.5 million and as at 31st December 2024 was increased by $2.1 million. The cumulative balance sheet reclassification adjustments reduced plant & machinery balances by $2.1 million.

Since these adjustments affected the Consolidated Statement of Profit and Loss of the respective reporting periods, restatements have been made to the annual profits for both 2023 and 2024.

5.Prior period misstatements related to audit adjustments in our Chinese subsidiaries and tooling adjustments

During the year, Management identified errors relating to prior period audit adjustments recorded in the Group's Chinese subsidiaries and certain tooling-related adjustments, which resulted in discrepancies in the brought-forward balances for 2025. The items were the unadjusted local statutory audit entries not considered in the Group's consolidated financial statements, leading to misstatement of asset and liability balances carried forward into subsequent periods.

The original treatment was incorrect because the adjustments related to conditions that existed in prior reporting periods and should have been reflected in those periods. Under IAS 8, errors arising from failure to incorporate reliable information available at the time of authorisation of financial statements must be corrected retrospectively. The correct treatment is therefore to restate the prior period financial statements to reflect these audit and tooling adjustments in the appropriate periods, with corresponding adjustments to retained earnings and relevant balance sheet line items.

This correction has resulted in a net increase in 2024 reported profit of $280k, with a corresponding increase in opening net assets of $312k. The restatement in the balance sheet as at 31 December 2024 includes decreases in intangible assets ($77k), inventories ($250k), trade and other receivables ($497k), partially offset by increases in property, plant and equipment ($37k) and deferred tax assets ($312). Correspondingly, trade and other payables increased by $540k and non-current lease liabilities by $247k.The net impact has been recognised through a decrease in accumulated deficit of $280k, with the balance of $32k reflected in translation reserves

6. Reclassification of Prior Period Comparative Information

Certain comparative figures have been reclassified to align with the current year presentation of financial statements. These reclassifications relate solely to presentation changes and do not have any impact on the previously reported profit and loss statement.

6a. Derecognition of lease liability and right-of-use assets relating to a service contract

During the year, management reassessed the accounting treatment of a warehouse rental agreement under IFRS 16 for a Group UK subsidiary. The arrangement had initially been recognised as a lease, with a right-of-use asset of $322,000 and a corresponding lease liability of $322,000 recorded on commencement in 2024

This original recognition was incorrect since the agreement does not meet the definition of a lease under IFRS 16, as the contract does not convey the right to control the use of an identified asset. Accordingly, the arrangement should have been accounted for as a service contract, with the related payments recognised as operating expenses in the Consolidated Statement of Profit and Loss on a straight-line basis over the contract term, rather than recognising a right-of-use asset and lease liability. As a result, the prior accounting treatment was determined to be incorrect, requiring derecognition of the lease asset and liability.

The correction has resulted in derecognition of previously recognised right-of-use asset of $322,000 and lease liability of $322,000 in the 2024 comparative financial information.

6b. Reclassification of unbilled tooling revenue balances to other receivables (Contract Assets)

During the year, Management identified an error relating to the presentation of debit balances arising from accruals for unbilled tooling revenue. These balances were previously presented within deferred revenue under contract liabilities in the consolidated financial statements.

The original treatment was incorrect because debit balances arising from unbilled tooling revenue represent rights to consideration for performance obligations satisfied and therefore meet the definition of contract assets rather than contract liabilities under IFRS 15 Revenue from Contracts with Customers. The correct accounting treatment is to present such balances within contract assets in the statement of financial position.

The correction of this error resulted in the reclassification of $1.2 million from contract liabilities to contract assets as at 31 December 2024. The restatement had no impact on total equity, profit for the year, or cash flows.

6c.Machine mortgage loan reclassified from trade and other payables to borrowing

During the year, Management identified an error relating to the classification of a secured machine mortgage loan amounting to $504k as at 31 December 2024. The item was previously accounted for within trade and other payables.

The original treatment was incorrect because the balance represented an interest-bearing borrowing rather than a trade payable. Under IAS 1 *Presentation of Financial Statements*, liabilities must be classified according to their nature, and borrowings should be presented separately from trade payables, with appropriate distinction between current and non-current portions. The correct treatment is therefore to classify the balance as borrowings, with $404k recognised as current liabilities and $100k recognised as non-current liabilities.

This correction has resulted in a reclassification within liabilities, with a decrease in trade and other payables of $504k and a corresponding increase in borrowings (current: $404k; non-current: $100k), with no impact on profit or loss, retained earnings or total net assets.

6d. Reclassification of PRC statutory reserve within equity

During the year, Management identified an error relating to the presentation of the PRC statutory reserve within equity as at 1 January 2024 and 31 December 2024. The item was previously accounted for within retained earnings rather than being presented separately as a PRC reserve.

The original treatment was incorrect because, in accordance with IAS 1 *Presentation of Financial Statements*, material components of equity should be presented separately when relevant to an understanding of the entity's financial position. The PRC reserve represents a statutory reserve required under Chinese local regulations and is distinct in nature from retained earnings. The correct treatment is therefore to present the PRC reserve as a separate component within equity, with appropriate disclosure.

This correction has resulted in a reclassification within equity, with a decrease in retained earnings and a corresponding increase in PRC reserve of $1.11 million as at 1 January 2024 and $1.19 million as at 31 December 2024, with no impact on profit or loss, total equity or net assets.

b. Presentation of the impact of the Prior Year Adjustments

Consolidated statement of financial position as at 31 December 2024

Financial statement line item	Previously reported	Adjustment	Restated
	$'000	**$'000**	**$'000**
I. Assets			
Intangible assets	**207**	**(77)**	**130**
5.Prior period misstatements related to audit adjustments in our Chinese subsidiaries and tooling adjustments.		(77)	
Property plant and equipment	**7,644**	**(2,067)**	**5,577**
4. Incorrect recognition and presentation of administration expenses and plant & machinery		(2,104)	
5.Prior period misstatements related to audit adjustments in our Chinese subsidiaries and tooling adjustments.		37	
Right of use assets	**6,750**	**(322)**	**6,428**
6a. Derecognition of lease liability and right-of-use assets relating to a service contract		(322)	
Deferred tax assets	**1,627**	**312**	**1,939**
5.Prior period misstatements related to audit adjustments in our Chinese subsidiaries and tooling adjustments.		312	
Inventories	**27,676**	**(250)**	**27,426**
5.Prior period misstatements related to audit adjustments in our Chinese subsidiaries and tooling adjustments.		(250)	
Trade and other receivable	**25,667**	**(2,512)**	**23,155**
1.Overstatement of revenue and administrative expenses on one project		(588)	
2.Misclassification of a customer prepayment in 2021.		(1,852)	
3. Unsupported prior year consolidation adjustment reversing tooling amortisation		(763)	
5.Prior period misstatements related to audit adjustments in our Chinese subsidiaries and tooling adjustments.		(497)	
6b.Reclassification of unbilled tooling revenue balances to other receivables (Contract Assets)		1,188	
Total assets	**74,681**	**(4,916)**	**69,765**
II. Total liabilities			
Trade and other payables	**(30,203)**	**(144)**	**(30,347)**
5.Prior period misstatements related to audit adjustments in our Chinese subsidiaries and tooling adjustments.		540	
6b.Reclassification of unbilled tooling revenue balances to other receivables (Contract Assets)		(1,188)	
6c.Machine mortgage loan to be reclassified from trade and other payables to borrowing		504	
Other interest-bearing loans and borrowings -current	**(9,860)**	**(404)**	**(10,264)**
6c.Machine mortgage loan to be reclassified from trade and other payables to borrowing		(404)	
Current lease liabilities	**(2,109)**	**294**	**(1815)**

5.Prior period misstatements related to audit adjustments in our Chinese subsidiaries and tooling adjustments.		247	
6a. Derecognition of lease liability and right-of-use assets relating to a service contract		47	
Non- current lease liabilities	**(5,222)**	**275**	**(4,947)**

6a. Derecognition of lease liability and right-of-use assets relating to a service contract		275	
Other interest-bearing loans and borrowings non-current	**-**	**(100)**	**(100)**
6c.Machine mortgage loan to be reclassified from trade and other payables to borrowing		(100)	
Total liabilities	**(48,503)**	**(79)**	**(48,582)**
Net Assets	**26,178**	**(4,995)**	**21,183**
III. Total equity			
Translation reserve	**(682)**	**32**	**(650)**
5.Prior period misstatements related to audit adjustments in our Chinese subsidiaries and tooling adjustments.		32	
Retained earnings/ (Accumulated deficit)	**(1,420)**	**(6,221)**	**(7,641)**
1. Overstatement of revenue and administrative expenses on one project		(588)	
2.Misclassification of a customer prepayment in 2021.		(1,852)	
3. Unsupported prior year consolidation adjustment reversing tooling amortisation		(763)	
4. Incorrect recognition and presentation of administration expenses and plant & machinery		(2,104)	
5.Prior period misstatements related to audit adjustments in our Chinese subsidiaries and tooling adjustments.		280	
6d.Reclassification of PRC statutory reserve within equity		(1,194)	
Statutory PRC reserve	**-**	**1,194**	**1,194**
6d.Reclassification of PRC statutory reserve within equity		1,194	
Total equity	**26,178**	**(4,995)**	**21,183**

Consolidated statement of Profit or Loss and OCI as at 31 December 2024

Financial statement line item	**Previously reported**	**Adjustment**	**Restated**
	$'000	**$'000**	**$'000**
Administrative expenses	**(22,193)**	**(841)**	**(23,034)**
1. Overstatement of revenue and administrative expenses on one project		68	
2.Misclassification of a customer prepayment in 2021.		413	
4. Incorrect recognition and presentation of administration expenses and plant & machinery		(1,602)	
5.Prior period misstatements related to audit adjustments in our Chinese subsidiaries and tooling adjustments.		280	
Operating Profit	**9,556**	**(841)**	**8,715**
Profit before Tax	**7,475**	**(841)**	**6,634**
Profit for the Year	**8,449**	**(841)**	**7,608**
Foreign currency translation differences - foreign			

operations	**715**	**32**	**747**
5.Prior period misstatements related to audit adjustments in our Chinese subsidiaries and tooling adjustments.		32	
Total comprehensive Income	**9,164**	**(809)**	**8,355**

c. Earnings per share impact

The correction to profit/loss attributable to ordinary shareholders has reduced prior-year basic EPS by 2.25 cents and diluted EPS by 2.12 cents.(Refer note no. 13)

d. Correction at the beginning of the earliest period presented.

Consolidated statement of financial position as at 1 January 2024

Financial Statement Line Item	Previously reported	Adjustment	Restated
	$'000	**$'000**	**$'000**
I. Total assets			
Property plant and equipment	**7,089**	**(654)**	**6,435**
4. Incorrect recognition and presentation of administration expenses and plant & machinery		(654)	
Right of use assets	**7,895**	**(1,207)**	**6,688**
4. Incorrect recognition and presentation of administration expenses and plant & machinery		(1,207)	
Trade and other receivable	**30,578**	**(3,684)**	**26,894**
1. Overstatement of revenue and administrative expenses on one project		(656)	
2.Misclassification of a customer prepayment in 2021.		(2,265)	
3. Unsupported prior year consolidation adjustment reversing tooling amortisation		(763)	
Total assets	**84,404**	**(5,545)**	**78,859**
II. Total liabilities			
Non- current Lease liabilities	**(5,458)**	**1,359**	**(4,099)**
4. Incorrect recognition and presentation of administration expenses and plant & machinery	-	1,359	-
II. Total liabilities	**(67,437)**	**1,359**	**(66,078)**
Net assets	**16,967**	**(4,186)**	**12,781**
III. Total equity			
Retained earning / (Accumulated deficit)	**(10,070)**	**(5,301)**	**(15,371)**
1. Overstatement of revenue and administrative expenses on one project		(656)	
2.Misclassification of a customer prepayment in 2021.		(2,265)	
3. Unsupported prior year consolidation adjustment reversing tooling amortisation		(763)	
4. Incorrect recognition and presentation of administration expenses and plant & machinery		(502)	
6d.Reclassification of PRC statutory reserve within equity		(1,115)	
Statutory PRC reserve	**-**	1,115	1,115
6d.Reclassification of PRC statutory reserve within equity		1,115	

e. Cash flow statement impact

The correction of the prior period errors resulted in reclassifications within the comparative Consolidated Statement of Cash Flows between operating, investing and financing activities, with no impact on total cash and cash equivalents. As a result of the restatement, net cash generated from operating activities decreased by $912k, net cash used in investing activities decreased by $1,417k and net cash used in financing activities increased by $504k. Refer to the Consolidated Statement of Cash Flows on page 100 for further details.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experiences may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Directors do not consider climate - related risks, either transition risks or physical climate -related risks, to have a significant risk of causing a material financial impact. Climate-related risks are considered as part of the Group's normal risk assessments.

In preparing these financial statements, the Directors made the following judgements:

Deferred tax asset recognition and recoverability

A deferred tax asset has been recognized as at 31 December 2025 at a value of $1.43 million. Of this deferred tax asset, £332k arises on intergroup transactions related to the provision for unrealised profits and on tooling revenue. The remaining deferred tax assets have been recognised in relation to brought forward tax losses in the UK parent company ($1.0 million) and the Group's Mexican subsidiary ($97k), whereby there are estimated probable future taxable profits, against which the Group anticipate utilising these losses. The Group has taken into consideration the future prospects and potential for utilising these deferred tax assets while not recognising assets against all available tax losses, ensuring the Group's future financial position, and its capacity to utilise such losses, is appropriately reflected. These balances were tested at 31 December 2025 and updated with minimal movements to the deferred tax asset balance.

Non-controlling Interests

The Company owned 100% of its subsidiary, CT Automotive Systems De, Mexico S.A. de C.V. as at 31 December 2022. On 23 November 2023, 10% of the shares in the subsidiary were sold to Simon Phillips, CEO and Scott McKenzie, COO resulting in a non-controlling interest in the Group's Consolidated Financial Statements. The Group has exercised judgement in evaluating the control it exercises over the Mexican subsidiary after the change in ownership. Based on their evaluation, the Group has concluded that the profits of the Mexican entity will be split between the owners of the Group and non-controlling interests based on the percentage ownership of the subsidiary. On the date of the transfer of ownership, the entity held a net liability of $598,604 of which 10% is attributable to the non-controlling interests at $59,860. The issuance of new equity to the non-controlling interest resulted in a profit of $54k. In 2025, the share of the profit attributable to non-controlling interest was $75k. The non-controlling interests are recorded separately in the Statement of Profit or Loss, the Balance Sheet and the Statement of Changes in Equity.

Hyperinflation

The Group exercises significant judgement in determining the impact of the onset of hyperinflation in countries in which it operates and whether the functional currency of its subsidiaries in such countries is the currency of a hyperinflationary economy.

Various characteristics of the economic environment of each country are taken into account. These characteristics include, but are not limited to, whether:

- the general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency;
- prices are quoted in a relatively stable foreign currency;
- sales or purchase prices take expected losses of purchasing power during a short credit period into account;
- interest rates, wages and prices are linked to a price index; and
- the cumulative inflation rate over three years is approaching, or exceeds, 100%.

Management exercises judgement as to when a restatement of the financial statements of a Group entity becomes necessary. Following Management's assessment, the Group's subsidiary in Türkiye has been, and continues to be, accounted for as an entity operating in a hyperinflationary economy. The results, cash flows and financial position of Chinatool Otomotiv Sanayi Tic. Limited Sti. have been expressed in terms of the measuring units current at the reporting date.

The movement in the general price index in the reporting period was 30.90% (2024: 44.38%).

In applying IAS 29 to the financial reporting of the subsidiary incorporated in Türkiye, it is crucial to note that a deliberate judgement has been exercised in the treatment of indexation agreements that impact consolidated profit or loss. The impact is included as a finance expense in 2025 of $427k (2024: ($210k)) These specific agreements have been intentionally ignored in the calculations, aligning with the guidelines set forth in IAS 29, and maintains continuity with the prior year detailed calculations and commentary.

IAS 29 does note that non-monetary (Balance Sheet) items that are linked to indexation agreements have the rates stipulated within the agreements applied, rather than a general price index, although the same allowance/ exception is not provided for items of profit or loss.

Other key sources of estimation uncertainty:

Inventories provision
Inventories are stated at the lower of cost and net realisable value. The Group reviews inventory at each reporting date to identify items that are slow-moving, obsolete or have a net realisable value lower than cost. The provision for obsolete and slow-moving inventories is estimated based on a combination of ageing analysis, historical usage patterns, expected future sales, and Management's assessment of items that are unlikely to be consumed or sold. The provision is calculated as the difference between the carrying amount of such inventories and their estimated net realisable value.

The resulting provision amounted to $672k as at 31 December 2025 (2024: $661,843). The estimation of the provision involves judgement because it requires forecasting demand, assessing product obsolescence and determining recoverable values. Changes in customer demand, market conditions, or service stock assumptions could result in material adjustments to the provision. A reduction in forecast sales or an increase in slow-moving inventory would lead to higher provisions, while improved demand could reduce the provision.

Expected credit loss

Bad debt provision

The Group had included a bad debt provision of $220,229 during the year. This provision reflects Management's assessment of the collectability of accounts receivable based on historical collection patterns, current economic conditions, and specific customer circumstances. The evaluation involves a careful analysis of outstanding receivables and the estimation of potential credit losses that may arise from defaults. By proactively setting aside this provision, the Group aims to present a more accurate representation of its financial position and ensure compliance with relevant accounting standards. This approach underscores the Group's commitment to maintaining financial integrity while effectively managing credit risk. Changes in economic conditions or customer creditworthiness could materially impact the provision. An increase in default rates or deterioration in macroeconomic conditions would result in higher ECL, while improved collections or customer performance would reduce the provision.

Recoverability of VAT in foreign jurisdictions

The Group has outstanding VAT receivables totalling $4.06m. Management has assessed the recoverability of these balances based on prevailing regulations, historical recovery rates, and ongoing discussions with relevant tax authorities. Although there may be inherent uncertainties due to potential changes in local tax laws or administrative procedures, it is currently expected that the outstanding VAT amount will be fully recovered by mid-2026. This estimate has been evaluated to ensure alignment with applicable accounting standards and to represent the financial position as of the reporting date. Delays in processing, disputes with tax authorities, or changes in tax laws could affect the timing and amount of recovery. If recovery is slower than expected or partially disallowed, this could result in impairment of VAT receivables.

Uncertain tax positions

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty. Outcomes of tax authority reviews or changes in tax legislation could differ from management's estimates, potentially resulting in additional tax liabilities, penalties, or reversals of existing provisions.

4. Segment information

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM has been identified as the Management team including the Chief Executive Officer. The segmental analysis is based on the information that the Management team uses internally for the purpose of evaluating the performance of operating segments and determining resource allocation between segments.

The Group has two strategic divisions which are its reportable segments.

The Group has the below strategic divisions shown as reportable segments:

1) Tooling - Design, development and sale of tooling for the automotive industry.
2) Production - Manufacturing and distributing serial production of interior parts for the automotive industry.

The Group evaluates segmental performance on the basis of revenue and profit or loss from operations calculated in accordance with IFRS. In accordance with IFRS 8, only Tooling and Production are identified as reportable segments, with Head Office presented solely as a reconciling item.

Inter-segment sales are priced along the same lines as sales to external customers, with an appropriate discount being applied to encourage use of Group resources at a rate acceptable to local tax authorities. This policy was applied consistently in the current and prior year. The inter-segment sales in 2025 were $nil (2024: $Nil).

	Reportable Segment			
2025	**Tooling**	**Production**	**Head Office**	**Total**
	$'000	**$'000**	**$'000**	**$'000**

Total revenue from external customers	13,458	101,375	-	114,833
Revenue from other operating segments	-	-	-	-
Depreciation and amortisation	-	(3,664)	-	(3,664)
Net finance expense	-	(1,661)	(34)	(1,695)
Segment Profit/(Loss)	5,829	8,781	(5,458)	9,152
Group Profit before tax and discontinued operations				9,152

2025	Reportable Segment Tooling $'000	Production $'000	Head Office $'000	Total $'000
Additions to non-current assets	-	5,778	-	5,778
Reporting segment assets	910	76,659	928	78,497
Reportable segment liabilities	(26,863)	(21,048)	(829)	(48,740)

2024 [Restated]	Reportable Segment Tooling $'000	Production $'000	Head Office $'000	Total $'000
Total revenue from external customers	11,967	107,781	-	119,748
Depreciation and amortisation	-	(4,875)	-	(4,875)
Net finance expense	-	(2,084)	(46)	(2,130)
Segment Profit/(Loss) [Restated]	3,885	9,842	(7,093)	6,634
Group Profit before tax and discontinued operations				6,634

2024 [Restated]	Reportable Segment Tooling $'000	Production $'000	Head Office $'000	Total $'000
Additions to non-current assets	-	1,721	-	1,721
Reporting segment assets	963	67,956	846	69,765
Reportable segment liabilities	(2,570)	(44,430)	(1,582)	(48,582)

	External revenue by location of customers		Non-current assets by location of assets	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Europe	28,571	42,565	1,190	1,639
North America	44,295	31,977	8,570	3,446
Asia Pacific	10,419	15,652	8,031	7,803
United Kingdom	27,250	25,680	1,721	2,133
Rest of the world	4,298	3,874	253	312
	114,833	119,748	19,765	15,333

Due to the nature of the automotive industry becoming increasingly consolidated with mergers, acquisitions and strategic alliances, the number of customers under separate control is decreasing whilst the size of such customers is increasing.

Analysis of concentration of customers, above 10% of Group revenue:
In 2025 the Group had three major customers representing $51.7 million (45%), $23.8 million (21%) and $12.6 million (11%) of Group revenue. These revenues are reported under Production Revenue and Tooling segments.

In 2024 the Group had three major customers representing $45.5 million (38%), $22 million (18%) and $9.2 million (7.6%) of Group revenue. These revenues are reported under Production Revenue and Tooling segments.

5. Revenue

	2025	2024
	$'000	**$'000**
Disaggregation of revenue		
An analysis of revenue by type is given below: Sale of parts	101,375	107,781
Sale of tooling (including design and development)	13,458	11,967
	114,833	119,748

An analysis of revenue by geographical market is given within Note 4.

All revenue is recognised from goods transferred at a point in time.

Contract balances	**2025**	**2024**
Balance as at 1 January	4,858	5,769
Revenue recognised that was included in contract liabilities at the beginning of the year	(3,493)	(2,718)
Increases due to cash received, excluding amounts recognised as revenue during the year	4,708	1,807
Balance as at 31 December	**6,073**	**4,858**

The following table includes revenue expected to be recognised in the future, related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

31 December 2025	2026 $'000	2027 $'000	Total $'000
Tooling projects	9,286	3,490	12,776

31 December 2024	2025 $'000	2026 $'000	Total $'000
Tooling projects	8,010	4,516	12,526

All consideration from contracts with customers is accounted for as contract assets or liabilities and released to the revenue once the performance obligation is fulfilled.

The Group applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

6. Other operating income

	2025 $'000	2024 $'000
Government grants	-	350
Other income	145	367
	145	717

The government grant income relates to government support received in China relating to utilities and training subsidies and promotion of foreign trade. Specific performance obligations are dictated by the grant agreements and must be met to receive the government grants.

Other income relates to the net impact of writing off aged balances in receivables and payables. These balances are historic and, per the Group's due diligence and assessment, are either no longer collectable from customers or payable to vendors.

7. Non-recurring items

	2025 $'000	2024 $'000
Redundancy Costs	425	-
	425	-

Non-recurring items are items, which, due to their one-off, non-trading and non-underlying nature, have been separately classified by the Directors in order to draw them to the attention of the reader and allow for greater understanding of the operating performance of the Group.

Items included in non-recurring costs in the current year:

- One-off redundancy costs of $425k were incurred during 2025 in relation to optimising our manufacturing footprint in China and Türkiye.

8. Expenses and auditors' remuneration

	2025 $'000	2024 [Restated] $'000
Operating profit is stated after charging/(crediting):		
Amortisation:		
- *Continuing operations*	60	153
Depreciation on owned assets:		
- *Continuing operations*	1,265	1,383
Foreign exchange loss	13,080	40,702
Foreign exchange (gain)	(14,028)	(38,909)
Depreciation of right-of-use assets:		
- *Continuing operations*	2,339	3,339
Cost of inventories expensed	61,166	68,117
(Gain)/Loss on disposal of fixed assets	(245)	402
Impact of hyper inflation	427	(210)

	2025 $'000	2024 $'000
Auditor's remuneration		
Fees payable to the company's auditor for the audit of the parent company and the group's consolidated financial statements	376	351
Fees payable to the company's auditors for the audit of the company's subsidiaries	178	223

9. Staff numbers and costs

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

	2025 No.	2024 No. [Restated]
Production staff	1,575	1,745
Management and administration staff	352	318
	1,927	2,063

The following is the breakdown of staff costs (including key Management personnel)

	2025 $'000	2024 $'000
Wages and salaries	31,430	28,679
Social security costs	2,632	2,143
Contribution to defined pension plans	641	630
	34,703	31,452

Key Management personnel compensation

Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the Directors of the Company.

	2025	2024
	$'000	$'000
Key Management remuneration including social security costs	940	1,355
Group contribution to money purchase pension plans	3	15
	943	1,370

Directors' remuneration

	2025	2024
	$'000	$'000
Directors' remuneration	772	819
Group contribution to money purchase pension plans	3	6
	775	825

Full details of Directors' remuneration are shown on page 71.

Retirement benefits were accruing to 1 Director in the year (2024: 2) under money purchase schemes.

10. Finance expenses

	2025	2024 [Restated]
	$'000	$'000
Interest on bank loans and borrowings	931	1,068
Interest on lease liabilities	764	1,062
	1,695	2,130

11. Taxation

	2025	2024 [Restated]
Recognised in profit or loss	$'000	$'000
Current tax (credit)/expense		
Current year	218	231
Adjustments for prior periods	-	(341)
Current tax (credit)/charge	218	(110)
Deferred tax credit		
Origination and reversal of temporary differences	508	(368)
Adjustments for prior periods	-	312
Deferred tax charge/ (credit)	508	(56)
Total tax (credit)	726	(166)

	2025 $'000	2024 [Restated] $'000
Reconciliation of effective tax rate		
Profit for the year from continuing operations	8,426	7,608
Total tax (credit)	726	(166)
Profit excluding taxation	9,152	7,442
Tax using the UK corporation tax rate of 25% (2024: 25%)	2,288	1,861
Effect of tax rates in foreign jurisdictions	(689)	(1,341)
Non-deductible expenses	(303)	12
Adjustments for prior periods	-	(29)
Movement in deferred tax assets	(543)	(56)
Other differences	(27)	(613)
Total tax charge /(credit)	726	(166)

Included within tax payable is an IFRIC 23 uncertain tax payable totalling $818k (2024: $818k), which is a result of uncertainty in the tax legislation in a certain jurisdiction.

12. Discontinued operations

On 30 September 2022, the Group made a decision to discontinue Chinatool Automotive Systems Limited. Chinatool Automotive Systems Limited was dissolved on 28 September 2024.

The results of the discontinued operations, which have been included in the profit for the year ended 31 December 2024, were as follows:

	2024 [Restated] $'000
Revenue	-
Cost of sales	-
Other income	950
Distribution expenses	-
Foreign exchange loss	(142)
Profit before tax	808
Attributable tax expense	-
Net Profit attributable to discontinued operations	808

There were no significant cash flows during the current year or previous year in relation to discontinued operations.

Assets and liabilities of Chinatool Automotive Systems Limited have not been classified as held for sale at 31 December 2025 and 2024 due to their immaterial nature and because all short-term assets and liabilities are expected to be either settled or transferred to continuing Group operations. No amounts are included in Group assets and liabilities at the year ended 31 December 2025 and 2024.

13. Earnings per share

From continuing and discontinued operations:

	2025 Number	2024 Number [Restated]
Weighted average number of equity shares	73,597,548	73,597,548

	$	$
Earnings, being profit after tax	8,426,000	7,608,000

	2025 Cents	2024 Cents
Earnings per share	11.4	10.3
Diluted earnings per share	10.9	10.0

In 2025 and 2024 there were share options outstanding that could have a dilutive effect on earnings per share in the future.

From continuing operations:

	2025 Number	2024 Number [Restated]
Weighted average number of equity shares (basic)	73,597,548	73,597,548
Effect of share options on issue	3,452,601	2,603,343
Weighted -average number of ordinary shares (diluted)	77,050,149	76,200,891

	$	$
Earnings, being profit after tax before discontinued operations	8,426,000	6,800,000

	2025 Cents	2024 Cents [Restated]
Earnings per share	11.4	9.2
Diluted earnings per share	10.9	9.0

From discontinued operations:

	2025 Cents	2024 Cents
Basic and diluted earnings per share	-	1.1
Diluted earnings per share	-	1.1

14. Goodwill

	$'000
Cost	
Balance at 1 January 2025 & 31 December 2024	2,417
Additions	-
Balance at 31 December 2025	2,417
Impairment	
Balance at 1 January 2024	1,158
Impairment charge	-
Balance at 31 December 2024	1,158
Impairment charge	-
Balance at 31 December 2025	1,158
Net book value	
31 December2025	1,259
31 December 2024	1,259

Goodwill considered significant in comparison to the Group's total carrying amount of such assets has been allocated to cash generating unit as follows:

	Goodwill	
	2025	**2024**
	$'000	**$'000**
Production CGU	1,259	1,259

The recoverable amount of the production CGU has been determined based on a value-in-use calculation. This calculation uses forecasts approved by the Directors which covers a three-year period. These are detailed forecasts based on customer schedules and expected project lifetimes. The detailed forecasts have been reviewed for a three-year period as this is considered to be the range over which the customer schedules can be relied upon to create detailed forecasts.

In performing these calculations, the future cashflows of the production CGU have been discounted at a pre-tax rate of 15% (2024: 14%). The Directors concluded that this discount rate is appropriate having reviewed discount rates applied by competitors in our sector, including businesses who are exposed to similar automotive supply risks, and applying a margin to take account of our size, the complexity of our operations and levels of borrowing in the Group.

The cashflow forecasts incorporate the following key assumptions, which Management identifies as the drivers of the VIU model:

Gross margin assumptions:
Projected gross margins of 30%, reflecting expected production efficiencies, material cost forecasts, pricing agreements and operational plans.

Capital expenditure:
CAPEX for 2026 reflects committed and planned expenditures of $3,570k, while 2027 onwards includes expected ongoing investment needs, covering routine maintenance and indicative replacement of ageing assets.

Long-term growth rate:
Cashflows beyond the three-year explicit forecast period have been extrapolated using a long-term growth rate of 2.5%, which does not exceed the long-term average growth rate for the automotive tooling sector or the markets in which the CGU operates, as required under IAS 36.

15. Investments in subsidiaries

The Group and Company have the following investments in subsidiaries:

Company name	Registered office / Country of Incorporation	Class of shares held	2025	Ownership 2024
<u>Direct shareholdings</u>				
China Tool Projects UK Limited	Rooms 2102-3 China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong	Ordinary	100%	100%
Ct Automotive CZ s.r.o.	Pod Hybšmankou 2339/19 Praha 5 - Smíchov, 150 00 Czechia	Ordinary	100%	100%
Yinghuali Automotive Interiors Private Limited	15A, 4th Floor, City Vista Suite No.349,Fountain Road, Kharadi, Pune, Maharashtra, India	Ordinary	100%	100%
CT Automotive Japan K.K	4-6-8 Konan, Minato-ku, Tokyo, Japan	Ordinary	100%	100%
CT Automotive Systems de Mexico SA de CV	Cerrada Constitucion No.11 Int.C, San Francisco Ocotlan, Coronango,Puebla, Mexico C.P. 72680	Ordinary	90%	90%
<u>Indirect shareholdings</u>				
Chinatool Mould Systems Limited	Rooms 2102-3 China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong	Ordinary	100%	100%
Chinatool UK Limited	Riverside Road, Sunderland, SR5 3JG, United Kingdom	Ordinary	100%	100%
Chinatool Otomotiv Sanayi Tic. Limited Sti.	Plastikçiler Organize Sanayi Bölgesi, Geposb, 9.cadde 92.Sok. N:5, Gebze Kocaeli, Türkiye	Ordinary	100%	100%
IMS-Chinatool JV, LLC	17199 N. Laurel Park Drive, Ste. 412 Livonia, MI 48152 USA	Ordinary	100%	100%
Chinatool Automotive Mould Systems Limited	No. 6 Building Hua Yisheng Ids Park,No.4 Industrial Zone, FuYong Town, Bao'an District, ShenZhen, China	Ordinary	100%	100%
Chinatool Automotive Components Co. Limited	No. 16 Standard Factory, Phase 2 Hong Kong Industrial Park, Ganzhou city Ganzhou Development Zone, Jiangxi Provence, China	Ordinary	100%	100%

* These entitled are all PRC limited companies. The English translation of the Company named is for reference only. The official names of these companies are in Chinese.

16. Intangible assets

	Software
	$'000
Cost	
Balance at 1 January 2024	1,883
Additions	62
Disposals	(115)
Effect of movements in foreign exchange	47
Balance at 31 December 2024	1,877
Additions	309
Disposals	-
Effect of movements in foreign exchange	43
Balance at 31 December 2025	2,229
Amortisation and impairment	
Balance at 1 January 2024	1,569
Amortisation for the year	153
On disposals	-
Effect of movements in foreign exchange	25
Balance at 31 December 2024	1,747
Amortisation for the year	60
Disposals	-
Effect of movements in foreign exchange	34
Balance at 31 December 2025	1,841
Net book value	
At 31 December 2025	388
At 31 December 2024	130

Amortisation charge

The amortisation charge is recognised in the following line items in the Statement of Profit or Loss:

	2025	2024
	$'000	$'000
Amortisation	60	153

17. Property, plant and equipment

	Plant and Equipment $'000	Fixtures and fittings $'000	Motor vehicles $'000	Total $'000
Cost at 1 Jan 2024 (Restated)	13,393	2,583	242	16,218
Additions	925	760	36	1,721
Disposals	(1,692)	(275)	(164)	(2,131)
Effect of hyperinflation	292	127	-	419
Effect of movement in foreign exchange (Restated)	(372)	(147)	(2)	(521)
Cost at 31 Dec 2024 (Restated)	**12,546**	**3,048**	**112**	**15,706**
Additions	5,497	200	81	5,778
Disposals	(367)	(228)	(2)	(597)
Effect of hyperinflation	56	66	-	122
Effect of movement in foreign exchange	322	(53)	11	280
Cost at 31 Dec 2025	**18,054**	**3,033**	**202**	**21,289**
Accumulated depreciation at 1 Jan 2024 (Restated)	(7,665)	(1,901)	(217)	(9,783)
Charge for the year	(1,125)	(246)	(12)	(1,383)
On disposals	1,315	142	139	1,596
Effect of hyperinflation	(273)	(122)	-	(395)
Effects of movements in foreign exchange	(150)	(9)	(5)	(164)
Accumulated depreciation at 31 Dec 2024 (Restated)	**(7,898)**	**(2,136)**	**(95)**	**(10,129)**
Charge for the year	(906)	(340)	(19)	(1,265)
On disposals	302	210	9	521
Effect of hyperinflation	75	23	-	98
Effects of movements in foreign exchange	556	75	34	665
At 31 Dec 2025	**(7,871)**	**(2,168)**	**(71)**	**(10,110)**
Carrying amount				
At 31 Dec 2024	4,648	912	17	5,577
At 31 Dec 2025	10,182	867	130	11,179

18. Leases

The treatment of leases within the scope of IFRS 16 is disclosed in the accounting policies (Note 1).

The Group leases buildings and machinery where payments are fixed until the contracts expire. There is no variability in respect of payments and there is not considered to be any significant judgement in relation to the lease terms.

Right of use assets	**Land and buildings $'000**	**Plant and machinery $'000**	**Vehicle $'000**	**Total $'000**
At 1 January 2024 (Restated)	6,624	15	49	6,688
	-	-	-	-
Additions	1,207	1,338	16	2,561
Modifications	519	-	-	519
Hyperinflation	95	-	-	95
Depreciation	(2,758)	(549)	(32)	(3,339)
Foreign exchange movement	(87)	(1)	(8)	(96)
At 31 December 2024 (Restated)	5,600	803	25	6,428
Additions	571	757	53	1,381
Modifications	-	-	-	-
Depreciation	(1,787)	(504)	(48)	(2,339)
Foreign exchange movement	18	20	-	38
At 31 December 2025	4,402	1,076	30	5,508

The range of incremental borrowing rates used during the year for right of use asset additions is 4.5%-50.0% (2024: 4.5%-50.0%).

Lease liabilities

	Land and buildings $'000	Plant and machinery $'000	Vehicle $'000	Total $'000
At 1 January 2024 (Restated)	7,524	13	54	7,591
Additions	1,207	1,323	16	2,546
Interest expense	929	122	11	1,062
Modifications	736	(2)	1	735
Foreign exchange movement	(46)	19	(6)	(33)
Repayments	(3,703)	(629)	(47)	(4,379)
Lease termination	(760)	-	-	(760)
At 31 December 2024 (Restated)	5,887	846	29	6,762
Additions	494	678	53	1,225
Interest expense	657	91	16	764
Foreign exchange movement	1	18	-	19
Repayments	(2,096)	(814)	(66)	(2,976)
At 31 December 2025	4,943	819	32	5,794

The maturity profile of the lease liabilities is as follows:

	2025	2024
	$'000	$'000
Under 1 year	1,839	1,815
1-2 years	1,537	1,659
2-5 years	2,418	3,083
More than 5 years	-	205
	5,794	6,762

The undiscounted maturity profile o' the lease liabilities is as follows:

	2025	2024
	$'000	$'000
Under 1 year	2,464	3,594
1-2 years	1,960	2,398
2-5 years	2,668	4,429
More than 5 years	-	-
	7,092	10,421

19. Deferred tax assets and liabilities

A review of the deferred tax is performed at each Balance Sheet date and adjustments made in the event of a change in any key assumptions.

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets 2025 $'000	Assets (Restated) 2024 $'000
Property, plant and equipment	333	229
Losses	1,098	1,710
Tax assets	1,431	1,939

Movement in deferred tax during the year

	1 January 2025 $'000	Recognised in income $'000	31 December 2025 $'000
Property, plant and equipment	229	104	333
Losses	1,710	(612)	1,098
Total	1,939	(508)	1,431

Movement in deferred tax during the prior year

	1 January 2024 $'000	Recognised in income $'000	31 December 2024 $'000
Property, plant and equipment	458	(229)	229
Losses	1,113	597	1,710
Total	1,571	368	1,939

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilized. In estimating future taxable profits, the Group has considered its forecasted performance in line with its going concern analysis. More details on the forecast assumption made at this judgement are in Note 3.

As at 31 December 2025, the Directors have assessed the recoverability of the deferred tax assets and concluded that sufficient taxable profits arising in the UK and elsewhere to utilise any deferred tax asset(s) would be probable. As a result, the Directors opted to recognise deferred tax asset(s).

A deferred tax asset has been recognised as at 31 December 2025 at a value of $1.431 million. These deferred tax assets arise on intergroup transactions, provision for unrealised profits in China and estimated probable future taxable profits in the UK parent entity that are expected to arise within the Group whereby they can be offset against future tax charges.

There are trading losses arising in other entities outside of the UK, mainly in China and Mexico, and the Group has recognised deferred tax assets in respect of these.

Unrecognised deferred tax assets

	2025 $'000	2024 $'000
Tax losses carried forward against profits of future years	3,097	1,894

As at 31 December 2025, the Directors have assessed the unrecognized deferred tax assets related to tax losses carried forward against future profits is $3.097 million, of which the Company will utilize $306,443 in 2026 and $372,110 in 2027 and the remaining amount will be carried forward to subsequent years. Given the profit achieved in 2025, the Directors projected a similar profitability growth in 2026 and 2027.

Of the unused tax losses, $3.09 million can be carried forward indefinitely.

20. Inventories

	2025	2024
	$'000	$'000
Raw materials and consumables	6,673	7,640
Work in progress	8,236	7,394
Finished goods	10,718	12,392
	25,627	27,426

Inventories recognised as an expense during the year are disclosed in Note 8.

The provision for inventories recognised and reported in the Statement of Profit or Loss during the year ended 31 December 2025 was $672k (2024: $661,843).

Borrowing facilities provided by FGI Worldwide LLC (FGI) are secured against inventories of $4,006,539 (2024: $4,015,243).

21. Trade and other receivables

	2025	2024 [Restated]	1 Jan 2024 [Restated]
	$'000	$'000	$'000
Trade receivables	15,421	11,392	16,943
VAT receivable	4,060	2,395	1,813
Other receivables	2,206	1,838	1,807
Contract Assets	2,669	1,188	-
	24,356	16,813	20,563
Prepayments and accrued income	5,176	6,342	6,331
Total trade and other receivables	29,532	23,155	26,894

Included within trade and other receivables is $Nil (2024: $Nil) expected to be recovered in more than 12 months. The Group applies the simplified approach under IFRS 9 Financial Instruments, whereby lifetime expected credit losses (ECLs) are recognised from initial recognition of the receivables. The ECL is measured using a provision matrix that takes into account historical credit loss experience, adjusted for forward-looking information specific to the debtors and the economic environment. At 31 December 2025, trade and other receivables were shown net of an allowance for lifetime expected credit losses of $220,229 (2024: $310,000).

Trade receivables include domestic and international customer receivables across all operating entities. These balances reflect the Group's core trading operations.

Prepayments as at 31 December 2025 represent amounts paid in advance to suppliers for goods and services to be received in future periods, including vendor advances, machinery-related prepayments, raw-material advances and accrual-based income relating to freight, duty, and refinance-related FGI costs, depending on entity-specific operational requirements.

The carrying value of trade and other receivables classified at amortised cost approximates fair value.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision to trade receivables. The expected loss rates are based on the Group's historical credit losses. Due to the nature of the Group's customers, historic credit losses are limited, however a small credit loss provision of $220,229 has been made at year end (2024: $310,000). The key assumptions used in evaluating the credit loss provision are the historical default ratio of these customers, any known liquidity risks of the customers and, based on the information available, we have assessed a range of possible outcomes.

As at 31 December 2025 trade receivables of $5,016,137 were past due net of impairment of $220,229 (2024 - $5,732,000 were past due net of impairment of $310,000). They relate to customers with no default history. The ageing analysis of these receivables is as follows:

	2025	2024
	$'000	$'000
Not past due	10,405	5,660
Past due 1-90 days	4,470	5,235
Past due more than 90 days	546	497
	15,421	11,392

Other classes of financial assets included within trade and other receivables do not contain impaired assets.

Invoice finance balances are secured against trade receivables of $Nil, (2024: $Nil).

22. Cash and cash equivalents

Cash and cash equivalents for purposes of the statement of cash flows comprises:

	2025 $'000	2024 $'000
Cash and cash equivalents	2,524	3,628

The cash and cash equivalents balances are held in Current Accounts and are readily available with no restrictions in place. 88% of the Group's cash and cash equivalents are held in foreign subsidiaries (2024: 73.1%). The Parent Company has the ability to recall these balances through management charges and dividend repatriation.

23. Trade and other payables

	2025 $'000	2024 [Restated] $'000
Current		
Trade payables	16,293	14,680
Non-trade payables and accrued expenses	4,815	6,318
Other taxation and social security	2,361	1,694
Contract liabilities	6,466	4,858
Other payables	1,538	2,797
Total	31,473	30,347

All trade and other payables other than employee social security and taxes, contract liabilities, and provisions for losses on forward contracts (fair value through profit or loss) are classified as financial liabilities measured at amortised cost. The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value. Employee social security and payroll taxes are measured at the amounts payable to the relevant authorities. Contract liabilities are measured at the amount of consideration invoiced to the customer, which is deferred and recognised as revenue only when the related tooling performance obligations are satisfied.

24. Other interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate and foreign currency risk, see Note 26.

	2025	2024 [Restated]
	$'000	$'000
Current liabilities		
Current portion of secured bank loans	7,826	9,860
Current portion of secured machine mortgage loan	1,300	404
Current portion of unsecured loan from related party	431	-
	9,557	**10,264**
Non-Current liabilities		
Non -current portion of secured machine mortgage loan	694	100
Total	**10,251**	**10,364**

On October 11 2024, the Group moved its borrowing facilities from HSBC to FGI worldwide LLC (FGI). FGI provides a revolving credit facility and secures its borrowing on inventory and trade receivables of China Tool Projects UK Limited, CT Automotive Systems de Mexico, S.A. de C.V and IMS- Chinatool JV, LLC. In June 2025, Marelli Corporation entered Chapter 11 administration and as a result trade receivable of Marelli Corporation are not used as security for the FGI Facility due to the Chapter 11 proceedings.

In addition, FGI provides an over advance facility of $750,000, repayable every 6 months. The over advance facility was fully utilized at 31 December 2025.

On 14 November 2025, FGI provided an additional Machinery & Equipment Facility of up to $3.5 million to CT Automotive Systems De Mexico, S.A De C.V, a subsidiary of the Group, secured on eligible machinery and equipment located in the Mexican production facility. As at 31 December 2025 $309k of this facility was utilized.

As at 31 December 2025, inventories worth $4.06 million, trade receivables of $3.92 million, and machinery and equipment of $309k have been pledged.

As at 31 December 2024, inventories worth $3.8 million and trade receivables of $4.92 million have been pledged.

The currency profile of the Group's loans and borrowings is as follows:

	2025	2024 [Restated]
	$'000	$'000
USD	7,748	8,827
EUR	430	1,033
RMB	2,073	504
	10,251	10,364

	Currency	Margin	Contracted maturity	Carrying amount 31 December 2025 $'000	Carrying amount 31 December 2024 $'000
Secured bank loans	EUR & USD	4.32%	2026	7,826	9,860
Secured machine mortgage loan	RMB	5.08%	2026-2027	1,994	504
Unsecured loan from related party	USD & RMB	12.4%	2026	431	-
				10,251	10,364

Terms and debt repayments

2025

The borrowing facility with FGI allows prepayment on inventory and trade receivables of Chinatool UK Limited, and IMS Chinatool JV, LLC, after deductions of certain reserves which are calculated weekly. From June 2025, when Marelli Corporation entered Chapter 11, Marelli Corporation receivables were not included in the FGI Facility. The FGI Facility is a revolving facility and customers pay directly to FGI.

The over advance facility is repayable every six months, and the Group can redraw these funds partially or in full as per requirements.

Machine Mortgage Loans in the Chinese subsidiary represent financing obtained through sale-and-leaseback of plant and machinery with finance leasing companies, under which ownership of the equipment is temporarily transferred as security and reverts to the Company upon full repayment. The average interest rate for the above-mentioned facilities is 5.08% p.a.

The unsecured loan from related party is an unsecured working capital loan from Automotive Kinetic Systems Limited, carrying a fixed interest rate of 12.4% p.a. and repayable on demand.

2024

The borrowing facility with FGI allows prepayment on inventory and trade receivables of Chinatool UK Limited and IMS-Chinatool JV, LLC after deductions of certain reserves which are calculated weekly. The facility is a revolving facility as customers pay directly to FGI. The over advance facility is repayable every six months, and the Group can redraw these funds partially or in full as per requirements.

Machine Mortgage Loans in the Chinese subsidiary represent financing obtained through sale-and-leaseback of plant and machinery with finance leasing companies, under which ownership of the equipment is temporarily transferred as security and reverts to the Company upon full repayment. The average interest rate for the above-mentioned facilities is 5.08% p.a.

2025

	Opening balance 1 January $'000	Cash received / (paid) on principal $'000	Other non-cash movements (incl FX) $'000	New leases $'000	Interest accrued $'000	Interest paid $'000	Closing balance 31 December $'000
Secured bank loans	9,860	(2,327)	293	-	801	(801)	7,826
Secured machine mortgage Loan	504	1,460	30		95	(95)	1,994
Unsecured loan from related party	-	385	11	-	35	-	431
Lease liabilities	6,762	(2,212)	19	1,225	764	(764)	5,794
Balance at 31 December 2025	17,126	(2,694)	353	1,225	1,695	(1,660)	16,045

2024 [Restated]

	Opening balance 1 January $'000	Cash received/(paid) $'000	Other movements (incl FX) $'000	New leases $'000	Interest accrued $'000	Interest paid $'000	Closing balance 31 December $'000
Secured bank loans	-	9,567	293	-	127	(127)	9,860
Secured machine mortgage Loan	-	504	-	-	-	-	504
Trade loans	9,005	(9,000)	(5)	-	555	(555)	-
Invoice finance	4,193	(4,018)	(175)	-	386	(386)	-
Lease liabilities	7,591	(4,077)	(33)	3,281	1,062	(1,062)	6,762
Balance at 31 December 2024	20,789	(7,024)	80	3,281	2,130	(2,130)	17,126

25. Derivative financial instruments

The Group has entered into foreign currency forward contracts which are recognised at fair value through profit or loss.

	2025 $'000	2024 $'000
Current		
EUR / GBP forward contracts	1	-
GBP / USD forward contracts	-	-
USD/CNH forward contracts	(92)	49

Derivative financial (asset)/ liability	(91)	49

Foreign exchange risk arises when the Group enters into transactions denominated in a currency other than their functional currency. Where this risk is considered to be significant, Group treasury enters into forward foreign exchange contracts for the purposes of foreign exchange risk management.

As at 31 December 2025, the Group has one open forward contract with Investec and Birchstone, which is used to manage exchange rate movements between a) USD and CNH b) EUR and GBP. The open contract is expected to mature during 2026.

Refer to the table below for a detailed disclosure on the same:

Source	**Currency Pair**	**Total Notional**
Investec	USD/CNH	USD 3,000,000
Birchstone	USD/CNH	USD 13,025,000
Birchstone	EUR/GBP	EUR 165,000

26. Financial instruments

(a) Fair values of financial instruments

Fair values

IFRS 13.93(b) requires an analysis of those financial instruments that are measured at fair value at the end of the year in a fair value hierarchy. In addition, IFRS 13.97 requires financial instruments not measured at fair value but for which fair value is disclosed to be analysed in the same fair value hierarchy.

The table below analyses financial instruments, into a fair value hierarchy based on the valuation technique used to determine fair value.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: 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 3: inputs for the asset or liability that are not based on observable market data (unobservable input).

The table below compares the carrying value of the Group's financial instruments at the Balance Sheet date, using the techniques described below.
All financial liabilities designated as fair value are valued based on level 2 inputs. All financial liabilities measured at amortised cost.

	Fair value through profit or loss 2025 $'000	**Fair value through profit or loss 2024 $'000**	**Amortised Cost 2025 $'000**	**Amortised Cost [Restated] 2024 $'000**
Financial assets				
Trade and other receivables	-	-	17,627	13,230
Cash and cash equivalents	-	-	2,524	3,628
Derivatives	91	-	-	-
Total financial assets	91	-	20,151	16,858
Financial liabilities				
Trade and other payables	-	-	(22,646)	(23,795)
Borrowings	-	-	(10,251)	(10,364)
Lease liabilities			(5,794)	(6,762)
Derivatives	-	(49)	-	-
Total financial liabilities	-	(49)	(38,691)	(40,921)

	Level 1 2025 $'000	Level 1 2024 $'000	Level 2 2025 $'000	Level 2 2024 $'000	Level 3 2025 $'000	Level 3 2024 $'000
Financial assets designated as fair value through profit or loss						
Derivative forward exchange contracts	-	-	91	-	-	-
Total financial assets	-	-	91	-	-	-
Financial liabilities designated as fair value through profit or loss						
Derivative forward exchange contracts	-	-	-	(49)	-	-
Total financial liabilities	-	-	-	(49)	-	-

Forex options are based on mark to market valuations provided by the supplier.

The Group is exposed through its operations to the following financial risks:

- Credit risk;
- Foreign exchange risk;
- Market risk; and
- Liquidity risk.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers. The amounts presented in the Statement of Consolidated Balance Sheet are net of allowances for doubtful receivables (see note 21), estimated by Management based on prior experience and their assessment of the current economic environment. Consequently, the Directors consider that the carrying amount of trade and other receivables approximates its fair value.

The Group's customers are large and unrelated blue chip automotive companies. Thus, the credit risk is limited.
Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. All UK, US, Hong Kong, India and Japan cash and cash equivalents are held exclusively with HSBC. In China and Türkiye most balances are held with HSBC, with additional amounts held with reputable local banks. For banks and financial institutions, only independently rated parties with minimum rating "A" or above are accepted.

The concentration of credit risk for trade receivables at the balance sheet date by geographic region was:

	2025 $'000	2024 $'000
Americas	7,434	3,534
Europe	3,277	3,902
Asia	4,572	3,914
Africa	138	42
	15,421	11,392

The disclosures regarding trade and other receivables, which have been assessed to be impaired by $220,229. See note 21 for more details.

(c) Liquidity risk

Financial risk management

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The purpose of liquidity management is to ensure sufficient cash flows to meet all financial commitments and to capitalize on opportunities for business expansion. The Group manages liquidity risk by continuously monitoring short- and long-term forecasts and actual cash flows and by ensuring that they are holding sufficient cash to ensure that short-term funding requirements are covered within prudent limits. Adequate standby facilities are maintained to provide strategic liquidity to meet unexpected and material cash outflows in the ordinary course of business. As at the balance sheet date, the Group had working capital facilities of up to $20 million, of which $9 million was undrawn.

			31-Dec-25			
	Carrying amount $'000	Contractual cash flows $'000	1 year or less $'000	1 to <2 years $'000	2 to <5 years $'000	5 years and over $'000

Non-derivative financial liabilities						
Secured bank loans	7,826	7,826	7,826	-	-	-
Secured machine mortgage loan	1,994	1,994	1,300	694		
Unsecured loan from related party	431	431	431	-	-	-
Lease liabilities	5,794	7,092	2,464	1,960	2,668	-
Trade and other payables*	22,646	22,646	22,647	-	-	-
	38,691	39,989	34,668	2,654	2,668	-

	Carrying amount $'000	Contractual cash flows $'000	31-Dec-24 1 year or less $'000	1 to <2 years $'000	2 to <5 years $'000	5 years and over $'000
Non-derivative financial liabilities						
Secured bank loans	9,860	9,860	9,860	-	-	-
Secured machine mortgage loan	504	504	404	100		
Lease liabilities	6,762	10,421	3,594	2,398	4,429	-
Trade and other payables*	23,795	23,795	23,795	-	-	-
	40,921	44,580	37,653	2,498	4,429	-

*Excludes derivatives (shown separately)

(d) Market risk

Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.

In respect of working capital facilities, being invoice finance and trade loans, the facilities are designated in the currency of the funded asset, minimizing the potential impact of movements in foreign exchange as any relative increase or decrease in relative value will impact both the asset and the associated liability.

The majority of the Group's debt is in USD, creating an exposure to movements in the USD base rate. The Directors consider that the benefit of the debt being denominated in the Group's main trading currency outweighs the risk of this exposure. Rates are monitored monthly, and the decision will be reviewed at the next renewal opportunity.

(e) Market risk - Foreign currency risk

The Group's exposure to foreign currency risk is as follows. This is based on the carrying amount for monetary financial instruments except derivatives when it is based on notional amounts. The following excludes balances denominated in USD.

31 December 2025

	GBP $'000	EUR $'000	RMB $'000	TL $'000	HKD $'000	INR $'000	CZK $'000	JPY $'000	MXN $'000	Total $'000
Cash and cash equivalents	140	74	210	384	1	33	30	-	132	1,004
Trade and other receivables	20	1,669	3,001	1,577	280	-	-	(15)	-	6,532
Secured bank loans	-	(430)	53	-	-	-	-	-	-	(377)
Secured machine mortgage loan	-	-	(1,994)	-	-	-	-	-	-	
Unsecured loan from related										(1,994)
party	-	-	(131)	-	-	-	-	-	-	(131)
Trade and other payables	(936)	(411)	(9,422)	(723)	(30)	44	(53)	(12)	(1,861)	(13,404)
Lease liabilities	(543)	-	(3,284)	(478)	-	(215)	(199)	-	-	(4,719)
Forward exchange contracts	-	-	-	-	-	-	-	-	-	-
Balance sheet exposure	(1,319)	902	(11,567)	760	251	(138)	(222)	(27)	(1,729)	(13,089)
Net exposure	(1,319)	902	(11,567)	760	251	(138)	(222)	(27)	(1,729)	(13,089)

31 December 2024 [Restated]

	GBP $'000	EUR $'000	RMB $'000	TL $'000	HKD $'000	INR $'000	CZK $'000	JPY $'000	MXN $'000	Total $'000
Cash and cash equivalents	74	481	194	689	3	40	4	22	157	1,664
Trade and other receivables	14	2,479	3,160	1,431	-	-	-	-	-	7,084
Secured bank loans	-	(1,033)	-	-	-	-	-	-	-	(1,033)
Secured machine mortgage loan	-	-	(504)	-	-	-	-	-	-	(504)
Trade and other payables	(2,523)	(830)	(9,901)	(788)	(20)	1	(37)	(38)	(164)	(14,300)
Lease liabilities	(798)	-	(3,442)	(613)	-	(251)	(269)	-	-	(5,373)
Forward exchange										

contracts	-	-	-	-	-	-	-	-	-	-
Balance sheet exposure [Restated]	(3,233)	1,097	(10,493)	719	(17)	(210)	(302)	(16)	(7)	(12,462)
Net exposure [Restated]	(3,233)	1,097	(10,493)	719	(17)	(210)	(302)	(16)	(7)	(12,462)

Sensitivity analysis

A 10 percent strengthening of the following currencies against the US Dollar at 31 December 2025 and 2024 both would have increased (decreased) equity and profit or loss by the amounts shown below. A 10 percent weakening will cause an equal and opposite impact compared to the table below. This calculation assumes that the change occurred at the balance sheet date and had been applied to risk exposures existing at that date.
This analysis assumes that all other variables remain constant.

Strengthening

	Profit or loss 2025	**Profit or loss 2024 [Restated]**
	$'000	**$'000**
GBP	(132)	(323)
EUR	90	110
RMB	(1,157)	(1,049)
TL	76	72
HKD	25	(2)
JPY	(3)	(2)
CZK	(22)	(30)
INR	(14)	(21)
MXN	(173)	(1)
	(1,310)	(1,246)

Market risk - Interest rate risk
Profile
At the balance sheet date, the interest rate profile of the Group's interest-bearing financial instruments was:

	2025	**2024 [Restated]**
	$'000	**$'000**
Fixed rate financial instruments		
Lease liabilities	5,794	6,762
	5,794	6,762
Variable rate financial instruments		
Other interest-bearing loans and borrowings	10,251	10,364
	16,045	17,126

Sensitivity analysis

A change of 100 basis points in interest rates at the balance sheet date would have increased (decreased) equity and profit or loss by the amounts shown below.

This calculation assumes that the change occurred at the balance sheet date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant and considers the effect of financial instruments with variable interest rates and financial instruments at fair value through profit or loss. The analysis is performed on the same basis for 31 December 2024.

	2025	2024 [Restated]
	$'000	$'000
Profit or loss		
Increase	103	104
Decrease	(103)	(104)

27. Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position and makes adjustments to the capital structure in light of changes in economic conditions.

Under the terms of the FGI facility, the Group is required to maintain a Fixed Charge Coverage Ratio (FCCR) of at least 1.5x on a trailing twelve-month basis. As of 31 December, 2025, the Group reported an FCCR of 1.83x, demonstrating substantial headroom above the minimum requirement.

28. Capital and reserves

	2025 $'000	2024 $'000
Share capital		
Allotted, called up and fully paid		
73,597,548 (2024: 73,597,548) Ordinary shares of £0.005 each	484	484
Shares classified in shareholders' funds	484	484

The holders of 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.

Share premium
The share premium represents the value subscribed for share capital in excess of nominal value.

Translation reserve
The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the Group's net investment in a foreign subsidiary.

Merger reserve
The merger reserve comprises the consideration paid by the Company when it acquired 100% of the share capital of China Tool Projects UK Limited on 6 April 2017, the former Group Company. The transaction is not considered to be a business combination as the new top Company formed is not considered a business under the definition in IFRS 3. Therefore, this transaction does not fall under the scope of IFRS 3 and book value accounting has been applied.

As a result, the consideration paid by the Company, being a combination of cash and the issue of Loan Notes, is now held in a Merger Reserve.

LTIP reserve
The Long-Term Incentive Plan (LTIP) Reserve represents the cumulative charge recognised in equity in accordance with IFRS 2 – Share-based Payment for awards granted to employees under the Group's long-term incentive programmes.

Statutory PRC reserve
The Group maintains a statutory surplus reserve in accordance with PRC regulations, under which at least 10% of PRC statutory profits are appropriated annually until the reserve reaches 50% of registered capital. The reserve is not available for dividend distribution.

Retained earnings/(Accumulated deficit)
Accumulated deficit represents all other net gains and losses not recognised elsewhere.

Non-controlling interests
Non-controlling interests represents the equity in subsidiaries that is not attributable to the shareholders of the Group.

29. Share-based payments

The Company has a share option plan for the Executive Directors and certain employees of the Group. In accordance with the terms of the plan, the Executive Directors and certain employees may be granted options to purchase ordinary shares.

Subject to the vesting conditions of the scheme, participants will be issued options to purchase a fixed number of Ordinary Shares of CT Automotive Group plc. The options carry neither the right to dividends nor voting rights.

On 30 June 2025, the Group issued 924,938 options to certain senior employees under the terms of its Long-Term Incentive Plan. Under the terms of the option, employees are required to be employed at CT Automotive in their position for the vesting period of three years. A total of 888,889 options will vest in full conditional on the performance obligation being met at the vesting date. A total of 36,049 options are not subject to performance-based conditions except for a vesting period of three years. Options are exercisable at a price of £0.005 per share. There is no expiry for these options and there are no holding period requirements for these options. Options are forfeited if the Director or employee leaves the Group before the options vest.

Details of the share options outstanding during the year are as follows:

2025	Number of options	Weighted average Exercise price ($)
Outstanding at beginning of year	2,603,343	0.006344
Forfeited during the year	(75,680)	0.006604
Granted during the year	924,938	0.006604
Outstanding at the end of the year	3,452,601	0.006414
Exercisable at the end of the year	-	-

2024	Number of options	Weighted average Exercise price ($)
Outstanding at beginning of year	2,229,392	0.006305
Forfeited during the year	(758,802)	0.006305
Granted during the year	1,132,753	0.006395
Outstanding at the end of the year	2,603,343	0.006344
Exercisable at the end of the year	-	-

As Ufuk Esen's employment with the Group terminated in August 2025, 75,680 options which were granted to him during 2023 and 2024 have lapsed.

The inputs into the Black-Scholes model are as follows:

	2025	2024
Weighted average share price	$0.76	$0.73
Weighted average exercise price	$0.006414	$0.006344
Expected volatility	38.75%	38.75%
Expected life	4 years	4 years
Risk-free rate	4.50%	3.93%
Expected dividend yield	$0.00	$0.00
Fair value per option – Batch 1	$0.447	$0.817
Fair value per option – Batch 2	-	$0.522

Expected volatility was determined by reference to reviewing volatility of similar companies who trade on the AIM.

The Group expected some of the non-market based performance vesting conditions to be met and therefore the Group recognised total expenses of $93k (2024: $47k) related to equity-settled share-based payment transactions in the year.

30. Related parties

Transactions with key Management personnel

The Directors of the Group controlled the following shareholdings in the Group as at 31 December 2025:

	2025	2024
Simon Phillips	26.77%	26.77%
Raymond Bench	0.09%	0.01%
Geraint Davies	0.11%	0.01%
Nick Timberlake	0.14%	0.11%
	27.11%	26.90%

See Note 9 for details of key Management personnel remuneration.

Other related party transactions	*Transaction values for the year ended*	
	2025	**2024**
	$'000	**$'000**
Finance expenses		
Interest on loan from Automotive Kinetic Systems Limited	35	-
Revenue		
Sale of services to iAQUA Limited	7	54
Trade and other payables		
Salary advance to Director	38	

	Balance outstanding at 31 December	
	2025	**2024**
	$'000	**$'000**
Other interest-bearing loans and borrowings (Current)		
Loan from Automotive Kinetic Systems Limited	(431)	-
Trade and other receivables		
Amount receivable from iAqua Limited	5	14
Amounts due from Directors (salary advance)	29	-

On 1 May 2024, CT Automotive entered into a general service agreement with iAqua Watercraft Limited, (a 100% wholly owned subsidiary of iAqua Limited) (iAqua) under which it would provide general services to iAqua on a 'cost-plus' basis. Simon Phillips owns 33.3% of the issued share capital of iAqua Limited and therefore iAqua Limited constitutes a related party. The service agreement covers the provision of engineering services (including the design and development of automobile components) and product management for automobile components by CT Automotive to iAqua and is profitable to CT Automotive. During 2025, CT Automotive invoiced iAqua a total of $7k (2024: 54K).

On 20 February 2025, the Company's wholly owned Chinese subsidiary, Chinatool Automotive Mould Systems Limited (CMSSZ) entered into an agreement with Automotive Kinetic Systems Limited (AKSL), a company which is wholly owned by Simon Phillips. Under the terms of the agreement AKSL made a loan to CMSSZ in two instalments, the first being US$300,000 in February 2025 and the second being US$85,000 in March 2025, repayable on demand at an interest rate of 12.4% per annum. As at the date of issuance of these financial statements, US$85,000 has been repaid.

In 2025, the Group extended a salary advance of $38,303 (£29,000) to Salman Mohammed paid in April, June and July 2025 in three instalments. Repayment was structured through salary deductions of $2,641 (£2,000) per month from September 2025 to October 2026 (14 instalments), followed by $1,320 (£1,000) in November 2026. As of December 2025, four instalments had been repaid. No interest was payable on the salary advance and it has been repaid in full as at the date of issuance of these financial statements.

The Group has not made any allowance for bad or doubtful debts in respect of related party receivables, nor has any guarantee been given or received during 2025 or 2024 regarding related party transactions.

31. Contingent liabilities

The Group operates in overseas jurisdictions and is required to participate in various government-sponsored employee benefit plans, including social insurance, housing funds, and other welfare-oriented obligations, contributing specified percentages of employee salaries, bonuses, and allowances up to a maximum amount set by local authorities. Authorities in some jurisdictions have not consistently enforced the employee benefit plan requirements, given the different levels of economic development in different areas. We cannot confirm that our practices will be deemed to be in compliance with the above-mentioned employee benefit plan requirements in all aspects. The authorities may require us to pay, or in the case of any shortfalls, to cover the required social insurance and housing fund contributions. We may also become subject to fines and legal sanctions due to any failure to make social insurance and housing fund contributions for our employees. If we are subject to late fees or fines in relation to the underpaid employee benefits, our financial condition and results of operations may be adversely affected. We may also be subject to regulatory investigations and other penalties if our other employment practices are deemed to be in violation of local laws and regulations. We do not believe it is probable that there is an outflow of resources and therefore have not recorded a provision for the uncertain positions in relation to these plans. At the date of approving the financial statements, Management consider the probability of significant outflows from the above risks to be low.

In addition to the employment-related obligations noted above, the Group is also subject to certain customs, trade and regulatory considerations arising from its international trading activities.

The Group operates through a number of international trading and supply chain arrangements across multiple jurisdictions, including arrangements which may give rise to customs duties and related regulatory considerations. The application of relevant customs and trade regulations to these arrangements requires management judgement and ongoing monitoring and the Group proactively manages its exposure to any duty payable. The Group continues to review relevant processes and controls, particularly in relation to cross-border trading arrangements and associated duty considerations.

Based on the information currently available, management does not consider that any material provision is required in respect of these matters as at the reporting date. Management will continue to monitor developments and assess any implications for future reporting periods.

32. Ultimate controlling party

In the opinion of the Directors of CT Automotive Group plc, there is no single controlling party of the Group.

33. Events after the reporting period

Following the year end, on 13 March 2026 the Company's wholly owned Chinese subsidiary (Chinatool Automotive Mould Systems Limited (CMSSZ) entered into an agreement with China Construction Bank Co. Ltd, Qianhai Branch (China Construction Bank). Under the terms of the agreement China Construction Bank granted a loan to CMSSZ of RMB 29million ($4.11 million) of which RMB 19.6 million ($2.8 million) has been drawn down in two equal instalments in March and April 2026. The loan is repayable within 12 months from the respective drawdown dates and carries an Interest rate of 3% per annum.

Salman Mohammed resigned from the Board and his employment with the Group ended on 28 January 2026. The salary advance extended to Salman Mohammed was repaid in full in February 2026.

There are no other events after the reporting period affecting these financial statements.

34. Alternative performance measures

The Annual Report includes Alternative Performance Measures (APMs) which are considered by Management to better allow the readers of the accounts to understand the underlying performance of the Group. A number of these APMs are used by Management to measure the KPIs of the Group as outlined within the Financial Review on pages 23 to 28. The Board also monitors these APMs to assess financial performance throughout the year.

The APMs used in the Annual Report include:
- Adjusted EBITDA – calculated as EBITDA adjusted for non-recurring items and non-cash foreign exchange translation (loss)/gain;
- Adjusted EBITDA margin – calculated as adjusted EBITDA divided by revenue in the year;
- Adjusted profit before tax – calculated as profit before tax adjusted for non-recurring items and non-cash foreign exchange translation (loss)/gain; and
- Adjusted profit before tax margin – calculated as adjusted profit before tax divided by revenue in the year.

EBITDA is calculated using operating profit before interest, taxes, depreciation and amortisation.

APMs are calculated on EBITDA and profit before tax for continuing operations only.

Details of each of the non-recurring items is disclosed in Note 7

Adjusted EBITDA and adjusted EBITDA margin	**2025** **$'000**	**2024 [Restated]** **$'000**
Adjusted EBITDA from continuing operations	14,789	14,834
Adjusted EBITDA margin	12.88%	12.39%
Adjusted and non-underlying items		
- Non-cash impact foreign exchange gain /(loss)	532	(1,244)
- Redundancy costs	(425)	-
- Hyperinflation*	(427)	-
EBITDA	14,469	13,590
EBITDA margin	12.60%	11.35%

*2024 restated does not include $210k of hyperinflation gain

Adjusted profit/ (loss) before tax and adjusted profit/ (loss) before tax margin	**2025** **$'000**	**2024 [Restated]** **$'000**
Adjusted profit before tax	9,472	7,878

Adjusted profit before tax margin	8.25%	6.58%
Adjusted and non-underlying items		
- Non-cash impact foreign exchange gain	532	(1,244)
- Redundancy costs	(425)	-
- Hyperinflation*	(427)	-
Profit before tax	9,152	6,634
Profit before tax margin	7.97%	5.54%

*2024 restated does not include $210k of hyperinflation gain

Company Balance Sheet
For the year ended 31 December 2025

Company number 10451211	Notes	2025 $'000	2024 $'000
Assets			
Non-current assets			
Investments	3	36,193	36,193
Deferred tax asset	4	-	-
		36,193	36,193
Current assets			
Trade and other receivables	5	39,452	33,652
Cash and cash equivalents		99	35
Derivative financial assets	7	91	-
		39,642	33,687
Current liabilities			
Trade and other payables	6	(28,792)	(21,762)
Derivative financial liabilities	7	-	(49)
		(28,792)	(21,811)
Net assets		47,043	48,069
Capital and reserves			
Share capital	8	484	484
Share premium		63,696	63,696
LTIP reserve		124	51
Accumulated deficit		(17,261)	(16,162)
Total equity		47,043	48,069

The Company generated a loss of $1,099,446 in the year ended 31 December 2025 (2024: loss of $2,201,000).

These financial statements were approved by the Directors on 19 May 2026 and were signed on its behalf by:

Simon Phillips
Director

The notes on pages 145 to 149 form part of these financial statements.

Company Statement of Changes in Equity
For the year ended 31 December 2025

	Share capital	Share premium	Accumulated Deficit	LTIP Reserve	Total equity
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Balance at 01 January 2024	484	63,696	(13,961)	4	50,223
Total comprehensive loss for the year					
Loss for the year	-	-	(2,201)	-	(2,201)
Transaction with owners					
Share based payments				47	47
Balance at 31 December 2024	484	63,696	(16,162)	51	48,069
Total comprehensive loss for the year					
Loss for the year	-	-	(1,099)	-	(1,099)
Transaction with owners					
Share based payments				73	73
Balance at 31 December 2025	484	63,696	(17,261)	124	47,043

The notes on pages 145 to 149 form part of these financial statements.

Notes to the Company Financial Statements

1. Material accounting policies

The following accounting policies have been applied consistently and in line with the accounting policies adopted and disclosed within the Group financial statements in dealing with items which are considered material in relation to the financial statements, except as noted below.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Under section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own Statement of Profit or Loss.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

Going concern

The Company is primarily reliant upon the Group's cashflows given that CT Automotive Group Plc acts as the financier to other Group entities whose cashflows are repatriated to the parent through the Group transfer pricing policy.

The Directors have assessed the Group's business activities and the factors likely to affect future performance in light of the current and anticipated trading conditions. In making their assessment, the Directors have reviewed the Group's latest budget, current trading, available current banking debt facilities and considered the likely impact of reasonably possible downside sensitivities in performance and the likely impact of potential mitigating actions.

The Directors are confident that, after taking into account existing cash and available debt facilities, the Group has adequate resources in place to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. In making their assessment, the Directors have stress tested the forecast cash flows of the business.

For the purposes of stress testing, the Directors modelled a base case, several downside scenarios, a combined downside scenario and a set of mitigating actions to the combined downside scenario. The base case was modelled on a prudent basis, assuming revenues based on the production schedules and cost estimates. Positive cash headroom is maintained under the base case scenario. Taking into account the economic outlook, expected interest rates and geopolitical events, the Directors have identified certain specific key risks to the base case assumptions and have modelled the scenarios as follows:

- Reduction in revenue risk: the entire automotive market suffers a downturn of 20% in revenue driven by macroeconomic weakness;
- Increased cost of sales risk: reflecting the impact of inflation in cost of sales raising by 10% and inability to recover the increase in costs from customers;
- Stockholding risk: reflecting a scenario caused by the disruption in customer schedules due to prolonged global conflicts or other plausible disruptions resulting in the need to hold more than normal stock levels required in the distribution centres.

In addition, the Directors have modelled a combined downside scenario and considered several controllable mitigating actions. The mitigating actions modelled are overhead reductions, removal of bonus payments, reduction in capital expenditure and delaying tax payments. Such mitigating actions are within Management's control and the business closely monitors appropriate lead indicators to implement these actions in sufficient time to achieve the required cash preservation impact. Additional mitigating actions which have not been modelled but are available for Management to deploy, if required, are negotiating with customers on reduced customer payment terms and extending supplier payment terms with vendors.

In any of the scenarios noted above the combined impact of the above downside assumptions, the stress testing model, incorporating the above principal mitigation, demonstrates that the business is able to maintain a positive cash balance throughout the entire going concern review period considered.

The Group currently has borrowing facilities linked to inventories and accounts receivables through FGI Worldwide LLC. The facility is due to expire on 10 October 2027. Covenants regarding maintaining a Fixed Charge Coverage Ratio of 1.5x are tested monthly. Forecast FCCR ratios under the above-mentioned stress tests show that we maintain headroom in all scenarios with the relevant mitigations in place.
As a result of the above considerations, the Directors consider that the Group has adequate resources in place for at least 12 months from the date of the approval of 2025 financial statements and have therefore adopted the going concern basis of accounting in preparing the financial statements.

Measurement convention
The financial statements are prepared on the historical cost basis.

Foreign currency
Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in 'US Dollars', which is also the Company's functional currency. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate 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. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the statement of profit or loss.

Impairment excluding inventories, and deferred tax assets
Financial assets (including trade and other receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Investments in subsidiaries
Investments in subsidiaries are carried at cost less impairment.

Non-derivative financial instruments
Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management. The cash and cash equivalents balances are held in Current Accounts and are readily available with no restrictions in place. For banks and financial institutions, only independently rated parties with minimum rating "A" or above are accepted.

Interest-bearing borrowings
Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Taxation
Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. 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.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Key sources of estimation uncertainty:
As at 31 December 2025, the Directors have assessed the unrecognized deferred tax assets related to tax losses carried forward against future profits is $3.09 million, of which the Company will utilize $306,443 in 2026 and $372,110 in 2027 and the remaining amount will be carried forward to subsequent years. Given that the Company continues to be loss making in 2025, the Directors have assessed the recoverability of the deferred tax assets and concluded that sufficient taxable profits arising in the UK to utilise any deferred tax asset(s) would be possible rather than probable. As a result, the Directors opted not to recognise any deferred tax asset(s).

2. Staff numbers and costs

The aggregate payroll costs of the Company were:

	2025	2024
	$'000	**$'000**

Wages and salaries	699	1,073
Social security costs	91	158
Other pension costs	15	21
	805	1,252

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

	2025 Number	2024 Number
Management and administrative staff	9	11
	9	11

3. Investments

	Shares in Group undertakings $'000
Cost	
Brought forward	36,193
Change	-
At end of year	36,193
Net book value	
At 31 December 2024	36,193
At 31 December 2025	36,193

The Company holds a direct 100% investment in China Tool Projects UK Limited and its subsidiaries. The registered office of China Tool Projects UK Limited is: Rooms 2102-3 China Insurance Group Building 141 Des Voeux Road Central, Hong Kong (registered number: 700491). At 31 December 2025, the company owns 90% of its subsidiary, CT Automotive Systems DE Mexico SA DE CV.

The Company holds investments in Group companies amounting to $36.2 million.

The cashflow forecasts incorporate the following key assumptions, which Management identifies as the drivers of the Value in use model:

Gross margin assumptions:

Projected gross margins of 30%, reflecting expected production efficiencies, material cost forecasts, pricing agreements and operational plans.

Capital expenditure:

CAPEX for 2026 reflects committed and planned expenditures of $3.5 million, while 2027 onwards includes expected ongoing investment needs, covering routine maintenance and indicative replacement of ageing assets.

Long-term growth rate:

Cashflows beyond the three-year explicit forecast period have been extrapolated using a long-term growth rate of 2.5%, which does not exceed the long-term average growth rate for the automotive tooling sector or the markets in which the CGU operates, as required under IAS 36.

Given that the Company's market capitalisation is lower than its net asset value, Management considers this to be an indicator of potential impairment under IAS 36. Accordingly, Management has performed an impairment assessment of its investments, based on value-in-use calculations using discounted cash flow models. These models incorporate key assumptions including forecast revenues, operating margins, growth rates, and discount rates, which are based on approved budgets and strategic forecasts.

While the Company's share price has declined, Management believes this is driven by external market factors and does not reflect the underlying financial performance or future cash-generating ability of the Group. The impairment review concluded that the recoverable amount exceeds the carrying value of the investments, and therefore no impairment has been recognised.

Given the inherent judgement involved in forecasting future cash flows and selecting appropriate assumptions, impairment assessment of investments is considered a key source of estimation uncertainty. Changes in these assumptions could result in a material adjustment to the carrying value of investments in future periods.

4. Deferred tax assets

Unrecognised deferred tax assets

	2025 $'000	2024 $'000
Available losses	1,001	1,483
Tax assets	-	-

Movement in deferred tax during the year

	At 1 January 2025 $'000	Unrecognised in income $'000	At 31 December 2025 $'000
Available losses	1,483	(482)	1,001

	At 1 January 2024 $'000	Unrecognised in income $'000	At 31 December 2024 $'000
Available losses	1,287	196	1,483

As at 31 December 2025, the Directors have assessed the unrecognized deferred tax assets related to tax losses carried forward against future profits is $3.09 million, of which the Company will utilize $306,443 in 2026 and $372,110 in 2027 and the remaining amount will be carried forward to subsequent years. Given that the Company continues to be loss making in 2025, the Directors have assessed the recoverability of the deferred tax assets and concluded that sufficient taxable profits arising in the UK to utilise any deferred tax assets would be possible, rather than probable. As a result, the Directors determined not to recognise any deferred tax assets for the Company.

5. Receivables

	2025 $'000	2024 $'000
Amounts owed from Group undertakings	38,068	32,348
Other receivables	243	31
Prepayments	1,141	1,273
	39,452	33,652

Amounts owed from Group undertakings attract no interest on these balances and are repayable on demand.

6. Trade and other payables

	2025 $'000	2024 $'000
Trade payables	125	276
Amounts owed to Group undertakings	28,172	20,569
Taxation and social security	19	78
Other payables	-	6
Accruals	476	833
	28,792	21,762

Amounts owed to Group undertakings attract no interest on these balances and are repayable on demand.

7. Derivative financial instruments

The Company has entered into foreign currency forward contracts which are recognised at fair value through profit or loss.

	2025 $'000	2024 $'000
Current		
GBP / EUR forward contracts	1	-
GBP / USD forward contracts	-	-
USD / CHN forward contracts	(92)	49
	(91)	49
Total Derivative liability /(asset)	(91)	49

Foreign exchange risk arises when the Group enters into transactions denominated in a currency other than their functional currency. Where this risk is considered to be significant, Group treasury enters into forward foreign exchange contracts for the purposes of foreign exchange risk management.

As at 31 December 2025, the Group has two open forward contracts. The contract with Investec which is used to manage exchange rate movements between USD and CNH. The contract with Birchstone is used to manage exchange rate movements between USD and CNH and EUR and GBP. All the open contracts are expected to mature during 2026.

8. Capital and reserves

	2025 $'000	2024 $'000
Share capital		
Allotted, called up and fully paid		
73,597,548 (2024: 73,597,548) Ordinary shares of £0.005 each	484	484
Shares classified in shareholders' funds	484	484

The holders of 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.

Share premium
The share premium represents the value subscribed for share capital in excess of nominal value.

LTIP reserve
The Long-Term Incentive Plan (LTIP) Reserve represents the cumulative charge recognised in equity in accordance with IFRS 2 - Share-based Payment for awards granted to employees under the Company's long-term incentive programmes.

Retained earnings/(Accumulated deficit)
Accumulated deficit represents all other net gains and losses not recognised elsewhere.