

Judges Scientific plc  
Annual report and accounts 2024

Financial Statements

# Strategic Report

## Chair's Statement

For the year ended 31 December 2024

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The year under review was a disappointing one as, for only the fourth time in our nineteen year history as a group of scientific instruments manufacturers, we were unable to beat the records achieved the previous year. As previously announced, the decline in financial performance was mainly caused by the timing of our Geotek coring business's latest expedition but this was accentuated by wider market headwinds affecting businesses across our Group to varying degrees, including weaker order intake. While our trading performance was disappointing, M&A activity was relatively buoyant, with three acquisitions completed, and cash conversion was restored to normal levels.

Generating attractive returns for our shareholders remains the core purpose of the Group. As such, the Board is pleased to be recommending a final dividend of 74.8p, resulting in a total dividend of 104.5p in respect of 2024, which is a 10% increase on the prior year (2023: 95p), whilst retaining a healthy cover of 2.7 times adjusted earnings per share to enable sustained progression in line with the Group's dividend policy. Since the payment of the first dividend in respect of 2006, regular dividends have grown at a compound annual rate of 22% and total dividend distributions have aggregated to 8.6 times the 2005 re-admission price of 100p.

### Strategy

The Group's strategy remains unchanged and is based on creating attractive returns through highly selective and carefully structured acquisitions, underpinned by diversified, solid and growing earnings and cashflows arising from existing businesses.

The Group's acquisition model is to acquire small/medium-sized niche scientific instrument manufacturers, paying a disciplined multiple of earnings and to finance any acquisition, ideally, through existing cash resources and/or bank borrowings. We remain highly selective in seeking to acquire businesses with a history of sustainable profits and cashflows, to obtain immediate and enduring earnings enhancement for our shareholders. It is paramount that acquisitions are completed only when the Directors are satisfied that the target business has sound underlying strength with robust and defensible margins and is acquired at a sensible multiple.

Post-acquisition, the Group provides a favourable environment for these businesses to continue to prosper. Much effort is invested by the executive team into helping their autonomous management teams to improve their quality in terms of talent, leadership, innovation, geographic reach, the speed/quality of production and financial control. Organic revenue growth and operational improvements are an ever-growing component of long-term shareholder returns.

As a result of the historic performance of the Group, it has been possible to reduce debt promptly, thereby generating the financial resources necessary to reinvest in further acquisitions and reward shareholders with a progressively increasing dividend, subject always to our prudent approach to gearing and earnings cover.

The underlying global market for scientific instrumentation has remained robust in the long-term and the sector's secular growth drivers provide comfort that the Group will continue to deliver durable returns for our shareholders despite the potential for some short-term variability in performance. These long-term market drivers are rooted in the global expansion of higher education; the need for measurement tools to support the relentless worldwide search for optimisation and the desire for discovery across industry and science.

The nature of Judges' business model, combined with management's consistent execution of its strategy, has generated excellent returns for investors. Sustained growth has been delivered through our business model clearly seen through the long-term compound annual growth rate ("CAGR") for revenue and profit, both for the Group as whole and also on an Organic basis. Over the past 18 years, the Group has produced a total revenue CAGR of 20% and related EBIT growth of 26% and the Organic measure is 7% and 9% respectively. Our disciplined approach to acquisitions allied with the aforementioned performance, has resulted in maintaining Return on Total Invested Capital of comfortably over 15%. In addition, the Group's strong ability to convert profit into cash, has enabled us to finance acquisitions without significant dilution and to maintain our policy of increasing the dividend by a minimum of 10% per year which has yielded a compound annual growth of the dividend of 22% over the past 18 years.

### Our team

In this difficult year, the hard work and competence of all our colleagues at every level was critical to our resilience. I trust our shareholders will join the Board in thanking them for their diligent efforts.

In September, our Board was delighted to strengthen the Executive team with the appointment of Dr Ian Wilcock as Group Commercial Director. Ian has joined the team in charge of supporting the growth and development of our businesses. His experience acquired in a career including senior roles at Renishaw, Danaher and Oxford Instruments will be invaluable to Judges and he is already contributing energetically to the growth of our Group.

# Strategic Report

## Chair's Statement

For the year ended 31 December 2024

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After 22 years with the Group, I will be leaving the Board at the forthcoming AGM. It has been a privilege to support the Company since its creation, championing both its business model and unique culture. I am incredibly proud of what we have achieved together, growing from £2m on admission to a business with the stature and reputation that Judges holds today. I would like to take this opportunity to thank my fellow board members, the management team, and of course our shareholders for their trust and support over the years. I also wish Ralph Elman an enjoyable and successful tenure as he takes on the role of Non-Executive Chair and have no doubt that he will continue to provide the Group with great wisdom and guidance.

*Alex Hambro*

Alex Hambro (Apr 2, 2025 22:37 GMT+1)

Alex Hambro  
Retiring Chair  
2 April 2025

# Strategic Report

## Chief Executive's Report

For the year ended 31 December 2024

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### 2024 Overview

2024 was a difficult year for trading. The year started with no clear visibility on the timing of Geotek's next coring expedition and as the year progressed, the absence of coring revenue in the year was confirmed. Coring is an important component of the Geotek business, acquired in 2022, and expeditions occur typically, but not necessarily, once a year. Eventually, a contract for a coring expedition in Japan was signed in August 2024 and has subsequently commenced in January 2025, too late to impact the 2024 results. To accurately interpret our performance, it is important to recognise that 2023 included coring income but no coring order and 2024 included a coring order but no income. We aim to provide guidance within this report on how this impacts the figures and keeps comparisons meaningful.

Demand for the Group's products was generally subdued, particularly in China, with orders being slow to materialise and, in some cases, the delivery of existing orders being postponed. This led to reduced profitability although our Group remains resilient in adverse periods. In addition, at the earnings per share level, the Company suffered the full impact of the UK Corporation Tax increase initiated in 2023.

Despite a disappointing trading performance, the Group has continued to execute its longstanding strategy. 2024 was a good year for M&A and three acquisitions were completed for a total of £20.6m (including potential earn-outs). Moderate short-term fluctuations of trading performance do not affect the conduct of our growth strategy but regular progress in our performance is a strategic goal that we regretfully missed in 2024.

Whilst there were significant variances in performance across the businesses, the overall performance of the Group showed the resilience of our portfolio model. In addition to the aforementioned lack of a coring expedition, weak order intake, particularly from China, resulted in more than half of our businesses' profits reducing compared to 2023, however several of these were nonetheless able to mitigate the full impact through the timely execution of new business opportunities. Furthermore, more than a third of our organic businesses grew to deliver record profits, benefitting from exposure to positive long-term trends in environmental and industrial research, the realisation of strategic initiatives to gain new accounts and win major projects, and solid execution of their established growth plans. Our commitment to invest across the Group for sustained long-term success therefore remains undented, as we continue to focus on the four pillars of our decentralised organic growth model: hiring and developing strong talent, inspiring and supporting ambitious strategies, driving operational excellence, and ensuring robust governance and financial control. 2024 also saw particular emphasis around further embedding a culture of innovation, which we are confident will enable us to sustain our operating margin and, in the long term, result in a higher proportion of revenues being derived from patented products and processes.

### Change of Chair

As previously announced, Alex Hambro has retired from his role as Chair in which he has excelled for 22 years, and he will leave the Board at the forthcoming AGM. His contribution since the Company's creation has been invaluable; he has been a great advocate of our business model and culture, and his wisdom and enthusiasm will be missed. On behalf of the shareholders, we thank him for his service to the Group.

We are also looking forward to Ralph Elman's contribution as our new Chair, having assumed the role on 1 January 2025.

### Order intake

Order intake is the main driver of our business. Organic intake was up 7% year-on-year. Excluding the coring order (of which there wasn't one in 2023) Organic intake was up 2%.

The strongest region was the Rest of the World (up 54% including the coring order); Rest of Europe and USA/Canada were up 2% and the UK down 13% (after a strong 2023). China/Hong Kong was down 34%. The best absolute performances by country were achieved in Japan, Germany, Israel and Brazil, with nine countries progressing more than £1m each. The weakest came from China/Hong Kong (£6m down), the UK and Poland.

The most significant variance is China/Hong Kong. This region was two-thirds down in H1, so H2 showed a return to stability. However due to the current geopolitical market environment in this region, which is now only a tenth of the Group's revenue, the medium-term outlook for industries like ours is likely to converge with other developed markets rather than producing the exceptional growth of the past years.

### Revenues

Group revenues declined by 1.8% to £133.6m. Organic revenue decreased 7.6% compared to 2023. Excluding coring, the Organic decline was 2.1%.

In Organic terms, the best performing region was the UK (+8%) followed by the Rest of Europe (+5%) and the Rest of the World (+2%). USA/Canada was down 17% (reflecting the fact that USA had a coring expedition in 2023 and some residual revenue from 2022's expedition). The largest decline was China/Hong Kong down 33%. The best absolute performances by country were achieved in Germany, Singapore, the Czech Republic and the UK, with six countries growing by more than £1m each. The weakest came from the USA (due to coring and general stagnation), from China/Hong Kong (£5.9m down) and from Taiwan, Sweden and Japan.

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The Group continues to be a strong exporter and is well diversified, both via its end markets and across the globe, with 25% of the Group's revenues earned in North America, 27% in the Rest of Europe and 10% in China/Hong Kong (which was 14% of the Group's revenues in 2023).

Revenues were mostly affected by the absence of coring and by weak order intake from China/Hong Kong; those of our businesses with significant trading with that zone generally suffered most unless they had a large order book at the start of 2024.

The Organic order book at the year-end was inflated by the coring contract and a few large orders that were deferred by our customers; it represented 19 weeks of future sales (17 weeks excluding coring) against 17 weeks in 2023.

### Profits

Given the operational leverage in the Group, the most important driver of Judges' operating margins is volume. The decrease in Organic revenue, as well as the absence of a coring contract, reduced our Adjusted Organic EBIT margin before central costs to 24% (2023: 29%). For the first time, Geotek was included in the Organic perimeter.

Adjusted profit before tax, including the contribution of the two businesses acquired in 2023 and the three purchased in 2024, amounted to £24.3m (2023: £31.7m). Return on Total Invested Capital ("ROTIC") regressed to 16.5% (2023: 22.7%). Statutory profit before tax was £13.0m (2023: £13.4m), reflecting lower adjusting items.

The Group continued to invest in the improvement of its existing products and the development of new products. Investment in research and development amounted to £8.4m in 2024 (2023: £6.8m), equivalent to 6.3% of Group revenue (2023: 5.0%).

2024 suffered the full-year increase in UK corporation tax rate from 19% to 25% (9 months in 2023). Adjusted earnings per share declined by 24% to 283.4p from 374.6p, with adjusted fully diluted earnings per share similarly reducing to 278.7p (2023: 368.5p). Statutory basic earnings per share were 156.7p (2023: 145.8p) and statutory diluted earnings per share was 154.2p (2023: 143.5p).

### Cashflow

Cash conversion was impacted in the recent past by caution and efforts to avoid the lengthy delays to customers that the long-persisting supply chain difficulties had caused. It was a management focus this year and improved to 122% (2023: 90%), with cash generated from operations of £34.0m (2023: £31.3m). The second-half progress and the timing of the Japanese coring payments contributed to the full-year improvement. Although cash conversion was restored to pre Covid/Ukraine levels, the Group will continue its focus on reverting to the low working capital utilisation prevalent then.

Year-end cash balances increased to £17.9m from £13.7m at 31 December 2023. Adjusted net debt (excluding IFRS 16 lease liabilities but including sums still due in respect of acquisitions) at the year-end amounted to £51.7m (2023: £45.1m).

On 1 July 2024, the Group amended and extended its multi-bank facility, which now amounts to £140m (including a £50m accordion), compared with £100m (including a £20m accordion) previously. The facility was extended by two years and now expires on 1 July 2028, adding increased capability to the Group's deal-making capacity.

### Corporate activity

On 1 February 2024, our subsidiary PE.fiberoptics acquired 100% of the shares of Luciol Instruments SA ("Luciol") for CHF 2m, equal to four times adjusted historic EBIT, plus a potential earn-out capped at CHF 0.5m plus excess cash, of which CHF 0.3m was achieved. The Board believes that the Luciol transaction will attenuate the vulnerability of PE.Fiberoptics to the telecom industry's cyclicality.

On 28 June 2024, Geotek acquired 100% of the shares of Rockwash Geodata Ltd ("Rockwash") for an initial cash payment of £2.25m plus an earn-out capped at £3.75m based on six times the higher of 2024 and 2025 adjusted EBIT, plus excess cash. Rockwash is engaged in digitalisation of cuttings and chippings and the Board believes that the acquisition will produce synergies with Geotek's core digitalisation business.

Given the widening number of niche sectors we operate in, it naturally becomes more likely that we will acquire businesses synergistic with existing Group activities.

On 15 August 2024, the Group acquired 100% of the shares of Magsputter Limited, the holding company of Teer Coatings Limited, a company specialising in manufacturing coating instruments and providing coating services, for £12.3m, equal to six times adjusted historic EBIT plus the valuation of their property, excluding excess cash.

As a buy and build focused group, the acquisition of new businesses is a fundamental feature of the Group's strategy. Executing this effectively ensures that long-term value is generated for shareholders. Judges retains a strict acquisition discipline and is highly selective in relation to both the acquisition multiple and long-term quality of any potential addition to the Group.

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## Chief Executive's Report

For the year ended 31 December 2024

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The industry in which we operate contains a multitude of small global niches, as illustrated by the diverse nature of the new entrants to our Group. The UK is recognised in this arena as a centre of excellence for product innovation and manufacturing with world-leading businesses. Judges has built a strong reputation over the past decade as an ethical, experienced and well-financed buyer and a supportive and respectful home for businesses in our sector whose owners wish to sell. We are trusted to act decisively and to complete deals under the initial terms agreed. For the businesses we acquire, the Group offers advice and support wherever necessary, stimulates intra-group cooperation, participates in succession planning and implements robust financial controls. We trust subsidiary management teams with the day-to-day running of their businesses. This has been a successful operating model for the Group, as management teams are given responsibility for their own destinies, as well as an environment in which they can thrive.

### Dividends

The Board is recommending a final dividend of 74.8p per share subject to approval at the forthcoming Annual General Meeting on 22 May 2025, which will make a total distribution of 104.5p per share in respect of 2024 (2023: 95p per share). The total dividend per share is 2.7 times covered by adjusted earnings per share (2023: 3.9 times). Our policy of increasing the dividend by a minimum of 10% per year remains sustainable as long as there is ample cover.

The proposed final dividend, if approved by shareholders, will be payable on Friday 11 July 2025 to shareholders on the register on Friday 13 June 2025. The shares will go ex-dividend on Thursday 12 June 2025. The Company's shareholders are reminded that a Dividend Reinvestment Plan (DRIP) is in place to enable shareholders to automatically reinvest their dividends into additional Judges shares should they so wish.

### Trading environment

The long-term fundamentals supporting demand for scientific instruments and related techniques and services remain positive. In addition to the global expansion of higher education, market demand is driven by continuing strong worldwide growth of scientific research across academic, corporate, and industrial sectors, and the increasing number of industrial applications for scientific techniques and technologies driven by the enduring pursuit for process control and optimisation. Of course, control and optimisation require measurement.

In parallel to these positive long-term trends, the markets across which Judges and its peers operate are also characterised by a degree of shorter-term variability, influenced mostly by government spending, research funding, currency fluctuations and the business climate in major trading blocs, particularly the USA and China.

In the medium-term, the competing goals in the various jurisdictions where the Group operates, of stimulating recovery and of reducing ballooning government deficits will likely increase uncertainty in worldwide research funding. Whilst it now appears that inflation may finally be under control and interest rates may gradually be reduced, government debt worldwide is an issue and may cause the return of austerity.

As a large percentage of the Group's revenue is overseas, exchange rates have a significant influence on the Group's business. Judges' manufacturing costs are largely denominated in Sterling and most of the Group's revenue originates from countries where the standard of value is the US Dollar (approximately one half of total revenue) or the Euro (around one third of total revenue). The currency movements since the Brexit referendum vote in 2016 have had a positive influence on our margins and our competitiveness; exchange rates have continued to remain favourable to our Group.

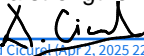
### Outlook

Judges' business is very international and thrives on peace and free trade. The macro environment remains uncertain, a trend that is not ideal for the scientific community. The after-effect of budget deficits may still make itself felt on research budgets in the coming years, while the elevated tensions in the world may cause increased volatility. Additionally the threat of trade wars and, in particular, recent disruptions to US research funding make the near future for order intake less certain.

Exchange rates remain favourable to the Group's competitive position but from April the Group will be impacted by the increase in National Insurance. This, together with the 2023 corporation tax increase, means that the UK Government will have increased its annual takings from the Group by approximately £3m.

Performance for 2025 is currently expected to be in line with market expectations. However, the Group remains mindful of the potential impact of the aforementioned macroeconomic uncertainty. 2025 has started with a coring expedition and a healthy order book; whilst Organic order intake for the first 11 weeks of the year is slightly ahead of the 2024 comparative, the trailing 12 months Organic order intake (excluding coring) has grown by 8% since June 2024.

Notwithstanding the challenging environment, the resilience and adaptability of the Group, combined with supportive secular drivers and a strengthened executive team, provide confidence in the long-term delivery of durable returns for shareholders.

  
David Cicurel (Apr 2, 2025 22:55 GMT+3)

David Cicurel  
Chief Executive  
2 April 2025

# Strategic Report

## Chief Financial Officer's Report

For the year ended 31 December 2024

The Group's strategy is based on acquiring companies within the scientific instruments sector and ensuring continued profitable performance and growth at its existing subsidiary businesses.

### Key Performance Indicators

The Group's financial Key Performance Indicators ("KPIs"), which are aligned with the ability to deliver Organic growth, reduce acquisition debt and fund dividend payments to shareholders, are Adjusted basic earnings per share, Adjusted operating margins, return on total invested capital and cash conversion. We have a further non-financial KPI of Organic order intake which is the bellwether of future short-term financial performance. All five KPIs are commented on during this report.

	2024	2023
Adjusted basic earnings per share	<b>283.4p</b>	374.6p
Adjusted operating profit margin	<b>20.9%</b>	25.6%
Return on total invested capital	<b>16.5%</b>	22.7%
Cash conversion	<b>122%</b>	90%
Organic order intake	<b>+7%</b>	+7%

### Alternative performance measures

The Group uses alternative performance measures ("APMs") in order to provide readers of the accounts with a clearer picture of the Group's actual trading performance and future prospects. Amongst these measures are: (1) Organic, which describes the performance of the Group only including those businesses acquired prior to the start of the comparative period, and for these accounts the reference date is 1 January 2023; (2) Adjusted earnings figures, which exclude adjusting items (as disclosed in note 4); (3) Adjusted net debt, which (a) includes acquisition payables not yet settled at the Balance sheet date and (b) excludes IFRS 16 lease liabilities; and (4) Return on total invested capital and cash conversion which are defined within the relevant sections of this report.

### Reconciliation of Organic to Total

	2024	2023	2024	2023
	Revenue	Revenue	Adjusted Operating Profit	Adjusted Operating Profit
	£m	£m	£m	£m
<b>Organic</b>	<b>123.6</b>	133.8	<b>25.3</b>	34.0
<b>Acquisitions</b>	<b>10.0</b>	2.3	<b>2.6</b>	0.8
<b>Total</b>	<b>133.6</b>	136.1	<b>27.9</b>	34.8

### Revenue

Group revenues were £133.6m compared with £136.1m in 2023, a drop of 2%. Organic revenues overall declined by 8% (2023: Organic growth of 15%) and by 2% if excluding the Geotek coring contract. The Organic revenue decline was partially offset by the current year acquisitions of Teer Coatings, Luciol, and Rockwash, together with full year contribution from the 2023 acquisitions of Henniker and Bossa Nova Vision.

Across our two segments, Materials Sciences total revenues declined by £7.9m to £64.6m (2023: £72.5m) and Vacuum revenues increased by £5.4m to £69.0m (2023: £63.6m).

### Profits

Adjusted operating profit was £27.9m compared with £34.8m in 2023, a decrease of 20%. Performance was affected (1) by having no income from a Geotek coring contract; (2) by weaker order intake throughout most of the year which meant that the Group was more impacted by the negative effect of higher operating leverage; and (3) by the Group having geared up for expected growth rather than decline, so overheads had increased. Unsurprisingly these three items negatively impacted Adjusted operating margins which reduced from 25.6% to 20.9%.

Sterling, on average, slightly strengthened against both the Euro and US Dollar in 2024, but overall exchange rates continue to be usefully positioned for the Group, helping maintain our competitiveness as a high exporter.

Statutory operating profit reduced to £16.9m (2023: £21.6m), and statutory profit before tax was £13.0m compared to £13.4m in 2023. This primarily reflects the weaker trading performance but with lower adjusting items (detailed further below).

### Capitalisation of development costs

£1.4m (2023: £1.2m) of our total R&D expense was capitalised in relation to development of new or significantly improved products. Amortisation on the total amounts capitalised (inclusive of prior years) is £0.9m (2023: £0.4m) reflecting an increase in the number of completed projects this year and moving us closer to a situation where annual capitalised investment is aligned with ongoing amortisation.

### Adjusting items

£11.3m of pre-tax adjusting items were recorded in 2024 (2023: £18.3m). The main constituent was £9.2m of amortisation of intangible assets recognised upon acquisition (2023: £11.8m), primarily arising as a result of acquisitions over the past 3 years.

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## Chief Financial Officer's Report

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The overall reduction of £7.0m was due to the aforementioned lower amortisation together with a prior year £4.0m charge which related to the difference between the market value of the new Judges shares issued for the equity component of the Geotek earn-out compared with the market value as at 31 December 2022.

### Finance costs

Net finance costs (excluding adjusting items) totalled £3.6m (2023: £3.1m). The higher interest charge in 2024 is attributable to the higher level of unhedged debt due to the current year's acquisitions.

Statutory net finance costs were £3.9m (2023: £8.2m). The reduction in statutory net finance costs is primarily attributable to the aforementioned £4.0m charge.

### Taxation

The Group's tax charge arising from Adjusted profit before tax was £5.1m (2023: £6.9m). The effective tax rate on Adjusted profits of 21.0% compares with 21.8% in 2023. The reduction is attributable to a 1.5% increase equivalent to the final quarter of the April 2023 increase in UK corporation tax rates from 19% to 25% offset by a 1% benefit from the one-off recognition of some previously unrecognised tax losses and a similar benefit from a first time use of HMRC's Patent Box scheme ("Patent Box"). Patent Box offers a significantly reduced rate compared with the existing UK headline rate and was utilised by two of our companies who have existing patents.

Over the coming years, the Group's increasing focus on innovation is likely to result in more of our businesses applying for, and being granted, patents. This aligns with the Group's ESG commitments and the UN's SDG8.2 to achieve higher levels of economic productivity through technological upgrading and innovation. A higher proportion of the Group's revenues may therefore fall within Patent Box, although it should be noted that patent applications take time and may not be successful.

### Earnings per share

Adjusted basic earnings per share declined by 24% to 283.4p from 374.6p and Adjusted diluted earnings per share was a similar percentage lower at 278.7p (2023: 368.5p), reflecting the weaker performance of the Group.

Statutory basic earnings per share was 156.7p (2023: 145.8p) and statutory diluted earnings per share totalled 154.2p (2023: 143.5p). Statutory basic and diluted earnings per share have increased as a result of the weaker trading performance being more than offset by a reduction in the level of adjusting items, as explained in the Adjusting items section of this report.

### Order intake

Organic order intake for 2024 was 7% above the prior year figure, although only 2% above 2023 if the Geotek coring contract order is excluded. Your Board considers order intake and the resultant year-end order book as an important bellwether to the Group's ability to achieve its expected results, and so the underlying performance was disappointing in the context of the Group's long-term compound organic revenue growth. The closing Organic order book at 31 December 2024 was 19.2 weeks of budgeted sales (31 December 2023: 16.7 weeks). Excluding Geotek's coring contract this would be 17.1 weeks. Total order book was 18.7 weeks inclusive of the 2023 and 2024 acquisitions.

### Return on Total Invested Capital

The Group closely monitors the return it derives on the capital invested in its subsidiaries. The annual rate of Return on Total Invested Capital ("ROTIC") at 31 December 2024 was 16.5% (2023: 22.7%). The decline in ROTIC is as a result of the overall disappointing business performance throughout 2024 and we have much work to do to restore this towards our medium-term target of 30%.

The annual rate of ROTIC is calculated by comparing attributable earnings excluding central costs, adjusting items and before interest, tax, and amortisation ("EBITA"), with the amounts invested in plant and equipment, net current assets (excluding cash) and unamortised intangible assets and goodwill (as recognised at the initial acquisition date) together with any acquisition costs and any increases to acquisition consideration post-acquisition date.

### Goodwill and parent company investment carrying values

Given 2024's subdued performance, the Group has rigorously assessed the levels of headroom between the value in use calculations for each of the Group's cash generating units (CGUs) and the related carrying value of goodwill and acquired intangible assets at 31 December 2024. A standard value in use calculation was performed for each CGU together with additional stress-testing calculations which used reasonably possible but more conservative assumptions for the key inputs. These assumptions included a combination of (1) reduced 2025 profitability, (2) reduced medium term growth, and (3) higher weighted average cost of capital.

No scenario was identified which would have required any impairment to goodwill and/or acquired intangible assets.

The carrying value of the parent company's investment in a subsidiary is recorded on a different accounting basis to goodwill and acquired intangible assets and is therefore a substantially higher asset value. In applying the same process to the carrying value of the parent company investments, headroom existed in all cases using the standard value in use calculation.

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However, upon applying the same more conservative stress-test scenarios, it identified indicators of impairment in one investment, Geotek, due to its subdued performance in 2024. A £8.3m impairment has therefore been recorded to reduce the investment carrying value from £99m to £91m which remains higher than the enterprise value for which the business was acquired. This has been recorded in the parent company income statement and has no effect on the results of the Group or its covenants.

### Dividends

For the financial year ended 31 December 2024 the Company paid an interim dividend of 29.7p per share in November 2024 (2023: 27.0p per share). Given the weaker 2024 performance, the Board is recommending a 10% increase to the dividend, such that the final dividend proposed is 74.8p per share and a total dividend for the year of 104.5p per share (2023: 95.0p per share). Dividend cover is approximately 2.7 times Adjusted basic earnings per share (2023: 3.9 times).

The Group's policy is to pay a progressively increasing dividend, with an annual minimum increase of at least 10% (dependent on the Group's performance), covered by earnings provided the Group retains sufficient cash and borrowing resources with which to pursue its longstanding acquisition strategy.

### Headcount

The Group's full time equivalent ("FTE") employees for 2024 stood at 767 (2023: 682). This growth reflects recruitment in support of the Group's long-term growth strategy, together with the acquisitions of Teer Coatings, Luciol, and Rockwash.

### Share capital and share options

The Group's issued share capital at 31 December 2024 totalled 6,642,484 Ordinary shares (2023: 6,615,717). Shares issued during 2024 were to satisfy the exercise of share options by various members of staff during the year.

Share options issued during the year under the 2015 scheme totalled 47,131 (2023: 85,759), most of which were issued to the Executive Directors inclusive of the appointment of Ian Wilcock. The total share options in issue at the year-end under both the 2005 and 2015 schemes amounted to 271,587 (2023: 254,169).

### Defined benefit pension scheme

The Group has one very small defined benefit pension scheme which was acquired with Armfield in 2015. This scheme has been closed to new members from 2001 and was closed to new accrual in 2006. The latest triennial full actuarial valuation was performed in March 2023 which resulted in a surplus for the scheme with no further deficit reduction contributions being required. Previous annual contributions were £0.4m.

The Group accounts for post-retirement benefits in accordance with IAS 19 Employment Benefits. The Consolidated balance sheet reflects the net surplus or deficit on the pension scheme, based on the market value of the assets of the scheme and the valuation of liabilities using year end AA corporate bond yields.

Following the outcome of the triennial valuation, the Trustees of the scheme took steps to secure the pension surplus by aligning the asset management strategy with the expected future pension outflows to the members of the scheme, and in March 2024 the Trustees entered into a buy-in policy with an insurance company. This policy secured payment of all future pensions due to the scheme's members. This action also formally commenced a process of transferring the future responsibility of the Armfield defined benefit pension scheme to the insurance company. Post-year end, in January 2025, the Trustees of the Armfield pension scheme approved commencement of the winding up of the scheme, a process that is expected to take 12-18 months before the defined benefit pension scheme is officially no longer the responsibility of Armfield.

At 31 December 2024, the pension scheme was in a position of minimal surplus (net of deferred tax) (31 December 2023: £1.1m net surplus). At the point of entering into this process, the insurance company's own valuation of the Armfield scheme showed a minimal surplus with assets and liabilities of £7m, and therefore the surplus has in effect transferred to the insurance company as their risk premium for accepting future responsibility for the scheme.

### Cashflow and net debt

The Group has an enduring track record of converting profits into cash and this year's trading delivered a strong cash performance with cash generated from operations of £34.0m (2023: £31.3m). Our cash conversion rate, which compares cash generated from operations with Adjusted operating profit, was 122% (2023: 90%), a significant improvement on the recent past and a return to the historical 90%+ levels. It is to be noted that we received significant advance payment for the Geotek coring contract taking place in early 2025, however even excluding this cash conversion exceeded 100%.

This is a pleasing return to historic norms, but we haven't yet made significant inroads into our total working capital levels which remain higher than before COVID. Reducing overall working capital must therefore remain a key area of focus over the short to medium term.

Total capital expenditure on property, plant, and equipment, amounted to £5.0m (2023: £4.7m) reflecting continued investment in new property and / or refurbishments for our trading businesses, although we expect property capex to greatly diminish post 2025 when all major projects for the Group's existing businesses should have completed.

# Strategic Report

## Chief Financial Officer's Report

For the year ended 31 December 2024

The Group commenced 2024 with £45.1m of Adjusted net debt and finished the year with £51.7m. Adjusted net debt includes acquisition-related cash payables that had yet to be settled at the balance sheet date and excludes IFRS 16 liabilities. The Group uses Adjusted net debt rather than statutory net debt, as this figure includes cash liabilities arising from acquisitions. The Group acquired Teer Coatings, Luciol, and Rockwash in 2024 for a combined maximum consideration of £20.6m (including contingent consideration) together with distributing £6.5m of dividends to shareholders, £5.5m towards tax liabilities, and invested £5.0m in capital expenditure; an overall £37.6m outflow with net debt only increasing by £6.6m.

This continues to evidence to shareholders the enduring capability of the Group to generate cash and de-leverage despite the weaker financial performance in 2024. Gearing, or leverage, the measure used in reporting for our covenants, is calculated as the proportion of Adjusted net cash / debt compared to Adjusted earnings before interest, tax, depreciation, and amortisation ("EBITDA"). At 31 December 2024, it was 1.7 times (2023: 1.4 times). We remain committed to maintaining a prudent gearing position whilst at the same time taking the opportunities of acquiring strong, sound businesses at disciplined multiples.

During the first half of 2024 the Group's banking facilities were approaching two years until maturity and the Group was given the opportunity to amend and extend its existing multi-bank facilities ("Facility") with Lloyds Banking Group plc, Santander, and Bank of Ireland (the "Banks"). On 2 July 2024, this was executed, with changes to the Facility providing further acquisition financing capacity, over an extended period, in support of the Group's buy and build strategy. The amendments to the Facility are as follows:

- £40m extension of the aggregate to £140m consisting of a £90m revolving credit facility ("RCF") alongside a £50m uncommitted accordion facility, which can be drawn with the agreement of the Banks. This replaces the previous £100m facility which consisted of a £25m term loan ("Term Loan"), a committed £55m RCF and a £20m uncommitted accordion.
- The Facility has been extended by two years giving a four-year term running to 1 July 2028 ("Borrowing Term").

The banking covenants remain as:

- Gearing no greater than 3.0 times Adjusted EBITDA; and
- Interest Cover no less than 3.0 times.

Interest is charged at SONIA plus a margin (between 1.85% and 3.5% depending on leverage). Subsequent to the amendment and extension of the Facility, and completion of the acquisition of Teer Coatings, the Group entered into additional interest rate swaps for the SONIA portion of the interest payable for the duration of the Facility with swapped rates ranging between 3.2% in 2025 to 3.7% in 2027/2028.

This additional hedging has ensured that a large majority of the Group's borrowings remain hedged, whilst still allowing Group to repay up a further £10m of unhedged borrowings during 2025 via the Group's cash generation, subject to any further acquisitions.

At the year end the RCF was £67.6m drawn (2023: £44.3m drawn), with £22.4m available to drawdown for future acquisitions alongside the £50m accordion should it be required to be converted from uncommitted to committed borrowings. The Term Loan was settled as part of the amendment and extension of the Facility (2023: £14.1m).

We continue to greatly appreciate the support of our three long-term relationship lenders, Lloyds Banking Group plc, Santander UK plc, and Bank of Ireland, who all understand and champion the execution of the Group's buy and build strategy. However, during 2024 Bank of Ireland elected to commence a withdrawal from the UK corporate lending market such that they will be replaced as a member of the Banks in the short to medium term.

Year-end cash balances totalled £17.9m (2023: £13.7m). In previous years when the Group had low leverage and interest rates were lower, there was little effect on the Group's performance in maintaining optimised levels of cash compared with paying down debt. However, with higher net debt, and in a higher interest rate environment, there is a greater benefit for shareholders in carrying a lower level of cash to allow unhedged debt to be repaid as and when cashflows allow. Whilst rates remain higher, we continue to encourage our businesses to optimise their working capital in order to generate higher cash conversion, such that we can repay unhedged debt promptly, subject to our usual caveat of funding future acquisitions.

Overall, whilst the trading performance of the Group was disappointing, cash conversion has returned to historic levels, such that we have been able to welcome three further acquisitions into the Group whilst maintaining conservative leverage. We enter 2025 with reasonable expectations of much improved financial performance and, despite the wider economic and geopolitical uncertainties, we remain well positioned to continue the Group's strategy of delivering growth in earnings via selective, reasonably priced acquisitions of strong niche businesses in the scientific instruments sector, coupled with the long-term organic growth of its existing group of businesses.

*Brad Ormsby*

Brad Ormsby (Apr 2, 2025 19:27 GMT+1)

Brad Ormsby  
Chief Financial Officer  
2 April 2025

# Strategic Report

## Principal Risks and Uncertainties

For the year ended 31 December 2024

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### *Political tensions*

The tensions between the West and China may well degenerate into an open conflict; China is an important destination for our products and an open conflict or even a strict sanction regime would affect our sales to China and Taiwan but also profoundly disrupt the stability of industrial activity worldwide. The threat of tariffs and trade wars is also not positive for a sector which thrives on international trade.

More generally, heightened political tensions may have a detrimental effect on our ability to trade worldwide and divert government funding priorities away from research.

### *Acquisitions*

A most significant risk for the Group is that an acquired company does not meet or maintain its expected profitability. As an important element of the Group's business strategy is development through acquisition, the Group's growth is also exposed to the risk of insufficient availability of target companies of requisite quality or available within the disciplined price range to which the Group adheres. The emergence of competing acquirers and the aggressive search for returns by private equity funds may increase competition for acquisition targets. The Group manages these risks by maintaining relationships with organisations that market appropriate targets, by performing detailed research into potential acquisitions and through its honourable behaviour during and after an acquisition. Post-acquisition, growth in the acquired businesses is encouraged by the Group's Executive business coaches who ensure each business has the best leadership available and provide advice and support to the management teams as appropriate.

### *Economic conditions*

The Group's customers are internationally located and are often state owned or their liquidity is closely linked to government spending. The stress in the world economy and in public finances resultant from Covid-19, will affect the Group's prospects. In the short to medium term, individual countries are likely to oscillate between austerity and economic stimulation and this will affect research funding worldwide. Persistent inflation and related higher interest rates may disrupt the stability of the Group's environment.

### *Profit volatility*

Whilst the Geotek acquisition has significantly contributed to the Group's profitability, the potential absence of a coring expedition in a particular year may affect the Group's ability to show regularly increasing earnings. This impact is expected to reduce as the Group grows in uncorrelated business areas.

### *Key personnel*

The Group's future success is dependent on high quality senior management and key personnel and, given the nature of the Group's business, it is often a challenge to maintain back-up support in respect of key roles or to replace key staff should they leave our organisation. Finding quality executives in our sector can be a challenge and it can sometimes take a long time to replace and/or to prove the suitability of any new executive. The Group encourages succession planning wherever possible and seeks to provide a positive work environment with opportunities for career growth coupled with appropriate remuneration and, where appropriate, longer-term rewards.

### *Currency and foreign exchange*

The Group exports the large majority of its products, hence it is exposed to fluctuations in exchange rates which may impact on its competitiveness. Rates are affected by macro-economic factors such as the levels of government borrowings due to Covid-19 and the Ukraine war; should Sterling appreciate this may reduce the Group's competitiveness. The Group seeks, where practicable, to mitigate currency effects for the financial year via hedging foreign exchange rates. Additional detail is set out in note 28.

### *Taxation and interest rates*

Higher rates of UK corporation tax and increased National Insurance directly impact our net profitability and reduce the level of returns for our shareholders. Additional Government efforts to control public debt may further increase this burden. The stabilisation of interest rates may also be temporary and therefore the Group seeks to mitigate fluctuations in interest rates through hedging of external debt (see note 28).

### *R&D and products*

The Group continues to invest in the development of new products to meet the needs of our end customers. There is a risk that our businesses may be unable to develop suitably commercial and technically reliable new products with which to maintain and drive revenue performance. There is also a risk that new developments in science will make certain of the Group's products obsolete. The Group maintains a focus on ensuring there are ongoing R&D roadmaps for our businesses and that we continue to invest in well trained and qualified R&D and operations teams to deliver quality, well-engineered products for our customers.

# Strategic Report

## Principal Risks and Uncertainties

For the year ended 31 December 2024

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### *Competition*

The Group faces competition across its businesses and there can be no certainty that each business will achieve the market penetration it seeks. There is also no guarantee that there will be no new competition or new entrant to the market with better products. The Group seeks to mitigate this through relevant analysis of market and scientific developments when considering acquisitions and seeks to acquire companies in small global niches. Additionally, the Group continues to listen carefully to its customers' aspirations for product development and, where possible, satisfy those product development aspirations.

### *Cyber security*

The Group faces the risk of cyber-attacks which could compromise the confidentiality, integrity and availability of IT systems and data. This could impact our ability to respond and deliver to our customers and ultimately affect our reputation and financial performance, including potentially significant financial loss as a result of the effects of ransomware or breach of the General Data Protection Regulation ("GDPR"). The Group is partnering with cyber security experts to monitor our resilience to cyber-attacks and also provide early warnings of risks or attempted intrusions, together with providing our staff with regular cyber-security training.

On behalf of the Board

  
David Cicurel (Apr 2, 2025 22:55 GMT+3)

David Cicurel  
Director  
2 April 2025

Company registration number: 04597315

# Strategic Report

## Sustainability report

For the year ended 31 December 2024

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Judges Scientific's purpose is to create long-term shareholder value. The Group does this selectively acquiring successful niche businesses in the scientific instrument sector which generate sustainable profits and cash. These businesses produce scientific instruments that enable our customers, to push the boundaries of science and also make the world a little safer.

Providing a good working environment for our employees and maintaining an efficient use of resources have always been key features of the success of Judges Scientific's businesses. Nonetheless, the wider stakeholder community are increasingly expecting the Group to commit to improving compliance, quality, safety, and environmental performance. Our staff, both current and future, appreciate the increasing value of enhanced social and environmental credentials and our existing group of trading businesses, together with potential acquisitions, will benefit from these actions as an essential growth enablement tool in sales to major OEMs, for government-sponsored contracts, and in certain export markets.

The Group's intention is to evolve our approach to sustainability, taking due note of existing TCFD requirements and externally recognised global standards such as ISO9001, ISO 14001, the Responsible Business Alliance and the UN's Sustainable Development Goals (SDG's) of which objectives 8 (Decent Work and Economic Growth), 12 (Responsible Consumption and Production) and 5/10 (Gender Equality/Reduced Inequalities) are most closely linked to our business. Our businesses will further reduce emissions, continue to provide a fulfilling and high-performing place to work, and deliver to our customers constantly improving and innovative products and services.

This sustainability report, which precedes the Non-Financial and Sustainability Information Statement (on pages 21 to 34) is structured into four main areas, Culture, Products (Quality and Compliance), People and Environment because these are the core areas applicable to our business.

### Culture

#### ***Judges Scientific's unique culture drives decision-making within the organisation***

##### *Purpose*

The Group's strategy is based on creating attractive shareholder returns through highly selective and carefully structured acquisitions, underpinned by the diversified, solid and growing earnings and cashflows arising from our existing businesses.

Judges Scientific's unique culture starts from when we first interact with the vendors of acquisition prospects. We expect that each company that joins our Group will remain for the long term, and therefore we must begin that relationship properly from our first contact with them. We acquire successful businesses and we expect them to remain successful, so it is very important that we treat the vendors with respect, and never seek to change the terms of a deal once heads of terms are agreed. We also treat their staff in the same manner as we treat our own, showing respect, openness, honesty and integrity in all our actions.

Our businesses manufacture scientific instruments, and components for third-party scientific instruments, that are used for post-graduate and post-doctoral research within universities and academic research facilities and for commercial research in industry to advance the boundaries of science and to find solutions to pressing global problems.

We take our role in the world seriously and recognise that how we do business is as important as what we do. Internally, we work to minimise the environmental footprint of our operations, while investing in our employees to keep them safe and help them develop their careers. Externally, we focus on delivering on our purpose to support our customers in addressing some of the world's most difficult challenges, improving scientific understanding and enabling a greener economy.

# Strategic Report

## Sustainability report

For the year ended 31 December 2024

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### *Shared values*

Our employees share our long-term values, and we encourage all our employees to act as entrepreneurs and treat the company as if they are its owner.

295 of our team are Judges Scientific shareholders (2023: 286 staff), the vast majority of whom have acquired shares through the Judges Scientific Share Incentive Plan, an HMRC approved scheme, which enables our staff to acquire Judges Scientific shares from their pre-tax salary; Judges Scientific matches our staff's own investment in Judges shares up to £900 per year which allows all staff to benefit in full from Judges Scientific's matching contributions.

We value employee tenure and longevity and always encourage long-term decision-making above the short term as we expect that our businesses build for the future, not just for the present. Consequently we have many long-standing experienced staff happy to work within our businesses throughout their career.

Our businesses have all built a good reputation as a key employer in their local community, dealing fairly with their own staff, customers and suppliers. We expect them to continue to do this, understanding that as part of a public company they must uphold the highest standards of behaviour and integrity.

### **Products (Quality and compliance)**

#### *Purpose*

Judges Scientific's portfolio businesses are diverse and provide varied products and services that contribute to making a positive societal and planetary impact, although not always directly on their end user.

A good illustration of this is at Oxford Cryosystems, which joined the Judges Scientific group in 2017. Oxford Cryosystems manufacture specialist cooling instruments to enable effective single crystal x-ray diffraction which help researchers, often in bioscience, to understand the atomic structure of single crystals. They also manufacture ruggedised cryocoolers which are used in radio astronomy, and in particular are used in the Square Kilometre Array project ("SKA"). The cryocooler technology plays a vital role in radio astronomy by cooling the electronics of the telescope's low noise amplifiers, which are essential for enhancing the sensitivity of radio telescopes by amplifying faint cosmic signals, therefore delivering a much clearer picture to the astronomers. The SKA will give astronomers insight into the formation and evolution of the first stars and galaxies, the nature of gravity, and possibly even life beyond Earth.

#### *Quality and Compliance*

"High standards of quality of products and services and ensuring global regulatory compliance."

Judges Scientific businesses design and manufacture precision engineered equipment, providing a longer operational lifespan of products and parts. Quality for our customers means they can rely on our products and services to consistently meet their specifications and requirements. Some of our businesses have customers with products greater than twenty years old still capable of working as well as the day they were purchased.

Quality for our colleagues means we take personal ownership to ensure our work meets customers' requirements and is error-free from design through use, and that we encourage a culture of continuous improvement.

# Strategic Report

## Sustainability report

For the year ended 31 December 2024

Quality for regulatory authorities means that we operate at the highest ethical standards and meet or exceed all applicable regulatory requirements. As such, we have chosen to align the Group's mandatory Code of Conduct with the terms of the RBA Code of Conduct v8.0 (2024). The provisions of the updated Code of Conduct are therefore derived from, and respect, internationally recognised standards governing labour, health and safety, environmental impact, business ethics, and management systems.

All functions and entities within the Group must abide by this updated Code of Conduct. The Group is in the process of ensuring all necessary Group-wide policies and training are in place to enable this. All distributors, agents, and representatives will be expected to abide by relevant aspects of the Group's Code of Conduct, and the Group's trading companies will be expected to cascade the relevant aspects of the Code of Conduct to the significant suppliers within the first tier of their supply chain.

This update will also reinforce commitment to UN SDGs 5 (Gender Equality), 8 (Decent Work and Economic Growth), 9 (Industry, Innovation, and Infrastructure), 10 (Reduce Inequalities), and 12 (Responsible Consumption and Production).

Additionally, we are setting a target for all the Group's trading companies to have implemented ISO9001 by the end of 2027. As we are an acquisitive group, any new acquisitions should be expected to meet this standard within three years of joining Judges. At the end of 2024, 12 of our businesses were ISO9001 compliant (2023: 8).

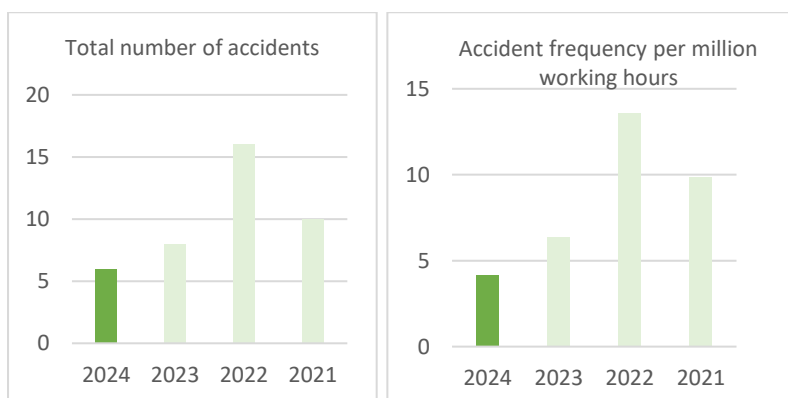
In response to feedback from some of our larger OEM customers, one of our larger subsidiaries completed the widely recognised EcoVadis ESG assessment, achieving 64% (80<sup>th</sup> percentile). The use of EcoVadis is under consideration as a Group-wide assessment and continuous improvement tool.

### Health & Safety

Health and safety is of paramount importance across the entire Judges Scientific group and a key priority for our subsidiary management teams. Our employees must be and feel safe at work and we therefore aim to provide a safe and comfortable working environment for them. The Group insists all its subsidiary companies promote a strong health and safety culture, and encourages them to drive continuous improvement.

The Group routinely monitors health and safety adherence across our trading subsidiaries. As we operate a decentralised autonomous operating structure, performance is monitored at a Group level with the board of each trading subsidiary directly responsible for compliance with local health and safety regulations. We have also instituted a Group-wide annual independent health and safety review which assesses compliance and provides local management with feedback to continually improve health and safety.

During 2024, we had 6 minor incidents and no significant injuries across all our businesses (2023: 8 minor incidents and no significant injuries). All incidents are followed up with changes to procedures and/or training of our employees as appropriate to prevent recurrence. The Group's expectation is that Accident frequency per million working hours is reducing on an average long-term trend.



# Strategic Report

## Sustainability report

For the year ended 31 December 2024

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### *Ethical Behaviour*

“Our belief is that principles of honesty and fairness should apply to our relationships with all stakeholders, internal and external, across the entirety of our value chain.”

Judges Scientific has a zero-tolerance policy on bribery and corruption in relation to all business transactions in which the Group is involved. This policy includes the offering or receiving of inappropriate gifts or making payments to influence the outcome of business transactions. We also require customers and suppliers who contract with the Group on our standard business terms to comply with anti-corruption and anti-bribery laws, which are summarised in our Code of Conduct and ensures everyone employed within the Group, together with all our suppliers and customers, are aware of and adhere to this code.

Judges Scientific also supports the provisions set out in the Modern Slavery Act and endorses the core requirements of the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. We do not tolerate practices which contravene these international standards. Additional information is included within the Judges Scientific Modern Slavery statement on our website at <https://www.judges.uk.com/PDF/Modern-Slavery-Act-statement-Judges-2025.pdf>.

The Group's annual target is that there will be zero ethical and legal non-compliance incidents, and that was the case in 2024 and 2023.

### **People**

***We believe that our people are fundamental to the success of the business. We invest in our people to help them to develop the capabilities that they need to succeed in the long term.***

#### *Purpose*

Our vision is that all employees are proud to work for businesses that are the best at what they do and understand the positive difference that their products make in the world. Simply put, well-motivated employees are more productive.

Our aim is to attract and retain the best people and create an inclusive and inspiring environment for all.

#### *Diversity, Equity and Inclusion*

Judges Scientific supports equal opportunity for all our employees and those that wish to join our Group. Our aim is to build a meritocratic work environment where everyone can make the most of their skills and talents throughout their career, without discrimination or harassment. In the event of a member of staff becoming disabled, every effort is made to ensure that they can continue their employment with the Group with suitable support.

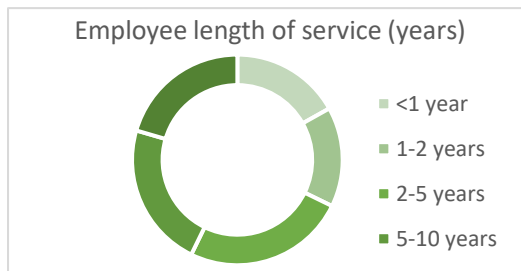
It is the Group's policy that disabled people should have access to the same career path, training and promotion opportunities as all other employees. It is a Group policy to not discriminate against staff or candidates on the basis of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, or sex or sexual orientation.

Our Group believes in providing a secure workplace with meaningful roles for all our staff which is evidenced through employee tenure and staff turnover rates. People who enjoy their job and feel safe at work will tend to stay with their employer for longer. Our average length of service is 6 years (2023: 6 years), with 5% (2023: 5%) of our team having worked for our businesses for more than 20 years. Staff turnover was 16% of our workforce (2023: 14%), which is lower than the UK average of 20% (2023: 14%). We calculate this figure as the number of leavers in the year (excluding any retirements) divided by the average annual number of staff.

# Strategic Report

## Sustainability report

For the year ended 31 December 2024



The average age of our staff is 44.3 years (2023: 44.1 years). We have 292 staff over the age of 50 and our oldest staff member is 83 years old. Our recruitment philosophy is that it doesn't matter what your age is, if you can do the job and want to do the job, you are welcomed. At the same time, we regularly recruit apprentices and younger staff into our Group, who bring in fresh knowhow on emerging technologies and the changing needs of our end-customers. This protects our subsidiaries' long-term viability, with 18% of the Group being under the age of 30 (2023: 18%).



# Strategic Report

## Sustainability report

For the year ended 31 December 2024

2024	Male	%	Female	%
Judges Board	8	80%	2	20%
Senior management	85	80%	21	20%
Total workforce	586	75%	191	25%
2023	Male	%	Female	%
Judges Board	7	78%	2	22%
Senior management	75	77%	23	23%
Total workforce	526	74%	188	26%

We acknowledge an over-representation of males across our workforce. 25% of employees across the Group are female (2023: 26%). As an engineering group, we are in industries that have historically been male-dominated, so we have been challenged with recruiting for many roles from a largely male candidate pool. That having been said, we have continued to refresh the composition of our Board and we have 2 female independent Non-Executive Directors (2023: two) and also eight female directors on our subsidiary boards (2023: six), including one externally appointed managing director with another joining in April 2025.

Over the last two decades, significant efforts have been made by governments around the world, including the UK, to encourage greater numbers of female students to study STEM subjects and pursue careers in engineering. We expect these efforts to gradually have a positive impact on the number of high-calibre female candidates in the candidate pool.

We do not have specific targets for gender mix, nor do we apply positive discrimination policies in our recruitment process, which is rigorously structured to identify the best candidate for the role. However, we are taking action to close the diversity gap, and build greater inclusion, by requesting that recruiters always present a diverse slate of candidates in their shortlist, and by continuing to be pragmatic in our acceptance of flexible working arrangements.

Additionally all our staff are remunerated at or above the national minimum wage.

### *Gender Pay Gap Report*

The Gender Pay Gap Regulations state that employers with more than 250 employees in Great Britain are required to report their Gender Pay Gap. Judges Scientific, with its group of smaller trading businesses, each below this level, is not required to report under these criteria, but voluntarily discloses this information to provide greater transparency.

Our businesses are small to medium sized, in different geographies, and with no consistent staff structure across them. It is therefore not straightforward to collate groups of staff in similar roles to benchmark pay between males and females. Where we have been able to do this, generally in more senior roles where it is easier to benchmark e.g. non-executive directors, sales and operations directors and finance leaders of our subsidiary companies, there is no significant variance in pay.

This will not preclude us from looking to bridge any apparent gap and the Group's ambition is that there will be zero gender pay gap in the long-term.

Having collected and analysed our Group's pay data for 2024 in line with the recommended UK Government methodology, the overall result shows a 7% average gender pay gap between males and females across all employees excluding senior management. This is consistent with 2023's data, whilst the median gap has increased by 4%. Including senior management (both Judges Scientific and subsidiary level directors), the mean pay gap is larger due to the majority male demographic of this group, however this overall pay gap has decreased to 17% from 20% in 2023, and the median gap has also reduced from 16% to 15%. In relation to bonuses, there is a larger gap due to bonuses paid to senior management and also from commissions payable to salespeople, who are predominantly male.

In 2024, 39.8% of women received a bonus compared with 37.5% of men (2023: 82.1% of women and 74.9% of men).

# Strategic Report

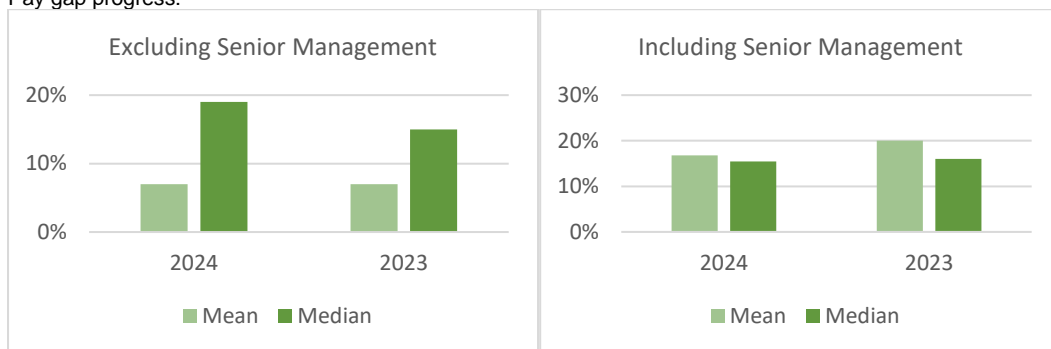
## Sustainability report

For the year ended 31 December 2024

The pay gap is summarised in the following tables/graphs:

	Excluding Senior management		Including Senior management	
	Mean	Median	Mean	Median
2024				
Pay gap	7%	19%	17%	15%
Bonus pay gap	19%	8%	23%	10%
2023				
Pay gap	7%	15%	20%	16%
Bonus pay gap	-14%	6%	28%	12%

Pay gap progress:



The table below provides quartile hourly pay data, ordered from highest to lowest, into four equal groups. This provides a picture of where male and female employees are in the pay hierarchy.

	2024 Female	2024 Male	2023 Female	2023 Male
Upper	20%	80%	20%	80%
Upper Middle	21%	79%	21%	79%
Lower Middle	27%	73%	24%	76%
Lower	34%	66%	38%	62%

We know that a highly capable, diverse and fairly remunerated workforce will be important to Judges Scientific's long-term success. Having a diverse team enables the Group to better understand our different customers and markets, particularly as we sell to blue-chip universities and commercial businesses whose own demographics are changing quickly, together with having broader perspective to ensure we maximise our ability to make the right decisions and thereby deliver solutions to our customers that exceed their expectations. To achieve this, we must continue to make our workplace an environment that everyone looks forward to working in and to continue to offer career development so that all women and men realise they can develop their careers and be rewarded fairly in our Group.

### Employee Engagement and Training

The commitment and dedication of our people enables us to fulfil our Group's potential and successfully deliver on our business strategy. We strive to continuously improve Judges Scientific as a great place to work and to achieve personal goals. Having a sustained focus on engagement will help us retain our talent, which is crucial to our future success. Improving engagement also helps us to build on our core values, resulting in committed, hardworking and loyal employees.

It is the Group's target to ensure that all senior leaders of our subsidiaries receive leadership or management training within two years of having joined our Group. Over 80% of our subsidiary leadership teams have attended the Judges Scientific Leadership Development Programme and the Judges Scientific Management Development Course was again delivered for another cohort of promising managers, aiding their progression towards becoming our next generation of senior leaders. We will continue to invest in these types of course over the coming years to ensure we have the highest quality of junior and senior management across our businesses. We further encourage all our businesses to invest in other skills training for staff to enable everyone to become more proficient in their roles.

An added benefit in being part of a diversified group of companies is staff mobility. Where we have good employees, but where there may be structural barriers to their career advancement in a particular business or a change in their circumstances which stops them from performing their current role, we have the capacity for staff to join a sister company rather than continuing their career outside the Group and this has worked well for a number of our team during the past few years.

# Strategic Report

## Sustainability report

For the year ended 31 December 2024

### Environment

**Judges Scientific recognises that concerns about the environment, including climate change, must be addressed by all its businesses.**

#### Purpose

We work to minimise the environmental impact of our operations wherever possible. As a manufacturer of niche scientific instruments, we do not have carbon-intensive manufacturing facilities, instead the vast majority of our businesses are assembling instruments. Our niche instruments are largely used for research, to help progress scientific advancement.

Through our culture of sustainable ownership, it is often our colleagues who identify areas for improvement to combat climate change. Best practices in individual businesses are shared across the Group, and implemented where feasible. The Judges Sustainability Committee (the "JSC"), with members drawn from all the Judges' group companies helps to encourage best practice in sustainability and environmental impact practices across the Group, supplementing individual businesses' climate plans.

#### Energy use

Due to our low capital-intensive manufacturing processes, we use comparatively little fossil fuels directly. We are a business founded on technological innovation, and this mindset translates into our businesses adopting energy efficient technologies wherever sensibly achievable. Most of our facilities have used energy efficient LED lighting for many years, and we have almost completed the conversion of the remainder. We have energy management technologies in many of our facilities like motion-sensor lighting in low-footfall areas and ensuring lights are turned off at the end of the day. Further, as part of all new buildings acquired for our businesses, we encourage the installation of solar panels to generate a portion of the energy required to operate, such as at Oxford Cryosystems, and at the new premises of UHV Design.

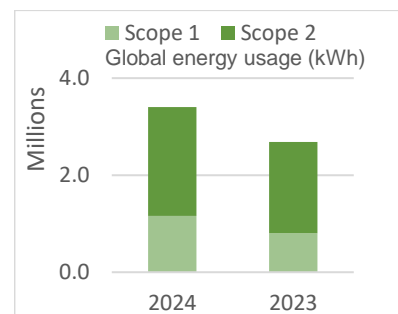
The Group engaged Inspired ESG, a third-party expert environmental consultancy, during 2024 to help it further understand its emissions and to help with articulating and disclosing its future climate plans. It is clear that Scope 1 and 2 emissions are a very small proportion of the Group's total emissions, with Scope 3 indirect emissions assessed to be 98.5% of the Group's total emissions. The largest constituents of these total emissions are from purchased components for our instruments (45% of total emissions) and from the lifetime energy usage of our instruments (39% of total emissions). It is a challenge and opportunity for our businesses to consider, over the coming years, how to minimise the energy required to manufacture the components for their instruments and, where practicable, to devise methods to reduce the energy used by the instruments throughout their lifetime. Over many years, our businesses have developed local supply chains wherever possible, and established enviable reputations for supplying instrumentation of superior quality and longevity far in excess of their warranty period. We must ensure that any attempt to reduce indirect product life-cycle emissions does not impact supply chain resilience, quality and lifespan.

The Group has introduced the following climate-related targets (some of which are also included in the Non-Financial and Sustainability Information Statement on pages 21 to 34), as follows:

- Total energy usage (kWh), and total energy usage / £m revenue reducing on a long-term average trend (UN SDG12.2);
- Total scope 1,2, and 3 emissions / £m revenue reducing on a long-term average trend (UN SDG12.2);
- Zero carbon energy (including in-house solar PV generation) to increase as a % of total electricity usage (UN SDG 8.4); and
- Decreasing tCO<sub>2</sub>e / £m revenue on a long-term average trend (UN SDG12.2 and 8.4).

The table below illustrates some key data relating to the Group's energy usage and emissions. Scope 1 is from usage of natural gas and refrigerants, and from direct transportation. Scope 2 is from usage of Grid supplied and self-generated electricity. All figures have been calculated by Inspired ESG, including a recalculation of 2023 actuals (except for direct transportation emissions which are not included).

Global energy usage in 2024 has increased by approximately 700,000 kWh. This figure includes a first time calculation of 450,000 kWh for direct transportation, such that overall energy usage increased by 250,000 kWh, a figure which includes three new acquisitions and additional energy usage arising from certain of our businesses moving to larger premises.



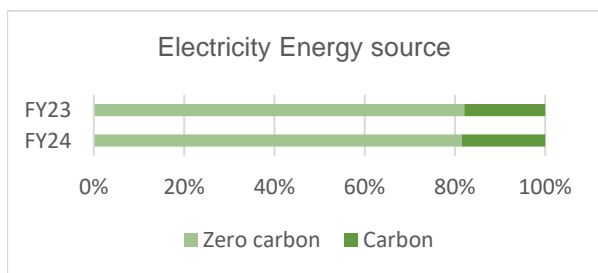
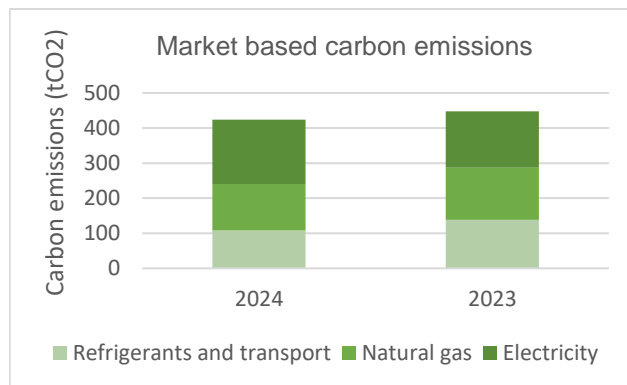
# Strategic Report

## Sustainability report

For the year ended 31 December 2024

In 2024, the Group's market-based scope 1 and 2 emissions (market-based emissions reflect the use of zero carbon energy) reduced by 5.4%, which is equivalent to 24 tonnes of carbon dioxide to the Group's emissions, despite three new companies having joined the Group. The measure of tonnes of carbon dioxide per £m of revenue also reduced by 3.6% in 2024.

	2024	2023
Scope 1 and 2 Global energy usage (kWh)	3,403,728	2,687,148
Emissions (Market-based) tCO <sub>2</sub> e	424	448
Normalised values		
tCO <sub>2</sub> e/£m revenue	3.17	3.29
tCO <sub>2</sub> e/FTEs	0.55	0.66
Zero carbon electricity	82%	82%



82% of the electricity we use is zero carbon (which includes renewable energy and nuclear power) (2023: 82%) and we will continue to target adoption across our businesses towards zero carbon energy sources.

The UK's share of the Group's global energy usage was 85% for gas and 97% for electricity (2023: 97% and 94% respectively).

As mentioned in the Products section, much design effort also goes into reducing the energy requirements of our products to deliver future benefit for our customers from lower lifetime energy consumption.

### Environmental Accreditations

We continue to look at new ways to improve our environmental performance, both through our businesses achieving ISO 14001 certification demonstrating their facilities are in compliance with environmental laws and regulation in the UK and EU, and via a My Green Lab ACT Label Certification for sustainability.

Benefits of such certification have included cost savings, energy use improvements, and allowing us to demonstrate our alignment with the ethical values of our customers. Consequently, we are targeting all our existing trading companies to become ISO 14001 accredited by the end of 2028 and as we are an acquisitive group, any new acquisitions should be expected to meet this standard within four years of joining the Group. At the end of 2024 three of our businesses were ISO14001 compliant (2023: two).

### Other Environmental Concerns

We understand that concerns about the climate should not be confined to the remit of energy use and carbon, and are aware that water, waste and recyclability are other areas that must be addressed.

We are exploring ways to further improve, such as looking at how to measure our waste and water use. The JSC is also leading our internal efforts to examine further ways to sustainably package our products, given the inevitable volume of packaging that we use in transporting our instruments to our customers around the world.

### Continuous improvement

We have again increased the volume of our disclosure with the Non-Financial and Sustainability Information Statement on pages 21 to 34 and enhanced disclosures in this report and will continue to evolve and improve our impact on society next year despite the inherent limitations of size and resource within the Group's collection of small businesses.

*Brad Ormsby*

Brad Ormsby (Apr 2, 2025 19:27 GMT+1)

Brad Ormsby  
Director  
2 April 2025

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

### Introduction

Judges Scientific (“Judges” or “the Group”) understands the value of increasing long-term operational resilience in response to climate change and is therefore developing an adaptable climate-related strategy. The UK’s Companies (Strategic Report) (Climate-related Financial Disclosure (CFD) Regulations 2022, require certain publicly quoted companies and large private companies to incorporate climate disclosures in their annual reports. Judges are captured under these Regulations as an AIM listed company with more than 500 employees. The Group has therefore produced this disclosure to comply with the CFD regulations. Additionally, the Group has elected to align with the more widely understood Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, which are closely aligned with the CFD regulations.

During 2024, the Group engaged the services of a third-party expert environmental consultancy, Inspired ESG, to support it with developing and executing its climate-related strategy and we are grateful for their support in helping navigate the challenges of achieving both TCFD and CFD compliance. The Group has, similar to most other companies, aligned its reporting with the four pillars of TCFD: Governance, Risk Management, Strategy, and Metrics and Targets. In 2024, Judges complied with all eight of the CFD’s required disclosures and voluntarily aligned with all eleven of the TCFD’s recommendations. We will continue to use the TCFD framework to develop our understanding of the climate-related risks and opportunities facing our organisation.

We understand that our businesses, even as lower carbon-emitting businesses, will directly or indirectly impact climate change. We are, therefore, committed to developing our Environmental, Social, and Governance (ESG) strategy to enable all our Group’s businesses to gradually improve their sustainability. Despite the Group’s small overall operational size, we may not be immune to the future effects of rising global temperatures and weather-related disasters, which could affect not only the Group’s operations but its entire value chain.

### Governance

At Judges, the responsibility for managing climate-related risks and opportunities is embedded across multiple levels of the organisations. We have a decentralised and autonomous business model which encourages streamlined and localised decision-making. However, the Board retains overall responsibility and oversight on climate-related matters. As previously mentioned, Judges have partnered with Inspired ESG, to help identify climate-related risks and opportunities, calculate emissions, and aid in the development of the disclosures in this report.

#### Board-Level Oversight

Figure 1: The Group Board and Committee climate governance structure.

<b>The Board of Directors</b> Executive Responsibility Holds ultimate responsibility and oversight of climate-related matters.
<b>The Audit Committee</b> Provide independent oversight of compliance and risk management, including climate-related risks. With support from Inspired ESG, identify climate-related risks for the Group.
<b>Operational Executives:</b> <b>Chief Operating Officer (COO) &amp; Group Business Development Director (GBDD) &amp; Group Commercial Director (GCD)</b> Facilitate regular reviews and updates on climate-related initiatives from subsidiaries. Responsible for managing and monitoring climate-related risks.
<b>Subsidiary Management Teams (SMT)</b> Develop and implement climate plans tailored to their specific operations.
<b>Judges Sustainability Committee (JSC)</b> Encourage sustainability and climate initiatives across all subsidiaries. Responsible for assessing climate risks and opportunities.

Climate change became a standing agenda item at Board meetings during 2024. In 2024, the Board met eleven times and discussed climate matters four times. In 2025, the Board will start monitoring progress against the Group’s related targets as disclosed in this report, and also as our targets evolve over the coming years. The Board receives quarterly updates from the Operational Executives (Figure 1) on sustainability progress. Operational Executives meet bi-monthly to review business strategy, including matters such as compliance with CFD and establishing climate-related targets, such as net zero. These regular discussions provide a framework to ensure that subsidiaries remain accountable for their initiatives.

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

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The Board engaged in a capacity-building session in November 2024 which was facilitated by Inspired ESG, which included an overview of climate change and the risks and opportunities that may impact the Group. Climate considerations have been integrated into the Group's short and long-term financial planning and business strategy for the past five years, with some companies within the Group engaging as early as 2014 through the adoption of solar panels for renewable energy generation. Judges have allocated a budget for energy efficiency throughout the Group and created a climate risk register to mitigate climate-related effects.

Judges have also integrated climate-related performance metrics into executive compensation to drive accountability in achieving climate goals and capitalising on climate-related opportunities with the Remuneration Committee assigning 10% of the Executive Directors' annual incentive in this area.

### **The Audit Committee and Operational Executives**

The Board delegates key governance responsibilities to the Audit Committee, which, amongst other things, oversees compliance, including with CFD and TCFD. The Audit Committee plays a critical role in identifying and monitoring climate-related risks and working in collaboration with the Operational Executives and Chief Financial Officer (CFO) to maintain an aligned, group-wide approach to risk management.

Additionally, the Audit Committee is responsible for reporting regulatory developments and drawing insights from external auditors and expert advisors engaged by the Executive Team with climate legislation being reviewed at least annually with Inspired ESG and then shared with the Board. The Operational Executives are responsible for reviewing climate risk management and facilitating regular reviews and updates on climate-related initiatives from the subsidiary management teams.

### **Subsidiary Management Teams (SMT)**

Judges promotes a culture of empowering local colleagues to drive improvements in sustainability. Each entity is responsible for its own strategy and corporate risk register and can drive a local sustainability agenda through climate action plans. As part of ongoing efforts to strengthen climate risk management, subsidiaries will integrate applicable climate-related risks into their risk matrices starting in 2025. Several members of the SMT attended the climate workshops held in November 2024 to engage with and grow their understanding of climate change and its associated risks.

JSC findings and progress reviews are shared with SMT to ensure transparency when developing and implementing climate action plans. Progress updates and best practices are shared throughout the Group to encourage learning and advance shared goals. The SMT members are responsible for implementing climate action plans specific to their operations, with climate risk management reviewed by the Operational Executives and the Group Financial Reporting Manager (GFRM). In 2024, the CFO supported this review process and reviewed the risk matrices produced by Inspired ESG to ensure comprehensive oversight.

### **The Judges Sustainability Committee (JSC)**

The JSC, established by the Board in 2023, is sponsored by the CFO and is responsible for encouraging and coordinating environmental initiatives across the Group, in particular by sharing best practices across all the Group's companies. This augments the SMT climate plans. The JSC meets three times annually and provides updates to the GFRM every 90 days to facilitate knowledge sharing, monitor progress on climate-related targets and oversee the development of additional mitigation measures to optimise sustainability across the Group. Each subsidiary is represented by an allocated member in the JSC, ranging from supply chain analysts to members of the SMT, who influence and report on plans and projects to reduce the environmental impact of the business. One JSC committee member has completed the Business Sustainability Management online short course at the University of Cambridge's Institute for Sustainability Leadership (CISL). This programme was focused on building sustainability strategies and stakeholder collaboration and aimed to further enhance expertise in climate-related governance. Other committee members attended sustainability conferences in 2024.

Key actions identified through the JSC's meetings in 2024 relate to the replacement of plastic bubble wrap with recyclable paper and the review of packaging requirements in order to reduce cardboard usage. Both actions aim to reduce plastic waste and carbon emissions associated with the production and disposal of products. Discussions around climate-related initiatives are ongoing across the Group, with the JSC reporting developments to the Board each quarter as part of the 90-day status updates provided by the GFRM. The JSC's findings and recommendations are escalated to the Board for review and actioned by the COO, on behalf of the Operational Executives. This ensured that the Board remained informed and had oversight of climate-related matters in 2024. Judges will review the feasibility of conducting financial modelling in 2025 to understand the potential financial impact of each climate risk and opportunity. This will support the Group's financial planning.

The responsibility for assessing climate-related risks is shared by the JSC and senior leaders of SMT. Members of the JSC and SMT leaders attended the climate-risk management workshops in early November 2024 to grow their knowledge of climate change, assess material risks and evaluate mitigations for the Group. The identified climate-related risks and mitigations were reported to the Operations Executives and approved by the CFO. Inspired ESG updated the Board on the climate-related risks and opportunities in late November 2024.

While the JSC focuses on promoting sustainable practices and tracking progress, the Board and Executives lead the review and implementation of mitigation strategies.

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

### Risk Management

The Board acknowledges its responsibility to manage the Group's climate-related risks and impacts. A risk identification, evaluation, and management process was established to support this. Climate-related risks and opportunities have been identified in collaboration with Inspired ESG. The Group, supported by the Operational Executives and SMT, work to integrate them into the business strategy. The Audit Committee reviews and assesses risks to the Group annually and presents its findings to the Board. The risk register is reviewed annually and approved by the CFO prior to the Audit Committee review. The climate risk identification, assessment and management processes will be fully integrated into the Group's overall risk management process in 2025. As 2024 was the first year the Group formally identified and assessed climate change, the climate risk register has also not yet been integrated into the Group's business risk register. The Audit Committee will review the climate risks and opportunities for the first time in 2025 and investigate its integration with the Group Risk Register.

#### Step 1: Identification of Risks

The CFO and Inspired ESG liaise with the Audit Committee to review existing and upcoming changes in legislation, reporting updates to the Operational Executives and to the Group Finance team. Climate legislation is reviewed at least annually with Inspired ESG. Additionally, the Group works collaboratively with its auditor to ensure compliance with the TCFD and CFD frameworks. Climate-related risks and opportunities have been identified by Inspired ESG through discovery processes and data collection. We provide climate data to Inspired ESG, who run scenario analysis and present the findings. In October and November 2024, Inspired ESG conducted a climate scenario analysis using data provided by the Group. The outcomes of this analysis were presented at two Climate Risk Management Workshops in November 2024, attended by internal stakeholders across the Group, to assess the identified climate-related risks. The first workshop addressed transition risks (risks associated with moving to a low-carbon economy), at the Group level. The second workshop focused on the physical risks, at the subsidiary site-level, arising from acute (occurring over the short term) and chronic (occurring over the longer term) climate patterns. Both workshops were attended by representatives from the JSC and SMT, including the GFRM, several managing directors, operations directors, and representatives from marketing, sales, and HR. In 2025, we will expand our climate risk analysis to the top suppliers of our subsidiaries to build an understanding of climate change resilience across our value chain. To enable the identification of any new climate-related risks and reassess materiality, climate risk workshops will continue to be held annually to review potential developments and ensure our classification remains appropriate. In 2024, we assessed 19 climate-related risks, of which 10 were deemed material to the Group. These included 6 transition risks (Table 3) and 4 physical risks (Table 4). In addition, we assessed 6 climate-related opportunities, and 4 were deemed material to the Group (Table 5).

#### Step 2: Assessment of risks

Using climate-scenario analysis during the workshops, we focused on three global warming scenarios (Table 2) across three different timescales (short-, medium- and long-term). In considering these scenarios, attendees assessed each identified climate-related risk to understand which are significant for each Judges business. These risks are shown in Tables 3 and 4. The Audit Committee monitors existing and upcoming climate-related regulatory requirements, which are reviewed at least annually with Inspired ESG. Existing mitigations were taken into consideration when scoring risks (net risk). Risks were scored based on likelihood (how likely the risk is to materialise) and impact (the extent of the effects should the risk materialise), using a 1 to 5 scoring system, with 5 being the most significant (Table 1).

**Table 1:** Judges Scientific climate risk assessment matrix.

Likelihood		Impact	
5	Already occurring	5	Highly significant
4	Very likely	4	Significant
3	Likely	3	Medium
2	Low	2	Low
1	Very unlikely	1	Negligible

Judges used a materiality threshold of 4 in either likelihood or impact to determine if the risk would be material. Material risks will have mitigation measures prioritised. Climate-related opportunities in Table 5 are those deemed to be material for the Group to exploit where feasible.

#### Step 3: Management of risks

Measures to mitigate each climate-related risk have been identified, with further developments ongoing where needed. The Operational Executives are instrumental in monitoring risks, assigning risks and managing risk mitigation across the Group and rely on SMT members in developing and implementing climate plans tailored to their specific operations, contributing to a comprehensive risk management approach. Judges have already implemented climate mitigation measures (Tables 3 and 4).

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

The Judges Board has recognised climate change as an emerging risk in November 2024. Members of the JSC and the CFO concluded after the materiality review of the identified climate-related risks, that whilst material climate-related risks were identified, climate change is an emerging risk for the business in 2024, as the overall impact is still low, and climate change does not significantly affect the integrity or operations of the Group. The status will, however, be reviewed annually. Judges have considered the resilience of the Company's business model and strategy against the three different climate scenarios presented in Table 2. We assessed the potential effect on the business model and strategy (Tables 3 and 4) and deemed that they are resilient to the three climate scenarios.

### Strategy

In October and November 2024, we conducted a climate scenario analysis to assess climate-related transition and physical risks and opportunities. In November 2024, we reviewed the climate-related transition and physical risks and opportunities identified through our climate scenario analysis across the short (2024-2028), medium (2029-2038), and long-term (2039-2053). The short-term timeframe (2024-2028) provides insight into immediate climate-related impacts, such as stricter environmental regulations and growing stakeholder concerns. The medium-term timeframe (2029-2038) aligns with the Group Scope 1 and 2 targets, and captures the intensification of transition and physical risks, enabling the Group to develop proactive risk mitigation strategies. The long-term timeframe (2039-2053) will align with the Group's future net zero target and UK's Net Zero target of 2050, ensuring a strategic approach to long-term climate resilience.

Three warming scenarios were selected to illustrate various international responses to climate change, such as "business as usual" and a rapid shift to a low-carbon economy (Table 2). A climate scenario is a plausible representation of potential future climate conditions that could have an impact on business operations directly and indirectly. For example, enhanced reporting obligations or acute weather events like heatwaves. The potential climate-related vulnerability of Judges' operations was assessed and scored against the likelihood of the occurrence and the impact. As this is the first year the Group have identified climate-related risks and opportunities, we have no year-on-year comparisons. This report will, however, outline any significant changes in analysis in the 2025 CFD disclosure and future reports.

**Table 2:** The three warming scenarios and their implications for climate risk and action.

Scenario	Explanation
Proactive (<2°C)	The Proactive scenario is aligned with the UK's Net Zero target, with expected strict environmental mandates driving innovation in low-carbon solutions. This scenario encourages the development of sustainable, low-carbon technologies. Working alongside Inspired ESG, Judges will continue to strengthen operational resilience and review risks, ensuring alignment with global decarbonisation efforts. Judges will continue to aim to decarbonise operations, investing in lower-emission technologies and capitalising on opportunities, where feasible. Judges aim to further develop a flexible climate strategy to enhance resilience, including implementing contingency plans and annually improving the Group's approach to climate risk management where possible.
Reactive (2-3°C)	Climate action is not taken immediately, resulting in an unstructured response by Governments. Limited investment in low-emission alternatives intensifies physical risks, impacting supply chains and operational continuity. Judges will focus on improving energy efficiency, driving decarbonisation efforts, and working closely with key stakeholders to adapt to emerging climate risks under this scenario and build resilience. Prioritising a flexible and adaptable strategy to enhance resilience, developing contingency plans where possible.
Inactive (>3°C)	The Inactive scenario represents a "business as usual" approach, where no significant emissions reductions occur. Climate risks escalate, and supply chain disruptions become more frequent as climate tipping points are breached. Judges will continue to prioritise climate adaptation measures, ensuring the business model remains resilient to the increased physical and operational risks in this scenario. This includes developing contingency plans for operational disruption and further investing in decarbonisation strategies where possible.

Inspired ESG employed the use of various climate models and internationally established frameworks to conduct the climate scenario analysis on our chosen sites. These included the International Energy Agency's World Energy Models ("WEM"), the Shared Socioeconomic Pathways ("SSPs"): Climate Natural Catastrophe Damage Model, the Co-ordinated Regional Climate Downscaling Experiment ("CORDEX") forecasts, Central Banks and Supervisors Network for Greening the Financial System (NGFS), and Integrated Assessment Models ("IAM").

### Disclaimer about climate scenario estimations

These climate scenarios, whilst aligned with ISO 14091 (Adaptation to Climate Change) standard, focus on varying combinations of potential factors to illustrate potential futures and support best practices. These models offer valuable insights into potential futures but have limitations, meaning their accuracy cannot be guaranteed. Additionally, potential over- or underestimations of climate variables could occur.

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

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In 2024, the Group assessed the potential impact of climate-related risks and opportunities on its twenty-one most material sites. Materiality was defined by assessing each site's significance to the overall business operations. 19 climate-related risks were identified which could potentially impact Judges' operations, of which 10 were deemed material to the Group. These 10 material risks were categorised into 6 transition risks and 4 physical risks, each evaluated by receiving a score of 4 or more in either likelihood or impact. Key risks include enhanced climate reporting obligations, increased stakeholder concern, and rising mean temperatures. In 2025, expanding the climate scenario analysis will support the Group in building a more resilient future strategy. As this is the first year Judges have identified and assessed climate-related risks, no detailed financial impact analysis has been conducted. This will be incorporated in 2025, if feasible.

### Transition risk

Transition risks are associated with a shift toward a low-carbon economy and are most pronounced under a below 2°C scenario, driven by stricter climate policies and shifting market preferences. Risks follow themes of policy and legal, market, technology and reputation. Despite the Group's direct operations having a relatively small environmental impact, Judges remain committed to decarbonising operations, staying aligned with emerging trends, and leveraging new opportunities to strengthen resilience through research and development. Judges have an allocated budget for research and development and sustainability initiatives to support the Group's mitigations against climate-related risks. This includes adopting LED lighting and increasing recycled content in packaging materials. Growing stakeholder interest in sustainability introduces reputational risks, which has been identified and mitigated through transparent strategies and annual progress reporting, such as this CFD disclosure. Material transition risks are explored further in Table 3.

### Physical risks

Physical risks arise from the direct physical impacts of climate change which may threaten the Group's business operations or strategy in the longer term, such as heatwaves and water stress. Physical risks are categorised into acute (event-driven) or chronic (longer-term shifts in climate patterns). Heatwaves or extreme heat could negatively impact the Group's productivity and revenue through increased operational costs. Although the Group is not a significant user of water, several companies within the Group require water for industrial processes. Therefore, water stress may impact productivity in the future. Material physical risks are explored further in Table 4.

### Key outcomes

While climate change is not a principal risk for the Group, the transition and physical risks in Tables 2 and 3 impact the Group more than the other climate-related risks. Judges also aim to capitalise on the opportunities presented by climate change where possible (Table 5). Climate risks and opportunities will be integrated into strategic planning where required for 2025, increasing the resilience of the Group. Judges are actively working to reduce the Group's carbon footprint to minimise potential carbon pricing risks and reduce our environmental impact, as detailed in the Metrics and Targets section.

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

**Table 3:** Climate-related transition risks that could have a greater potential impact on the Group and the related risk mitigations.

Risk	Time Horizon (years)	Warming Scenario	Impact Rating	Likelihood Rating	Impact Description	Mitigations
<b>Policy and legal – Enhanced reporting obligations</b>	Short-Medium Term (2024-2038)	<2°C 2-3°C	2	5	<p><b>Actual:</b> Judges has already seen an increase in emissions reporting regulations such as CFD.</p> <p><b>Potential:</b> Enhanced regulations may be mandated for businesses to support the UK's aim of net zero by 2050, to reduce energy usage and emissions, such as the Carbon Border Adjustment Mechanism (CBAM), which will tax imports of certain raw materials. The Taskforce on Nature-related Financial Disclosures (TNFD) is not yet mandated but may be expected by stakeholders. The EU has submitted a bid to minimise greenwashing, including the claims of being "climate neutral" and using green labels not from an approved sustainability scheme.</p> <p>Increased regulatory requirements will increase compliance costs, such as partnering with a third-party consultancy. Failure to meet regulations may result in litigation, fines, and reputational damage.</p>	<p>The JSC discusses climate-related matters and encourages continuous improvement in sustainability and the sharing of best practices.</p> <p>In 2024, Judges began working with Inspired ESG to ensure compliance with requirements such as CFD and provide the Board and senior management with training on climate change.</p> <p>Inspired ESG will support Judges in starting a net zero journey and building energy efficiency to reduce emissions.</p> <p>We collaborate with subsidiaries to conduct regular market assessments to adjust pricing strategies in response to rising costs. Judges also works with suppliers to obtain their compliance with emerging and existing regulations wherever possible.</p> <p><b>Related Metrics &amp; Targets:</b> Scope 1, 2 and 3 emissions.</p>
<b>Policy and legal – Carbon pricing</b>	Medium Term (2029-2038)	2-3°C	2	4	<p><b>Potential:</b> Carbon pricing could increase operational and compliance costs for Judges and the cost of goods and services from suppliers affected by such mechanisms. Governments may raise carbon pricing over time to reduce emissions, making it a variable cost. Carbon tax values could lead to significant costs and require increased investment in technology to support decarbonisation. While the Group's direct emissions are minimal, carbon pricing may still impact the cost of purchased components.</p>	<p>The Group uses and aims to use green energy contracts. Gas costs are not financially material to the Group. Therefore, if carbon pricing were to be introduced, the cost would not be significant.</p> <p>Inspired ESG provides the Group with annual updates on the potential impacts of carbon pricing. Judges will begin the journey to a net zero strategy.</p> <p><b>Related Metrics &amp; Targets:</b> Scope 1 and 2 emissions.</p>

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

Table 3 (continued)

Risk	Time Horizon (years)	Warming Scenario	Impact Rating	Likelihood Rating	Impact Description	Mitigations
<b>Market – Changing customer behaviour</b>	Short-Medium Term (2024-2038)	2-3°C	3	4	<p><b>Actual:</b> Customers are slowly transitioning towards lower-emissions products and services, with a few examples across the Group where lower-emission products, technologies, and services, are directly beneficial to the specific research application, which may decrease revenue from higher-emissions offerings and require increased capital in sustainable materials and packaging. Customers may demand that Judges use more eco-friendly packaging to comply with their Scope 3 emissions. This is more pronounced in Western markets, driven by consumer and regulatory pressures.</p> <p><b>Potential:</b> Judges may face an increased risk of customers purchasing from competitors leading in sustainability practices. Judges may be unable to develop sustainable or low-carbon products. Some of Judges' clients are in other locations where policies may not be as strict as those in the UK or EU.</p>	<p>Judges is aware that sustainability is becoming increasingly important to consumers. The Group aims to be transparent with its stakeholders by producing a CFD annual report statement and completing EcoVadis at the subsidiary level.</p> <p>Several subsidiaries already work closely with suppliers to help them meet their net zero targets.</p> <p>Judges will continue to invest in research and development (R&amp;D) to provide sustainable and innovative products where possible.</p> <p>To mitigate the risk of changing market behaviour, the Group has set environmental targets (see Table 6). Progress towards these targets will be reported on annually moving forward, demonstrating our commitment to reducing our carbon footprint.</p>
<b>Market – Increased cost of energy and raw materials</b>	Medium-Long Term (2029-2053)	2-3°C	2	4	<p><b>Actual:</b></p> <p><u>Energy</u> Carbon pricing on gas and oil imports may increase energy costs. Although renewable electricity is more constant than fossil fuels, it can be more expensive, creating additional operating costs.</p> <p><u>Raw Materials</u> The EU has identified plastic, steel, ceramics, hydrogen, and fertilisers as high-impact materials that will be forced to decarbonise. New processes and technologies may be introduced to aid this, increasing the cost of the raw material in products purchased by Judges.</p> <p><b>Potential:</b></p> <p><u>Energy</u> Increased energy costs may occur as more businesses convert to zero carbon contracts, increasing demand.</p> <p><u>Raw Materials</u> Rising costs will increase operational spending and may decrease profitability. Customers may begin to seek cheaper alternatives. The use of alternative materials in Judges' operations may result in inferior products, potentially leading to reputational damage. However, prices will likely rise for the sector, reducing the impact on competitiveness.</p>	<p>The Group is committed to continuing to monitor the rising costs of essential products and agrees on call-off orders to obtain price breaks.</p> <p>The Group monitors upcoming legislation which may impact capital spending e.g. CBAM, to allow time for mitigation or adaptation strategies if required. Support from Inspired ESG also helps to educate on how to mitigate this risk.</p> <p>Judges are committed to energy efficiency and have implemented many energy initiatives such as LED Lighting and solar panels wherever feasible and suitable.</p> <p>The Group is transitioning to zero carbon contracts where possible, and 82% of electricity is already on this basis.</p> <p><b>Related Metrics &amp; Targets:</b> Scope 1, 2 and 3 emissions.</p>

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

Table 3 (continued)

Risk	Time Horizon (years)	Warming Scenario	Impact Rating	Likelihood Rating	Impact Description	Mitigations
<b>Reputation - Shifts in customer preferences</b>	Short-Medium Term (2024-2038)	<2°C 2-3°C	3	5	<p><b>Actual:</b> Larger customers are already expecting Judges to increase their environmental reputation by signing up for rating systems like EcoVadis or having the ISO 14001 (Environmental Management Standard) quality accreditation.</p> <p><b>Potential:</b> High-emissions products may be less desirable for customers as they align spending with their own Scope 3 net zero pathways. Failure to predict or respond to this trend can impact sales, reducing profitability.</p> <p>Consumers could use new more energy-efficient technologies from competitors, rendering the Group's products obsolete, leading to revenue loss, reduced profitability, and reputational damage.</p>	<p>Judges publish a sustainability report and CFD report annually to measure year-on-year progress against KPIs and ensure stakeholder transparency. Additionally, one subsidiary has completed an assessment with EcoVadis, which engages with stakeholders on sustainability practices (customer feedback/surveys, investment briefings), and the Group is considering a wider roll-out.</p> <p>Judges aim to explore new sustainable manufacturing processes, including developing new lower-emission products, supported by its research and development budget.</p> <p>Judges' subsidiaries are working toward ISO14001 accreditation (PE.fiberoptics Limited was accredited in 2024 and Fire Testing Technology Limited and Sircal prior to 2024).</p> <p>To mitigate the risk of shifts in customer preferences, the Group has set environmental targets (see Table 6). Progress towards these targets will be reported on annually in our publicly available CFD statement for customer transparency, demonstrating our commitment to reducing our carbon footprint.</p>
<b>Reputation - Increased stakeholder concern</b>	Short-Medium Term (2024-2038)	<2°C 2-3°C	2.5	4	<p><b>Actual:</b> There is a growing desire from shareholders to link ESG metrics to remuneration and provide more transparency with public strategies and policies such as environmental policy.</p> <p><b>Potential:</b> As the world transitions to a decarbonised economy, stakeholders will likely have increased interest and concern regarding sustainability credentials. An actual or perceived inability to be seen to be taking action to reduce Judges' overall carbon footprint is likely to impact investor ratings negatively and potentially limit access to capital. Judges may have to consider net zero targets when they acquire companies in the future. Judges may be required to report on waste or water with clear reduction targets.</p>	<p>Judges regularly monitor current and emerging regulations. Judges also publish a standalone CFD compliant report to communicate efforts to stakeholders.</p> <p>Judges have several engagement avenues, including formal (feedback forms, performance reviews), and informal (suggestion boxes). To address increased stakeholder concern for ESG, Judges have tied ESG objectives to remuneration. The annual bonus for Executive Directors includes a 10% ESG-related component.</p> <p>The CFO engages with stakeholders within and outside the business throughout the development of the Sustainability report to ensure all queries are addressed.</p> <p>To mitigate the risk of increased stakeholder concern, the Group has set environmental targets (see Table 6). Progress towards these targets will be reported on annually, demonstrating our commitment to reducing our carbon footprint.</p>

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

**Table 4:** Climate-related physical risks that could have a greater potential impact on the Group than other climate risks, and the related risk mitigations.

Risk	Time Horizon (years)	Warming Scenario	Impact Rating	Likelihood Rating	Impact Description	Mitigations
<b>Acute – Heatwaves/Extreme heat</b>	Short-Long Term (2024-2053)	2-3°C >3°C	2	4	<p><b>All 21 Judges Scientific sites included in the analysis will experience heatwaves in the short-long term in the Reactive and Inactive scenarios. Subsidiary sites that will be impacted include Armfield, GDS and Henniker.</b></p> <p><b>Actual:</b> Extreme heatwaves can negatively impact staff productivity, reduce revenue, and strain electronics, increasing the demand for cooling. This leads to higher energy costs—potentially rising by approximately 400% during heatwaves—and greater Scope 1 and 2 emissions due to reduced energy efficiency.</p> <p><b>Potential:</b> Extreme heat may require additional air conditioning installations, alter construction material properties, increase building repair needs, and disrupt supply chains as roads melt and rails buckle.</p>	<p>Air conditioning has been installed in most offices, in addition to all employees having access to fresh drinking water to ensure health is not impacted by heatwaves or extreme heat.</p> <p>Judges have a budget available for sustainability projects and are willing to invest in technology improvements or upgrades, including air conditioning units, to make environments more comfortable for employees' productivity.</p> <p>Judges takes a pragmatic approach to homeworking, on a case-by-case basis, where the individual's role and the needs of the company permit.</p> <p><b>Related Metrics &amp; Targets:</b> Scope 1, 2 and 3 emissions.</p>
<b>Chronic – Water Stress</b>	Medium-Long Term (2029-2053)	<2°C >3°C	3	4	<p><b>Thirteen of Judges Scientific subsidiary sites included in the analysis are in potential high water stress zones, including the Group's head office, Korvus Technology and CoolLED.</b></p> <p><b>Actual:</b> Increased water stress can deplete freshwater resources, affecting water-intensive processes like manufacturing, which can reduce productivity, revenue, and profitability. Water restrictions may hinder building maintenance, and addressing these challenges may require higher capital investment in water-efficient technology.</p> <p><b>Potential:</b> Water scarcity may result in alternative water sources requiring greater treatment. Local water restrictions could limit usage or enforce the installation of water-efficient technologies. A reduced water supply could also strain energy generation, lowering electrical output.</p>	<p>On a group level, Judges are not large water consumers, though a few subsidiaries and supply chain companies use it in their production processes. If the supply chain is impacted by water stress, this can impact the Group.</p> <p>Water-saving initiatives such as percussion taps are implemented in some companies within the Group, such as Oxford Cryosystems, to reduce unnecessary water consumption. Leak maintenance is prioritised, where detected, to minimise wastage.</p> <p>Armfield and Rockwash, who utilise higher volumes of water through their businesses, prioritise water recycling in the product testing stage of development, using sterilisation processes for reuse.</p> <p><b>Related Metrics &amp; Targets:</b> Scope 1, 2 and 3 emissions.</p>

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

Table 4 (continued)

Risk	Time Horizon (years)	Warming Scenario	Impact Rating	Likelihood Rating	Impact Description	Mitigations
<b>Chronic – Sea level Rise</b>	Long Term (2039-2053)	>3°C	1	4	<p><b>Three of Judges Scientific’s sites included in the analysis are in potential sea level rise risk zones. These are Rockwash, Judges head office and Henniker.</b></p> <p><b>Actual:</b> Site closures are unlikely, and disruption would likely result in delays rather than closures. There is increased reliance on air freight, which results in higher logistics costs.</p> <p><b>Potential:</b> Sea-level rise could cause revenue loss through increased insurance costs, disruption in travel or supply chains, and damage to operating sites through flooding or subsidence. It can lead to higher costs for repairing or replacing damaged stock or machinery. Transport, energy, and IT networks may be compromised, disrupting operations, while ports may face higher handling fees due to necessary adaptations.</p>	<p>The Group would allow employees to work from home to ensure employee productivity is not disrupted.</p> <p>To mitigate supply chain disruptions caused by sea level rise, some companies within the Group will prioritise dual sourcing, diversify logistics options and reduce reliance on high-risk ports. This should mitigate disruption within the supply chain if one supplier is affected.</p> <p>Many companies around the Group already dual source components following the recent supply chain issues in 2022 and 2023.</p> <p><b>Related Metrics &amp; Targets:</b> Scope 1, 2 and 3 emissions.</p>
<b>Chronic – Rising Mean Temperatures</b>	Medium-Long Term (2029-2053)	2-3°C >3°C	1	5	<p><b>All 21 Judges Scientific sites included in the analysis will experience rising mean temperatures in the long term of the Inactive scenario.</b></p> <p><b>Potential:</b> Significant financial and productivity impacts, such as direct property damage, disruptions to maintenance services, and the capital and maintenance costs of cooling systems contribute to rising expenses, alongside increasing energy costs. Extreme heat leads to more heat-related illnesses, increasing sick days and reducing productivity.</p>	<p>Companies within the Group allow for more relaxed uniforms during times of extreme heat.</p> <p>The Group will continue to monitor this risk and investigate the feasibility of installing additional cooling technology or systems if required.</p> <p><b>Related Metrics &amp; Targets:</b> Scope 1, 2 and 3 emissions.</p>

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

**Table 5:** Key opportunities identified and how Judges will capitalise on them.

Opportunity Description	Time Horizon (Years)	Warming Scenario	Impact Description
<p><b>Resource Efficiency – Use of energy-efficient technology</b></p> <p>Judges have already implemented energy-efficient initiatives such as LEDs, building energy management systems, and solar panels. The Group currently has 82% of its electricity supply on zero carbon contracts and will aim to transition the remainder as and when existing contracts expire. Water usage and recycling will also be optimised.</p>	Short-Medium Term (2024-2038)	<2°C 2-3°C	<p>Reduction in operating expenses due to increased efficiency. Increased value of energy-efficient assets (e.g. buildings).</p> <p><b>Related Metrics &amp; Targets:</b> Scope 1, 2 and 3 emissions.</p>
<p><b>Energy Source – Installation and use of low-emission energy technology and shift towards decentralised energy generation</b></p> <p>Solar PV installations on owned properties would enable Judges to generate electricity onsite, reduce reliance on the grid, and cut emissions. This is encouraged for all our businesses.</p>	Short-Medium Term (2024-2038)	<2°C 2-3°C	<p>Reduced operating expenses, less exposure to fossil fuel price increases, and reputational benefits.</p> <p><b>Related Metrics &amp; Targets:</b> Scope 1, 2 and 3 emissions.</p>
<p><b>Resilience – The business is well adapted and positioned to deal with climate change compliance</b></p> <p>Judges have an adaptive strategy to respond to climate change, better managing associated risks and seizing opportunities. This includes the ability to address both transition and physical risks.</p>	Short-Medium Term (2024-2038)	<2°C 2-3°C	<p>Resilience planning and effective adaptive strategies, which will increase market valuation and potentially revenue.</p> <p>To increase resilience, the Group has set environmental targets (see table 6). Progress towards these targets will be reported on annually, demonstrating the Group's commitment to reducing its carbon footprint.</p>
<p><b>Reputation – Increased reputational profile and investment opportunities</b></p> <p>Complying with all new policies and standards, such as CFD, has a reputational benefit. Judges already produces a sustainability report as part of their strategic report to exhibit the quality of the Group. Judges encourages its subsidiaries to enhance quality, improve manufacturing efficiency, and achieve high-quality ISO accreditations. These process improvements reduce waste and resource use, allowing them to pursue the more environmentally focused ISO 14001 (Environmental Management Standard).</p>	Short-Medium Term (2024-2038)	<2°C 2-3°C	<p>Alignment with sustainability and climate mitigations may put businesses ahead of their competition, open new revenue opportunities and enhance reputation.</p> <p>To mitigate the risk of reputational damage, the Group has set environmental targets (see table 6). Progress towards these targets will be reported on annually, demonstrating the Group's commitment to reducing its carbon footprint.</p>

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

### Metrics and Targets

Judges are at the beginning of its CFD and TCFD journey and has completed its first year in identifying climate-related risks. The Group will set comprehensive targets to enable the Group to evidence future improvements in sustainability. The initial targets will be across the themes of emissions, energy, environmental management, and waste and packaging. These targets will help mitigate the climate risks outlined in Tables 3 and 4. In 2025, Judges will further develop specific targets and begin developing a strategy to support the journey towards Net Zero no later than 2050.

**Table 6:** Judges Group environmental targets.

Theme	Target
Emissions	Reduce absolute Scope 1 and 2 emissions by 58.8% by 2034, from a 2024 baseline year.
Environmental Management	Obtain ISO14001 (Environmental Management Standard) accreditation by 2028. All acquired trading companies to have ISO 14001 accreditation within 4 years of acquisition.

### Collection and calculation of all the Group's emissions

The Group is developing a comprehensive emissions inventory to better enable the ability to reduce emissions across its operations.

With Inspired ESG's support, Judges launched an extensive data-collection improvement process to allow the Group to disclose Scope 3 emissions for the first time (having previously only partially disclosed Scope 1 and 2 emissions). For clarity, this report includes a base year of 2023's Scope 3 emissions, and next year's report will include 2024 and 2025 Scope 3 emissions. It has been a substantial first-time effort to collect Scope 3 emissions data, and the Group has not yet been able to complete the 2024 data collection. Once there is a more thorough understanding of the Group's Scope 3 emissions, Judges will determine a suitable baseline year for its net zero targets, which at present is considered will be 2024. The Group's emissions have been calculated using a consolidated operational control approach defined by the GHG Protocol. The calculation methodology follows the GHG Protocol Corporate Accounting and Reporting Standard and the guidelines of ISO14064-1 (Greenhouse Gases Standard). All applicable Scope 3 categories have been quantified. The overall result is as comprehensive as can at this time be achieved, but the calculations include significant estimates and/or estimation techniques.

### Scope 1 and 2 Emissions

Judges' operational emissions (Scopes 1 and 2 (location-based)) represent 1.5% of the total 2023 emissions of the Group and result from energy consumption (transport fuels used in company-owned vehicles, consumption of other fuels and refrigerants, gas, and electricity). In the coming year, the Group will seek to continue to reduce operational emissions through initiatives such as energy efficiency improvements, transitioning to zero carbon/renewable energy sources, and exploring lower-carbon technologies.

### Scope 3 emissions

Understanding the Group's indirect Scope 3 emissions will be crucial in identifying the primary sources of greenhouse gas emissions beyond Judges' direct operations. A comprehensive Scope 3 applicability review was conducted in October 2024, which confirmed that twelve of the fifteen GHG Protocol Scope 3 categories are relevant to Judges and its businesses. Due to limited data availability, Scope 3 emissions from Armfield have been excluded. Category 10 (Processing of Sold Products), Category 13 (Downstream Leased Assets), and Category 14 (Franchises) were deemed non-applicable as Judges do not sell any products that require further processing before use, do not have any downstream leased assets, or operate on a franchise model. Similarly, emissions from UHV Design do not include the following applicable categories: Category 11. Use of Sold Products and Category 12. End-of-Life Treatment of Sold Products, as data was not available. In the coming year, there will be improvements in data completeness to include all relevant categories at the Group level. Table 7 provides a breakdown of the Group's emissions which have been calculated by Inspired ESG. These calculated emissions have not been audited by a third party.

The significant categories of scope 3 emissions in Table 7 include:

- Purchased Goods and Services, which relate to the annual emissions arising from manufacturing the raw materials, components and sub-assemblies which are incorporated in the instruments sold;
- Use of Sold Products, which includes the lifetime emissions from each instrument sold annually. The calculation includes estimations of the product lifetime, amounts of energy consumed per hour of use and how many hours usage per day.
- Emissions from employee commuting, which calculated after completion of employee surveys; and
- Business travel to the Group's global shareholders, customers, partners and suppliers.

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

**Table 7:** Judges Scientific's GHG Emissions (tCO<sub>2</sub>e) for 2023

GHG Emissions Scope	Total 2023 emissions (Location-based)	
	tCO <sub>2</sub> e	% (Location-Based)
<b>GHG Emissions Scope</b>		
<b>Scope 1</b> (natural gas, transportation, refrigerants and other fuels)	<b>287</b>	<b>0.6%</b>
<b>Scope 2</b> (electricity)	<b>412</b>	<b>0.9%</b>
<b>Scope 3</b>	<b>44,515</b>	<b>98.5%</b>
1. Purchased Goods & Services	20,406	45.1%
11. Use of Sold Products	17,600	39.0%
6. Business Travel	1,309	2.9%
7. Employee Commuting	1,032	2.3%
Remaining Scope 3 categories*	4,168	9.2%
<b>Total All Scopes</b>	<b>45,214</b>	<b>100.0%</b>
<b>All scopes tCO<sub>2</sub>e per Full Time Equivalent (FTE)</b>	<b>66.296</b>	

\*Remaining Scope 3 categories include Category 2: Capital Goods, Category 3: Fuel- and Energy-related Activities, Category 4: Upstream Transportation and Distribution, Category 5: Waste Generated in Operations, Category 8: Upstream Leased Assets, Category 9: Downstream Transportation and Distribution, Category 12: End-of-life Treatment of Sold Products, and Category 15: Investments.

### Streamlined Energy and Carbon Reporting ("SECR")

The information below outlines Judges' energy usage, associated emissions, energy performance and efficiency actions to drive carbon reductions within operational control. The information is provided voluntarily as Judges Scientific's parent company is not required to report under SECR as it is a low energy user consuming less than 40MWh per annum and each of its subsidiaries do not meet the reporting threshold. The Group will continue to annually assess whether it falls under SECR's mandatory requirements. Carbon emissions are categorised as follows:

- Scope 1:** Consumption and emissions related to direct combustion of natural gas, fuels utilised for transportation operations, other fuels and refrigerant gases.
- Scope 2:** Consumption and emissions from indirect emissions, relating to the consumption of purchased electricity in daily business operations.

**Table 8:** Scope 1 and 2 (UK + Global) consumption and emissions reported in kWh, location-based (tCO<sub>2</sub>e) and market-based (tCO<sub>2</sub>e/tCO<sub>2</sub>).

	2024 (kWh)	2023 (kWh)	YoY change (%) (kWh)	2024 location-based (tCO <sub>2</sub> e)	2023 location-based (tCO <sub>2</sub> e)	YoY change (%) location-based (tCO <sub>2</sub> e)	2024 market-based (tCO <sub>2</sub> e/tCO <sub>2</sub> )	2023 market-based (tCO <sub>2</sub> e/tCO <sub>2</sub> )
<b>Scope 1</b>	1,157,890	806,702	+43.5%	240.8	287.2	-16.2%	240.8	287.2
<b>Scope 2</b>	2,234,372	1,880,446	+18.8%	467.3	412.5	+13.3%	183.1	161.3

Scope 1 emissions reduced by 16% (47 tCO<sub>2</sub>e) in 2024. This included natural gas emissions decreasing by 11%. Scope 2 emissions increased due to 3 companies joining the Group, office moves where there were overlapping months when both locations consumed energy and increased premises size for one of our businesses.

Table 9 shows emissions by intensity metric (FTE) and will have complete comparisons when next year's report will include both 2024 and 2025 Scope 3 emissions.

**Table 9:** Total (UK + Global) location-based (tCO<sub>2</sub>e) emissions and intensity metrics per FTE.

	Total Emissions (tCO <sub>2</sub> e)		Total Emissions (tCO <sub>2</sub> e) per FTE	
	2024	2023	2024	2023
<b>Scope 1 and 2</b>	708	699	0.92	1.02
<b>Scope 3</b>	N/A*	44,515	N/A*	65.27
<b>Total Scopes</b>	N/A*	45,214	N/A*	66.30

# Strategic Report

## Non-Financial and Sustainability Information Statement

For the year ended 31 December 2024

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### **Advancing Energy and Carbon Efficiency**

The Group continues to prioritise energy efficiency in its operations. A total of 16 of subsidiaries have adopted LED lighting, with several also employing motion sensors in areas such as offices and bathrooms. Rolling out LED lighting to all subsidiaries remains a priority, and will be implemented where feasible. Judges' renewable energy initiatives include adopting green tariffs and installing solar panels at sites such as Quorum and Oxford Cryosystems, although the Group is generally limited to buildings that it owns. Additionally, this year Henniker switched to a 50% biogas tariff to optimise the implementation of low-carbon energy solutions. These types of measures form part of the broader strategy to improve energy efficiency across the Group. Across Judges' limited fleet of owned vehicles, 21% are electric and the Group's businesses also have a number of EV charging points at their premises.

### **Waste and Sustainable Packaging**

Judges are committed to continuously improving sustainable packaging with some materials now containing significant recycled content. The Group plans to increase the use of recyclable materials in 2025 and reuse incoming packaging wherever possible and intend to create a measurable target in 2025. Notable progress has been made in ensuring that materials such as cardboard boxes, polyethylene bags, and polyurethane foam incorporate recycled content. While some non-recyclable materials remain in use, focus remains on adopting more sustainable packaging solutions and the JSC will support a bottom-up approach with the SMTs to progress this.

*Brad Ormsby*

Brad Ormsby (Apr 2, 2025 19:27 GMT+1)

Brad Ormsby  
Director  
2 April 2025

# Strategic Report

## Section 172 statement

For the year ended 31 December 2024

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As required by Section 172 of the Companies Act, a director of a company must act in the way he or she considers, in good faith, would likely promote the success of the company for the benefit of the shareholders.

In doing so, the director must have regard, amongst other matters, to the following issues:

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

The Group's ongoing engagement with stakeholders and consideration of their respective interests in its decision-making process is as described below.

### **Our culture**

Judges has always espoused a long-term perspective, from its first interaction with a prospective acquisition, throughout the process of acquiring each business and thereafter once the company is part of the Group. This approach forms part of what makes this Group unique. No change was made in 2024 to the Group's strategy and business model, despite the ongoing challenging geopolitical environment, and key decisions continued to be made only for the long-term benefit of the Group. Further detail is explained in the sustainability report on pages 12 to 20.

### **Shareholders**

The primary mechanism for engaging with shareholders is through the Company's AGM and also through the annual cycle of investor meetings held alongside the publication of the Group's financial results for the half year and full year. Further information is disclosed in the Corporate Governance statement on pages 39 to 42.

### **Customers and suppliers**

Our companies operate in global niche markets and consequently reputation is key to our ongoing success. Maintaining the strong reputation with our customer base for providing instruments and service of the highest quality is therefore of paramount importance. Likewise, we have long-standing close relationships with our often locally situated suppliers, as evidenced via the payment terms on page 49 in the Directors' Report.

### **Employees**

A key to the Group's success has been its engaged workforce. As well-regarded local employers within each of our businesses' respective communities, the Group's Directors, alongside our subsidiary management teams, work hard to provide a positive work environment with opportunities for all our staff to develop and achieve their potential. Our management teams remain focused on maintaining staff wellbeing and have created a safe environment for our staff. As disclosed within the sustainability report on pages 12 to 20, we are also proud that around forty percent of our staff are shareholders.

### **Community and environment**

Our businesses are proud of their positive contribution to the wider, and more local, community both as low carbon-intensive businesses and as well-respected local employers. More information can be found in the sustainability report on pages 12 to 20.

# Board of Directors

## Our Board

Providing a unique combination of international business, investor and financing experience across public and private markets.

### **Hon. Alexander Hambro**

#### ***Outgoing Chair***

#### ***N***

Alex Hambro has been active in the small company investment sector both in the UK and the USA for some 30 years, during which time he acted as a principal investor, manager and sponsor of private equity and venture capital management teams.

In addition to his responsibilities at Judges Scientific plc, Alex is also Chair of Cloudified Holdings Ltd and a Non-Executive Director of Oberon Investments Group plc, Octopus Apollo VCT plc, and a small number of private companies.

### **Ralph Elman**

#### ***Chair***

#### ***N A R***

Ralph Elman is a former Finance Director of quoted companies Paramount plc, Delyn plc and International Communication & Data plc and Finance Director of businesses within GUS plc and RR Donnelley.

Ralph was Senior Partner of accountancy firm Elman Wall and is a Non-Executive Director of a number of private companies.

He is also Chair of the Audit Committee.

### **David Cicurel**

#### ***Chief Executive***

#### ***E***

David Cicurel founded Judges in 2002 having spent much of his career as a turnaround specialist and, subsequently, as an “active value” investor operating with his own funds.

He has been responsible for several corporate recovery exercises including two UK public companies, International Media Communications plc (later known as Continental Foods) and International Communication and Data plc.

### **Brad Ormsby**

#### ***Chief Financial Officer***

#### ***E***

Brad has been Chief Financial Officer at Judges for the past 10 years. He qualified as a Chartered Accountant at PwC prior to spending six years at Eurovestech plc, a technology venture capital fund, which included three years as CFO of Kalibrate Technologies plc (a Eurovestech portfolio company), where he led the company's IPO onto AIM.

Brad is also Non-Executive Director at Software Circle plc, a buy and build software group, and Non-Executive Director at Octopus AIM VCT 2 plc, a Venture Capital Trust which invests in AIM-quoted companies.

### **Dr Tim Prestidge**

#### ***Group Business Development Director***

#### ***E***

Tim joined Judges with significant experience in leadership and innovation, gained through 22 years in senior positions at FTSE100 and FTSE250 industrial businesses. Following the completion of his PhD, Tim was appointed as Divisional CEO and subsequently Executive Committee Director of Renishaw plc. Whilst there, he gained expertise in global markets, overseeing a sustained period of strong growth and expansion for the company. Tim also saw his division awarded five Queen's Awards for Enterprise in the Innovation category.

Most recently, Tim spent 8 years as Divisional CEO with Halma plc, where he chaired portfolios of technology companies based in the UK, Europe, USA, and China, operating in a diverse range of scientific and industrial sectors. Throughout this period, Tim continued the trend of driving strong growth and gained direct experience in acquisitions and mergers.

Tim holds degrees in Theoretical Physics from the University of Edinburgh and the University of Cambridge.

### **Mark Lavelle**

#### ***Chief Operating Officer***

#### ***E***

Mark Lavelle gained scientific instrument sales and marketing experience with PerkinElmer, and finance experience with Bank of America in London and the USA, then moved into Industrial general management. Before joining Judges as COO in 2017, Mark spent 15 years at Halma plc where he was Managing Director of two separate businesses (in Medical Devices and Ion Beam Coating), ran Acquisitions for the group, and led two Divisions (Industrial Safety and Water Analysis & UV) comprising a total of 15 companies in the UK, Europe, the USA and Asia-Pacific. He also had responsibility for Innovation at Halma, and subsequently the group's Indian presence. He was also a Pension trustee for 12 years. Mark is a Chemistry graduate of the University of Cambridge and holds an MBA from INSEAD in France.

# Board of Directors

## **Dr Ian Wilcock (appointed 2 September 2024)**

### **Group Commercial Director**

#### **E**

Ian started his career at Renishaw plc, before twice forming part of the leadership teams of investor-backed SMEs which were acquired by corporates (Footfall by Experian in 2006, and Irisys by Danaher in 2012). Following four years with Danaher, Ian most recently spent eight years as a member of the Management Board of Oxford Instruments plc, leading significant organic and inorganic growth and establishing its Materials Analysis Division.

Teams led by Ian have won several awards, including 3 Queen's Awards for Enterprise in the Innovation category, and more recently a King's Award in the Innovation category.

Ian holds degrees in Chemical Physics from the University of Edinburgh, an MBA from the University of Bath, and conducted post-doctoral research in Gerhard Ertl's Nobel Prize-winning group at the Fritz Haber Institut, Berlin.

Ian is also a Non-Executive Director at Oxford Metrics plc.

## **Charles Holroyd**

### **Non-Executive**

#### **N I A R**

Charles Holroyd has a BSc in Electrical and Electronics Engineering from the University of Bristol and an MBA from INSEAD. He is a Chartered Engineer and a Fellow of the Institution of Engineering and Technology. Charles has held senior management positions within a number of publicly quoted companies. Most recently Charles worked at Oxford Instruments plc, which he joined in 1999 and where he served on the board from 2005 until 2013 and was responsible for group business development including M&A activities.

He is the Senior Independent Director and is Chair of the Remuneration Committee.

## **Lushani Kodituwakku**

### **Non-Executive**

#### **N I R**

Lushani is the founder and Managing Director of Luminii Consulting, a consulting firm specialising in Strategy, Commercial Due Diligence ("CDD") and Value Creation. Lushani has over 25 years' experience in advising corporates, private equity and banks on their investments and growth strategy across UK, Europe, and USA. She founded Luminii in 2017 after setting up and heading the Grant Thornton Strategy and CDD practice in 2008 and holding various other senior roles with KPMG, Frost & Sullivan, PMSI and Neovian Partners.

Lushani holds a Bachelor of Science (BSc) in Economics with first-class honours, and a Master of Research (MRes) in Management and Organisational Behaviour.

She is an Independent Director and is a member of the Remuneration Committee.

## **Sue Nyman**

### **Non-Executive**

#### **N I A R**

Sue is an experienced business leader, and National Director in the Advisory practice at Grant Thornton UK LLP, a professional services firm, specialising in areas from client engagement and quality and risk matters to ethics and thought leadership. For over 18 years, Sue was Head of Grant Thornton's Advisory Quality and Risk Management team, a team which she created and successfully built from one person to over twenty. Previously she spent many years as a corporate financier advising companies both public and private. Sue's work saw her become a member of various external committees in relation to public company reporting and corporate finance technical issues. She is also the compliance officer for the Public Company Advisory team at Grant Thornton.

Sue has significant experience of being a member of Trust boards, with particular emphasis on finance and governance. Sue is FCA qualified and holds a Bachelor of Science (BSc) in Economics and Economic History from University College London.

She is an Independent Director and is a member of the Audit Committee and the Remuneration Committee.

## **Glynn Reece**

### **Company Secretary**

Glynn Reece is a graduate of Oxford University and a qualified solicitor. Since 1987, he has specialised in providing corporate finance deal origination and advisory services, working for (inter alia) Coopers & Lybrand, Arthur Andersen and CLB, a specialist AIM firm.

He is currently a proprietor of Carl Reiss Meyer, a business that acts as an arranger of pre-flotation finance for small fast-growing companies.

# Board of Directors

## Committee membership

E	Executive
N	Non-Executive
I	Independent
A	Audit Committee
R	Remuneration Committee

## Board composition

Chair	1
Executive Directors	5
Non-Executive Directors	1
Independent Non-Executive Directors	3

## Board tenure

0–3 years	3
4–7 years	3
8+ years	4

# Corporate Governance Statement

For the year ended 31 December 2024

## Introduction

I have pleasure in introducing the Corporate Governance Statement. In accordance with the requirements of being an AIM-listed company we recognise that the application of sound corporate governance is essential to the Group's ongoing success and adopt the principal provisions of the QCA Corporate Governance Code for Small and Mid-Size Quoted Companies published in April 2018 ("QCA guidelines"). This report sets out our approach to Judges' corporate governance in accordance with AIM rule 26, also documented in the Investors section of the Judges website.

During 2023, the QCA published the 2023 QCA Corporate Governance Code (the "2023 Code") which will be applicable to companies for years commencing from 1 April 2024. The Group will adopt the 2023 Code for the year ending 31 December 2025 during which (under transitional provisions) additional flexibility is granted to adjust to changes in the code.

## Board composition and succession

The Board is responsible to the shareholders and sets the Group's strategy for achieving long-term success. It is also ultimately responsible for the management, governance, controls, risk management, direction and performance of the Group.

The year commenced with the Board comprising four Executive Directors, together with the Non-Executive Chair and four further Non-Executive Directors, supported by the Company Secretary.

At the start of the year, the Group had three independent Non-Executive Directors as defined via the QCA guidelines. All other Non-Executive Directors were not considered independent under the QCA guidelines by virtue of the duration of their tenure, as they had served more than nine years from the date of their first election or were previously an Executive Director of the Company. Nevertheless, the Company considers that these Non-Executive Directors act independently of the Executive management and police adherence to the Group's enduring buy and build strategy and act as guardians to the Group's culture, which continues to provide shareholders with long-term market-beating performance. They further deliver value via their long association with the Company, enabling retention of an appropriate corporate memory, and together with their deep understanding of the Group's business model, ensures they appropriately challenge the Executive Directors.

The structure and composition of the Board has been refreshed over the recent past, however wholesale change for the purpose of adopting perceived best practice is not considered beneficial over the long-term for our shareholders.

Notwithstanding this, the Group continues its process of refreshing the Board's composition, appointing additional talent to the Group's management team and ensuring that there is a suitable balance between newer Non-Executive Directors and those that retain the strongest understanding of the Group's culture and history, together with creating a more gender diverse Board.

During 2024 the Group appointed Dr Ian Wilcock as an Executive Director, further strengthening and broadening the strength of the management team. Ian's previous experience at Oxford Instruments plc and Danaher Corporation, makes him an excellent addition to the team.

Additionally, one of the Group's founding Non-Executive Directors and Chair, Alex Hambro, notified the Board of his intention to retire as Chair at 31 December 2024 and retire from the Board at the conclusion of the Group's AGM in May 2025. Ralph Elman has been appointed as Chair from 1 January 2025 which maintains a strong corporate memory in the role of Chair.

At the end of the year, the Board's comprised five Executive Directors, together with the Non-Executive Chair and four further Non-Executive Directors, three of whom are considered independent under the QCA guidelines.

## Board operation

The Board is responsible for the Company's strategy and for its overall management. The operation of the Board is documented in a formal schedule of matters reserved for its approval, which is reviewed annually. These include (although not exhaustively) matters relating to:

- the Group's strategic aims and objectives;
- the approval of significant acquisitions and expenditure;
- financial reporting, financial controls and dividend policy;
- the approval of the Group's annual budget;
- the structure, capital and financing of the Group;
- internal control, risk and the Group's risk appetite;
- effective communication with shareholders; and
- any changes to Board membership or structure.

## Board decision making

The Board has a schedule of matters covering business, financial and operational matters ensuring that all areas of Board responsibility are addressed throughout the year. The Chair, supported by the Company Secretary, is responsible for ensuring the Directors receive accurate and timely information. The Company Secretary compiles the Board papers which are circulated to Directors in advance of meetings. The Company Secretary prepares and provides minutes of each meeting and every Director is aware of the right to formally minute any concerns.

## Board meetings

The Board meets monthly (except in August) in addition to any ad hoc Board meetings that may be required during the year. Non-Executive Directors communicate directly with Executive Directors between formal Board meetings as necessary.

Directors are expected to attend all meetings of the Board, and the Committees on which they sit, and to devote sufficient time to the Company's affairs to enable them to fulfil their duties as Directors. In the event that Directors are unable to attend a meeting in person they will endeavour to attend via phone, Microsoft Teams or similar arrangement. In a normal year, Board meetings are held either at the Group's head office or rotated around the Group's operating companies so that the Board are able to visit each business and discuss with local management. During 2024 the Board was able to hold 11 meetings in person, of which 7 were held at our subsidiaries, including Thermal Hazard Technology, EWB Solutions, CoolLED, Quorum, PE.Fiberoptics, Fire Testing Technology and Henniker Scientific.

When Directors cannot attend, their comments on papers to be considered at the meeting will be discussed in advance with the Chair so that their contribution can be included in the wider Board discussion.

The Directors' attendance record at Board and Committee meetings during the year is disclosed in the table below:

	Board	Audit	Remuneration
Hon. AR Hambro	11/11	—	—
DE Cicurel	11/11	—	—
BL Ormsby	11/11	—	—
MS Lavelle	11/11	—	—
T Prestidge	11/11	—	—
I Wilcock (appointed 2 September 2024)	4/4	—	—
CJA Holroyd	11/11	5/5	5/5
LD Kodituwakku	11/11	—	5/5
RJ Elman	11/11	5/5	5/5
SA Nyman	11/11	5/5	2/2

## Board Committees

The Board has delegated specific responsibilities to the Audit and Remuneration Committees, details of which are set out below. As the Board is small, there is no separate nominations committee and any consideration of recommendations for appointments to the Board is considered by a specific committee of Directors set up at that time. As part of the recruitment of Ian Wilcock, a committee of three Directors was set up to oversee the recruitment process, and his remuneration package was separately approved by the Remuneration Committee.

Each Committee has written terms of reference setting out its duties, authority and reporting responsibilities. Copies of all the Committee terms of reference are available on the Company's website ([www.judges.uk.com](http://www.judges.uk.com)) or on request from the Company Secretary. The terms of reference of each Committee are kept under continuous review to ensure they remain appropriate to the Group. Each Committee is comprised of three of the Non-Executive Directors of the Company. The Company Secretary is the secretary of each Committee.

Following the 2023 Code's publication, a Nomination Committee will be established in the second half of 2025 to align the Group with this part of the 2023 Code, and to support its ongoing process of refreshing the Board's composition.

### Audit Committee

During 2024, the Audit Committee was chaired by Ralph Elman with the other members being Sue Nyman and Charles Holroyd. The Audit Committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported on. It receives and reviews information and reports from the Group's management, internal audit function and Auditor relating to the annual financial statements and the accounting and internal control systems in use throughout the Group. It also advises the Board on the appointment of the Auditor, reviews their fees and discusses the nature, scope and results of the audit with the Auditor. The Audit Committee meets at least twice a year and has unrestricted access to the Group's Auditor. The Executive Directors and the Chair attend the Committee meetings by invitation as required.

The Audit Committee Report on pages 43 and 44 contains more detailed information on the Committee's role.

### Remuneration Committee

During 2024, the Remuneration Committee was chaired by Charles Holroyd, the Senior Independent Non-Executive Director. The other members of this Committee were Ralph Elman and Lushani Kodituwakku. Ralph Elman stepped down from this committee at 31 December 2024 and was replaced by Sue Nyman who attended the final 2 committee meetings of 2024 to ensure a smooth handover. The Remuneration Committee reviews the performance of the Executive Directors and makes recommendations to the Board on matters relating to their remuneration and terms of employment as well as making recommendations for the remuneration of incoming Executive Directors, as was the case with the 2024 appointment of Ian Wilcock. The Remuneration Committee also makes recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any share option scheme or equity incentive scheme in operation from time to time. The remuneration and terms and conditions of appointment of the Non-Executive Directors of the Company are set by the Board. The Chief Executive and Chief Financial Officer may be invited to attend for some parts of the Committee meetings where their input is required although they do not take part in any discussion on their own benefits and remuneration. The Remuneration Committee meets at least once per year.

The Remuneration Committee's Report on pages 45 to 48 contains more detailed information on the Committee's role and the Directors' remuneration and fees.

### **Board effectiveness**

Biographies of the Board on pages 36 and 37 set out the skills, knowledge and experience of the Board. This mix of capabilities enables them to constructively challenge strategy and review performance. All Directors undertake ongoing training sessions to ensure they retain relevant skills to execute their roles.

### **Induction of new Directors**

New Directors undergo a programme tailored to the existing knowledge and experience of the Director concerned and ensures they develop the requisite knowledge about the Group such that they can contribute fully from an early stage. Ian Wilcock received a personalised induction to suit the nature of his role, which also included visiting and meeting the vast majority of the Group's UK based businesses.

### **Time commitments**

All Directors are aware of the time required to fulfil the role prior to appointment and have confirmed their ability to meet the required commitment prior to appointment. This requirement is also included in their letters of appointment or service contract. The Board is satisfied that the Chair and each of the Non-Executive Directors is able to devote sufficient time to the Group.

### **Development**

The Company Secretary ensures that all Directors are made aware of changes in relevant legislation and regulations, with the assistance of the Company's advisers where appropriate. Executive Directors are subject to the Company's performance development review process and will obtain additional professional training as appropriate.

### **External appointments**

In the appropriate circumstances, the Board may authorise Executive Directors to take Non-Executive positions in other companies and organisations, provided the time commitment does not impact upon the Director's ability to perform their role, since such appointments should widen their experience. The Chair will approve any such appointment. Approval was provided to both Ian Wilcock and Brad Ormsby for their external roles this year.

### **Conflicts of interest**

Under the Companies Act 2006, a Director must avoid a situation where a direct or indirect conflict of interest may occur and procedures are in place to manage any circumstance where a conflict may be perceived. The Company's Articles of Association prevent Directors from voting on issues where they have, or may have, a conflict of interest, other than in exceptional and specific circumstances.

### **Independent professional advice**

Directors have access to independent professional advice at the Company's expense. In addition, they have access to the advice and services of the Company Secretary who is responsible to the Board for advice on corporate governance matters.

### **Directors' and Officers' liability insurance**

The Company has obtained Directors' and Officers' liability insurance during the year as permitted by the Company's articles.

### **Election and re-election of Directors**

Ian Wilcock, who was appointed by the board on 2 September 2024, will offer himself for election at the Annual General Meeting. All continuing Directors are offered up for re-election annually, in accordance with corporate governance best practice.

### **Performance evaluation**

The Chair discusses with each of the Non-Executive Directors their ongoing effectiveness. He is also responsible for the Executive composition of the Board. The Chief Executive assesses each Executive Director and provides informal feedback on their performance on a timely basis. Additionally, all Directors have completed a board evaluation to assess the effectiveness of the performance of the Board.

### **Internal controls**

The Board has ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness. However, any such system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss. The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group.

The principal components of the Group's internal control system include:

- overview of the day-to-day activities of the Group by the Executive Directors;
- all proposed acquisitions are comprehensively reviewed by the Board;
- a comprehensive annual budgeting process which is approved by the Board;
- a decentralised organisational structure with defined levels of responsibility for all trading subsidiaries, to encourage principled entrepreneurial behaviour whilst minimising risks;
- rotational visits by the Board to the trading subsidiaries;
- detailed monthly reporting of performance against budget and forecast;
- central control over key areas such as cash/banking facilities; capital expenditure and cyber security; and
- an internal audit function which, on a rotational basis, reviews each of the Group's trading subsidiaries and seeks to ensure consistent application of the Group's policies.

The Group continues to assess and develop its internal control system to ensure compliance with best practice for a Group of its size.

### **Relations with shareholders**


The Group maintains communication with institutional shareholders through individual meetings with Executive Directors, particularly following publication of the Group's interim and full year results. For overseas shareholders, the Group also holds a twice yearly roadshow to meet US investors and visits Scandinavian investors annually. The Group's results presentations are recorded on video in a live webinar which all shareholders are welcome to attend, and these are subsequently made available on the Judges website. Additionally, the Group operates site visits where a group of significant shareholders/potential shareholders are shown around a number of the Group's subsidiaries to view their operations and meet with the local management.

The Group also holds its Annual General Meeting in-person and all shareholders are again encouraged to attend the upcoming Annual General Meeting which is due to be held on 22 May 2025 (full details in the Directors' Report on page 51). This is the main opportunity for all shareholders to meet with all the Executive and Non-Executive Directors and where the Group's activities are considered and questions are both welcomed and answered.

General information about the Group is also available on the Group's website ([www.judges.uk.com](http://www.judges.uk.com)). This includes a Group overview, detailed information about our trading businesses (including short videos introduced by subsidiary Managing Directors), details of all recent Group announcements and other relevant investor information.

### **Whistleblowing**

The Group has had a whistleblowing policy in place for many years which sets out the formal process by which any employee of the Group may, in confidence, raise concerns about possible improprieties in financial reporting or other matters, via a whistleblowing hotline. Whistleblowing is a standing item on the Board's agenda with updates provided at each meeting. During 2024 no matters were raised via the hotline (2023: none).

  
Ralph Elman (Apr 2, 2025 20:43 GMT+2)

**Ralph Elman**  
**Chair**  
2 April 2025

# Audit Committee Report

## For the year ended 31 December 2024

On behalf of the Board, I am pleased to present the Audit Committee report for the year ended 31 December 2024.

### Composition of the Audit Committee

Throughout the year, the Audit Committee consisted of myself (as Chair), Sue Nyman and Charles Holroyd. The Group's Executive and other Non-Executive Directors may be invited to attend Committee meetings.

As part of the succession planning for the Audit Committee's leadership, Sue Nyman has been identified as designate chair, and this transition will occur during the next two years. This timeline will ensure she has gained sufficient experience and corporate memory prior to this transition.

During the year, the Audit Committee met five times, to undertake our responsibilities as set out below and, in particular, review the audit and interim findings, approve the audit plan of the Group's auditors, approve an internal audit approach for 2025 and consider internal audit findings together with risk management and internal controls. The Board is satisfied that I, as Chair of the Audit Committee, have recent and relevant financial experience. I am a Chartered Accountant; I have served as Finance Director in a number of quoted companies and as Non-Executive Director of a number of other companies. Sue Nyman also has recent and relevant financial experience having worked at Grant Thornton throughout her career, has led the firm's Advisory Quality & Risk Management team and also holds a number of governance roles and trusteeships. Glynn Reece acts as Secretary to the Audit Committee. I report the Audit Committee's deliberations at the following Board meeting and the minutes of each meeting are circulated to all members of the Board.

### Responsibilities

The main duties of the Audit Committee are set out in its Terms of Reference, which are available on the Company's website ([www.judges.uk.com](http://www.judges.uk.com)) and are available on request from the Company Secretary.

The Audit Committee's main duties are to:

- ensure the integrity of the financial statements (including annual and interim accounts and results announcements);
- review significant financial reporting judgements and the application of accounting policies thereon;
- review the assessment of going concern;
- ensure the Annual Report and Accounts are fair, balanced and understandable and recommend their approval to the Board;
- review the Group's annual budget and recommend its approval to the Board;
- manage the relationship with the Group's external Auditor and review their suitability and independence;
- negotiate and approve the external Auditor's fee, the scope of their audit and terms of engagement;
- advise on the appointment of the external Auditor and to review and monitor the extent of the non-audit services undertaken by the Group's external Auditor;
- review the risk management (including climate-related risk) and internal control systems; and
- assess the approach of the internal audit function and review its reporting to the Audit Committee.

### Role of the external Auditor

The Audit Committee monitors the relationship with the external Auditor to ensure that auditor independence and objectivity are maintained. The Group adopts a policy to restrict work of the Auditor to audit or audit-related services only. No non-audit fees were charged to the Group by BDO LLP. An analysis of fees charged by BDO LLP is disclosed in note 8 to the Group's financial statements.

No material issues impacting upon the Auditor's independence were observed or brought to the Audit Committee's attention.

### Audit process

The external Auditor prepares an audit plan for its review of the full year financial statements. The audit plan sets out the scope of the audit, specific areas of risk to target and audit timetable. This plan is reviewed and agreed in advance by the Audit Committee. Following its review, the Auditor presents their findings to the Audit Committee for discussion. No matters of significant concern relating to either the Group's internal controls or accounting practices were highlighted by the Auditor during the year, however, possible areas of significant risk and other matters of audit relevance are regularly communicated.

## Internal audit

The scope of the internal audit work performed by the Group's internal audit function in 2024 was determined following feedback from the 2023 audit, and also via a selection of subsidiary undertakings chosen on a rotational basis.

The Audit Committee has continued to apply an agreed approach that every one of the Group's trading subsidiaries should receive an internal audit review at least once every four years, with each new material subsidiary receiving an internal audit within twelve months of joining the Judges Scientific Group.

The scope of the internal audit work in 2024 focused on specific reviews at seven (2023: six) of the Group's entities – Deben, Oxford Cryosystems, Moorfield Nanotechnology, CoolLED, Henniker Scientific (2023 acquisition) and Bossa Nova Vision (2023 acquisition) and Korvus Technology (2023: Geotek, Armfield, GDS, Thermal Hazard Technology, EWB Solutions and the parent company) - together with follow up visits to assess progress in relation to findings from the prior year's internal audits at the six (2023: five) undertakings. No material issues for the Group were noted during any of the internal audit visits. At this stage, it is planned that at least seven internal audits will take place in 2025 in addition to follow up visits to assess progress in relation to findings from internal audits undertaken in 2024.

The Audit Committee considers that management is generally able to derive assurance as to the adequacy and effectiveness of internal controls and risk management procedures but that the internal audit work performed provides additional assurance.

## Risk management and internal controls

As described in the Corporate Governance Statement on pages 39 to 42, the Group has established a framework of risk management and internal control systems and procedures. The Audit Committee is responsible for reviewing the risk management and internal control framework and ensuring that it operates effectively. The Audit Committee has initiated a review procedure to be satisfied that the appropriate internal controls are in place. Comfort on the effective operation of the Group's internal control systems has been obtained via feedback from internal and external audits and through assessment of Group and subsidiary risk matrices and annual confirmation certifications from each of the Group's trading subsidiaries and the parent company.

  
Ralph Elman (Apr 2, 2025 20:43 GMT+2)

**Ralph Elman**  
**Audit Committee Chair**  
2 April 2025

# Remuneration Committee Report

For the year ended 31 December 2024

On behalf of the Board, I am pleased to present the 2024 Remuneration Committee Report, which sets out the Directors' remuneration policy and their remuneration for the year. As an AIM-quoted company, Judges has no statutory requirement to produce a remuneration report, however the Remuneration Committee consider that providing a report is good practice, transparent and beneficial for shareholders, although not every best practice disclosure has been produced.

## Composition of the Remuneration Committee

The Remuneration Committee consisted of myself (as Remuneration Committee Chair), Lushani Kodituwakku and Ralph Elman. At 31 December 2024, Ralph Elman stepped down from the Remuneration Committee and was replaced by Sue Nyman, who attended the final 2 Remuneration Committee meetings of 2024 to ensure a smooth handover. The Remuneration Committee's composition was in accordance with the QCA guidelines throughout the year and, for 2025, all three members will be deemed independent under the QCA guidelines. The Chief Executive and Chief Financial Officer may be invited to attend Remuneration Committee meetings or provide supporting information to the Remuneration Committee if required.

## Executive Director remuneration policy

The remuneration arrangements are designed to align the interests of the Executive Directors with shareholders over the short and longer term. The Remuneration Committee keeps aware of recent developments in corporate governance and good practice in Executive remuneration and ensures that it is able to benchmark Executive remuneration against similar sized AIM and FTSE-quoted businesses, in order to attract, motivate and retain high quality individuals who will, over time, contribute to the continuing success of the Group. No external remuneration consultants have been engaged to support the Remuneration Committee's deliberations, instead the Remuneration Committee has utilised publicly available remuneration benchmarking to assist its decision-making.

To achieve our goal of alignment between shareholders and the Executive Directors, the Group provides competitive pay, split between fixed and performance-related elements. Overall remuneration is reviewed annually, and the key elements are explained below:

### Base salary

This is set to reasonably reflect the market value of the role and the individual's performance and contribution to the Group. Base salary is usually reviewed annually with any changes applied from 1 January.

### Pension and other benefits

The Group provides a matching contribution of up to 5% of base salary, consistent with that offered to employees within the Group. Furthermore, the Group may provide additional market-competitive benefits such as private healthcare, car allowance and life assurance.

### Annual bonus

Executive Directors are able to earn up to 50% of their base salary as a bonus, which more closely aligns this incentive with other similar companies. Half of the annual bonus is based upon the achievement of the annual earnings per share target set within the annual budget and the other half is attainable through meeting a combination of certain individual performance related objectives, and ESG related objectives. The Judges Scientific policy includes a preclusion to earning the bonus element relating to the annual earnings per share target if earnings per share is below a historical high watermark. It further includes a provision that no element of bonus relating to individual objectives will be paid if the annual earnings per share target is not achieved.

### Share options

Share options are issued to incoming Executive Directors and/or in the course of their employment in order to drive sustained long-term performance supporting the creation of shareholder value. Share options are issued at market value and vest over a period of three years. All share option awards to Executive Directors have a minimum performance condition typically of 5% compound annual growth of earnings per share over the three-year vesting period in order for them to be exercisable, with the Executive Directors being able to 'bank' one-third of the award each year subject to meeting this annual requirement. The minimum target has been reduced in 2024 to reflect the impact of the increase in UK corporate tax rate from 19% to 25% on earnings per share.

### Malus and clawback

The Remuneration Committee has agreed to the future introduction of malus and clawback clauses to provide the Group with the ability to claim back incentives paid, in hindsight, erroneously. The Remuneration Committee expects to finalise their scope, with the support of external legal advice during 2025 such that these clauses will be in place for the year commencing 1 January 2026.

### Non-Executive Director fee policy

Fees are set such that the Chair and Non-Executive Directors receive a base fee for their respective roles designed to be comparable to similar AIM-quoted companies. Further fees are payable for additional services such as chairing any of the Board's Committees.

Fees payable to the Chair and Non-Executive Directors are fixed and determined by the Board and are reviewed at least every three years.

Non-Executive Directors also have long-standing agreements in place which, should they introduce an acquisition to the Company, would result in the payment of a one percent introduction fee, a rate that is well below market rate for acquisition deal brokers. For good governance purposes and to ensure independence of process, any Non-Executive Director that introduces a potential acquisition to the Company is required to recuse themselves from any decision-making activities in relation to that acquisition.

## Key Committee activities in 2024

The Remuneration Committee operates under the Group's agreed Terms of Reference and determines the Group's remuneration policy in respect of the terms of employment of Executive Directors and their remuneration packages.

During the year the Remuneration Committee held five meetings for regular business. Its main activities were:

- determining the level of achievement in relation to the 2024 Executive Director annual bonus arrangements;
- review and approval of the remuneration arrangements for Ian Wilcock upon his appointment in September 2024;
- benchmarking of and review of Executive Director remuneration arrangements for 2025;
- review of the short-term annual bonus arrangements for Executive Directors;
- review of the longer-term incentive arrangements for Executive Directors and award of share options, inclusive of appropriate performance conditions;
- determining the performance targets for the 2025 Executive Director annual bonus arrangements; and
- review of developments in corporate governance and best practice.

## Service contracts

### Executive Directors

The Executive Directors are all employed on service contracts. These are not of a fixed duration and are terminable by either party giving 12 months' written notice.

Executive Director	Date of service contract
David Cicurel	4 December 2002
Brad Ormsby	3 March 2015
Mark Lavelle	15 November 2017
Tim Prestidge	1 February 2023
Ian Wilcock	2 September 2024

### Non-Executive Directors

The Non-Executive Directors signed letters of appointment with the Company upon appointment for the provision of Non-Executive Directors' services, terminable by three months' written notice given by either party.

Non-Executive Director	Appointment date
Alex Hambro (retiring 21 May 2025)	4 December 2002
Ralph Elman	4 December 2002
Charles Holroyd	1 June 2018
Lushani Kodituwakku	23 September 2020
Sue Nyman	21 November 2023

## Directors' remuneration

The remuneration paid to or receivable by each person who served as a Director during the year was as follows:

	Salary/fees £000	Bonus £000	Pension £000	Benefits £000	2024 total £000	Salary/fees £000	Bonus £000	Pension £000	Benefits £000	2023 total £000
<b>Non-Executive Directors</b>										
Alex Hambro	50	—	—	—	50	50	—	—	—	50
Charles Holroyd	40	—	—	—	40	40	—	—	—	40
Ralph Elman	40	—	—	—	40	40	—	—	—	40
Lushani Kodituwakku	35	—	—	—	35	35	—	—	—	35
Sue Nyman (appointed 21 November 2023)	35	—	—	—	35	4	—	—	—	4
Ralph Cohen (retired 31 December 2023)	—	—	—	—	—	35	—	—	—	35
<b>Executive Directors</b>										
David Cicurel	264	13	—	7	284	251	80	—	25	356
Brad Ormsby	253	14	—	15	282	218	70	5	8	301
Mark Lavelle	273	14	—	25	312	257	129	—	24	410
Tim Prestidge (appointed 1 February 2023)	317	16	—	36	369	279	137	10	29	455
Ian Wilcock (appointed 2 September 2024)	90	5	—	6	101	—	—	—	—	—
<b>Total</b>	<b>1,397</b>	<b>62</b>	<b>—</b>	<b>89</b>	<b>1,548</b>	<b>1,209</b>	<b>416</b>	<b>15</b>	<b>86</b>	<b>1,726</b>

The 2024 annual bonus percentages achieved for each Director (out of a maximum 50%) were as follows: DE Cicurel 5%; BL Ormsby 5%; MS Lavelle 5%; T Prestidge 5% (2023: DE Cicurel 32%; BL Ormsby 32%; MS Lavelle 50%; T Prestidge 50%). Due to the disappointing financial performance in 2024, only the element relating to the ESG objective was met (I Wilcock receives a pro-rata share).

During 2024 one Director exercised options over the Ordinary shares of the Company with a gain of £949,000 (2023: no Director).

## Implementation of remuneration policy for 2025

### Base salary

During the year, the Committee reviewed the base salary of the Executive Directors and considered individual performance, experience and comparable market rates and also the average salary increases across Judges. During the year, the Committee approved completion of a two-stage benchmarking alignment for Brad Ormsby which had commenced in 2023. The Committee also approved a 2% inflationary increase for 2025 for all Executive Directors. The base salaries for 2025 are therefore as follows:

	2025 £000	2024 £000
DE Cicurel	269	264
BL Ormsby	275	245
MS Lavelle	276	271
T Prestidge	323	317
I Wilcock	275	—

### Pension and other benefits

Brad Ormsby, Tim Prestidge, Mark Lavelle and Ian Wilcock receive 5% of their base salary paid in lieu of contributions into a pension scheme. Tim Prestidge receives an annual car allowance of £16,000 and Ian Wilcock receives an annual car allowance of £14,000.

### Annual bonus

The annual bonus for the Executive Directors is set at up to 50% of base salary. The bonus is split into three elements and may be earned as follows:

Bonus element	% of maximum potential bonus
Achievement of annual earnings per share targets set within the annual budget	50%
Achievement of individual performance objectives	40%
ESG related objectives/targets	10%

The 2025 individual performance objectives for the Executive Directors are, for David Cicurel and Brad Ormsby growth of Adjusted Earnings per share above the Group budget, for Tim Prestidge and Ian Wilcock, growth in EBITA above a baseline for the subsidiary businesses they oversee and for Mark Lavelle a combination of the two aforementioned targets. The ESG related objectives relate to meeting the Group's initial targets as set out in the Sustainability report.

### Share options

As part of the Remuneration Committee's review of longer-term incentives, the Remuneration Committee approved the issue of share options to Ian Wilcock upon his appointment as an Executive Director, annual share option issues to the Executive Directors and also the additional options for Tim Prestidge, subject to the Group's performance as disclosed in the Directors interest table on the next page. Options issued for 2025 were announced in January 2025 as noted in the Post Balance Sheet Events section of this report.

### Chair and Non-Executive fees

The Chair and Non-Executive Directors' fees were updated as of 1 January 2023 and fixed for three years as follows:

	£000
Chair base fee	50
Non-Executive Director base fee	35
Fee for chairing Audit or Remuneration Committee*	5

\*The Board approved, as at 1 January 2025, an increase in the fee for chairing a committee from £5,000 to £10,000 due to the increasing time commitment required of the role.

### Chief Executive Remuneration Level

The pay ratio regulations for large UK listed companies came into force in 2019. Whilst we, as an AIM-quoted group, are not required to adhere to these regulations, the Remuneration Committee consider it valuable to provide additional disclosure to enable comparison of the Chief Executive's total remuneration for 2024.

	2024 £000	2023 £000
Chief Executive total remuneration	284	356
Upper quartile UK employee total remuneration	51	49
Median UK employee total remuneration	37	36
Lower quartile UK employee total remuneration	30	29

## Directors' interests

At 31 December 2024, the Directors had the following beneficial interests in the Company's Ordinary shares of 5p each and options to subscribe for shares:

### Ordinary shares of the Company

	31 December 2024		1 January 2024	
	Shares	Options	Shares	Options
<b>Non-Executive Directors</b>				
Hon. AR Hambro	41,319	—	46,414	—
RJ Elman	37,247	—	62,991	—
LD Kodituwakku	325	—	325	—
SA Nyman (appointed 21 November 2023)	—	—	—	—
CJA Holroyd	7,223	—	7,223	—
<b>Executive Directors</b>				
DE Cicurel*	611,349	37,400	711,325	33,000
BL Ormsby	4,564	8,900	3,930	25,500
MS Lavelle	1,436	89,900	1,258	85,500
T Prestidge (appointed 1 February 2023)	39	60,000	16	60,000
I Wilcock (appointed 2 September 2024)	—	30,000	—	—

\*includes non-beneficial interest in the 67,000 shares held by Shoftim Charitable Trust (2023: 63,000 shares).

Dividends paid in the year to Directors who hold shares amounted to £0.8m in aggregate (2023: £0.8m).

In 2024, the Group continued to award a free "matching share" under the Judges Scientific Share Incentive Plan for every share purchased. The match was increased up to a maximum value of £900 per employee per tax year for all eligible employees. Shares acquired by Directors under this plan, including matching shares, were 24 shares acquired by David Cicurel (2023: 23 shares), 25 shares by Brad Ormsby (2023: 24 shares), 24 shares by Mark Lavelle (2023: 23 shares) and 23 shares by Tim Prestidge (2023: 16 shares).

### Options over Ordinary shares in the Company

Date of option issue	Performance condition	D Cicurel	M Lavelle	B Ormsby	T Prestidge	I Wilcock
<b>2015 Option Scheme</b>						
21 October 2015 at 1402.5p	—	7,500	—	—	—	—
23 November 2017 at 1935.0p	—	—	60,000	—	—	—
3 November 2020 at 5200.0p	6%	1,000	1,000	—	—	—
8 January 2021 at 6580.0p	10%	20,000	20,000	—	—	—
20 January 2023 at 8000.0p	6%	4,500	4,500	4,500	—	—
30 March 2023 at 8560.0p	10%	—	—	—	60,000	—
23 January 2024 at 9500.0p	5%	4,400	4,400	4,400	—	—
19 September 2024 at 9830.0p	5%	—	—	—	—	30,000
		37,400	89,900	8,900	60,000	30,000

\* Share options are now issued with a performance condition of a percentage compound growth in Adjusted Earnings Per Share.

### Post balance sheet events

On 23 January 2025 David Cicurel, Brad Ormsby and Mark Lavelle were each awarded by the Remuneration Committee 5,500 options at an exercise price of 7690p. Tim Prestidge was also awarded an additional 60,000 share options as his original share options from the time of his appointment, which were granted on 30 March 2023, were issued with a 10% compound growth condition, prior to the enactment of the increase in UK corporation tax from 19% to 25%. In this context, the Remuneration Committee consider such performance condition to be overly ambitious for the vesting period.

Vesting of the aforementioned options after three years is subject to the achievement of 5% compound growth in adjusted earnings per share over the vesting period.

  
Charles Holroyd (Apr 2, 2025 19:39 GMT+1)

**Charles Holroyd**

**Remuneration Committee Chair**

2 April 2025

# Directors' Report

For the year ended 31 December 2024

The Directors present their report and audited consolidated financial statements for the year ended 31 December 2024. Comparative information is provided for the year ended 31 December 2023.

## Results and dividends

The results for the financial year to 31 December 2024 are set out in the Consolidated Statement of Comprehensive Income. The Company paid an interim dividend of 29.7p per Ordinary share on 8 November 2024 (2023 interim dividend: 27.0 pence). At the forthcoming Annual General Meeting, the Directors will recommend payment of a final dividend for the year of 74.8p (2023 final dividend: 68.0 pence) per Ordinary share to be paid on Friday 11 July 2025 to shareholders on the register on Friday 13 June 2025. The shares will go ex-dividend on Thursday 12 June 2025. The total dividend proposed for the 2024 financial year will aggregate to 104.5p, an increase of 10.0% (2023: 95.0p).

## Going concern

The consolidated financial statements have been prepared on a going concern basis. The Directors have taken note of guidance issued by the Financial Reporting Council on Going Concern Assessments in determining that this is the appropriate basis of preparation of the financial statements. In delivering its buy and build strategy, and having acquired Luciol Instruments, Rockwash Geodata and Magsputter (Teer Coatings) for a combined increase to adjusted net debt of £18.7m during 2024 (see note 29), the Group ended the year with adjusted net debt of £51.7m compared to £45.1m at 31 December 2023. The Group uses adjusted net debt rather than statutory net debt for this comparison, as this figure includes future acquisition-related liabilities. The higher net debt figure reflects the aforementioned acquisition activity, payments of dividends to our shareholders (£6.5m), settlement of our fair share of tax arising on profits (£5.5m) and ongoing investment into normal capital expenditure together with property improvements for our trading businesses (£5.0m) and was partially offset by strong overall cash generation from the Group's operating businesses.

The Directors have considered the potential ongoing impact of heightened political tensions globally, and of continuing higher levels of interest rates and inflation, and a summary of the implications is included in the Strategic Report. The Group is in a strong financial position with high cash balances, moderate leverage, reasonable order intake and a solid future order book enabling it to navigate the continued uncertain global economic environment. The Directors have planned for reasonably foreseeable worsening scenarios including a repetition of the same 13% reduction in annual orders in 2025 as happened after the first outbreak of Covid-19 in 2020, which would not cause any significant challenges to the Group's continued existence.

The Directors therefore have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. In making this assessment the Directors have considered the period until the end of June 2026 and therefore continue to adopt the going concern basis in preparing the Annual Report and Accounts.

## Future developments

The Group will continue to execute its long-standing business model in the same manner it has done every year, including acquiring sustainably profitable businesses, supporting them to continue to deliver profitable results and encouraging investment in their range of products to stimulate future growth.

## Research and development

The Group spent £8.4m in 2024 (2023: £6.8m) on a mixture of development of new products, amendments to existing products and other routine activities such as updating products due to obsolescence of parts or faults. During the year £1.4m of this expenditure was capitalised (2023: £1.2m) with amortisation of £0.9m (2023: £0.4m).

## Engagement with stakeholders

The Group engages with all its stakeholders as disclosed in the Section 172 statement on page 35. The Group's payment policy is to agree terms and conditions with suppliers in advance and to pay agreed invoices in accordance with the agreed terms of payment. Creditor days of the Company at the end of the year represented 28 days (2023: 21 days).

## Significant shareholders

The following are beneficial interests of 3% or more of the Company's issued ordinary share capital, the only class of voting capital, of which the Directors have been notified at 17 March 2025:

	No. of shares held	% of total Share Capital
David Cicurel	611,355	9.2
Odin Global	582,426	8.8
Liontrust	272,223	4.1
Interactive Brokers	265,200	4.0
Broadcrest	261,351	3.8
Hargreaves Landsdown	212,544	3.2
Interactive Investor	199,224	3.0

## Advice and Insurance

This is disclosed in the Corporate Governance Statement on pages 39 to 42.

## Financial risk management objectives and policies

The Group utilises financial instruments (see note 24), comprising borrowings, cash and cash equivalents and various other items such as trade receivables and payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations. The main risks arising from the Group's financial instruments relate to interest rates, liquidity, credit and foreign currency exposure. The Directors review and agree policies for managing each of these risks, which are described and evaluated in more detail in note 28 and which are summarised below. Except as stated, the policies have remained unchanged from previous years.

### 1. Interest rate risk

The Group finances its operations through a mixture of bank borrowings, equity and retained profits. With adjusted net debt of £51.7m (31 December 2023: £45.1m) (see note 22), exposure to interest rate fluctuations is a higher risk to the Group than in prior years; however, to mitigate this increased risk, a large proportion of the Group's loans have been hedged with interest rate swaps, as described in note 28.

### 2. Liquidity risk

The Group seeks to manage liquidity risk by ensuring that sufficient funds are available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through loans arranged at Group level. Short-term flexibility is achieved through the significant cash balances that the Group currently holds. Additionally, where the Group has repaid previously borrowed funds into its revolving credit facility, it is able to subsequently redraw these funds should the need arise.

### 3. Credit risk

The Group reviews the credit risk relating to its customers by ensuring, wherever possible, that it deals with long-established trading partners, agents and university/government-backed bodies, where the risk of default is considered low. Where considered appropriate, the Group will protect itself via requiring advance payment or letters of credit to be provided. The credit risk in relation to cash is considered immaterial due to holding banking accounts and deposits primarily with Lloyds Banking Group.

### 4. Currency risk

With exports representing a significant proportion of its sales, the main risk area to which the Group is exposed is that of foreign currencies (principally US Dollars and Euros). The Group adopts a strategy to hedge against this risk by entering into currency options/forward exchange contracts and/or by maintaining a proportion of its bank loans in these currencies as appropriate, although this strategy does not represent hedging under IFRS 9. The Directors review the value of this economic hedging on a regular basis. There remains, nevertheless, an ongoing threat to the Group's competitive position in international markets from any sustained period of Sterling strength. Forward and option contracts are entered into in both US Dollars and Euros maturing in the subsequent year, aimed at protecting the ensuing year's competitive position and margins from adverse currency movements.

### 5. Cashflow risk

The Group manages its cashflow through a mixture of working capital, bank borrowings, equity and retained profits. Following the Group's current year acquisitions of Magspitter (Teer Coatings), Luciol and Rockwash Geodata, year-end adjusted net debt was £51.7m (31 December 2023: adjusted net debt of £45.1m) and with cash and cash equivalents of £17.9m (31 December 2023: £13.7m) and strong consistent cash generation, the Group's cashflow risk is appropriately managed.

## Streamlined energy and carbon reporting (SECR)

The Group voluntarily presents disclosures relating to energy emissions in its Sustainability Report on pages 19 to 20 and also within the Non-Financial and Sustainability Information Statement on pages 32 to 33. The parent company is a low energy user consuming less than 40MWh per annum.

## Employee engagement

Please refer to the s172 statement on page 35 and the Sustainability Report on pages 12 to 20 respectively for further information.

## Disabled employees

Applications for employment by disabled persons are given full and fair consideration in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is given to retrain them in order that their employment with the Group may continue. It is the policy of the Group that training, career development and promotion opportunities should be available to all employees.

## Directors

The following Directors have held office during the year and until the date of signing this report:

RJ Elman – Non-Executive Chair  
Hon. AR Hambro – Non-Executive (retiring May 2025)  
DE Cicurel  
BL Ormsby  
MS Lavelle  
T Prestidge  
I Wilcock (appointed 2 September 2024)  
CJA Holroyd – Non-Executive  
LD Kodituwakku – Non-Executive  
SA Nyman – Non-Executive

## Statement of Directors' responsibilities

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 have elected to prepare the Group consolidated financial statements in accordance with UK-adopted international accounting standards (IAS) and those parts of the Companies Act 2006 that applies to companies reporting under IAS and the parent company in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law including FRS 101 'Reduced Disclosure Framework'). 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 the parent company and of the profit or loss of the Group for that period.

In preparing each of the Group and parent company 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 applicable UK-adopted IAS or UK Accounting Standards have been followed, 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 parent company will continue in business.

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

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

## Provision of information to the Auditor

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's Auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

## Auditor

The auditor has expressed willingness to continue in office and in accordance with section 489(4) of the Companies Act 2006, a resolution to re-appoint BDO LLP will be proposed at the Annual General Meeting.

## Annual General Meeting

The Annual General Meeting of the Company will be held on Thursday 22 May 2025 at 12.00 noon at The Lansdowne Club, 9 Fitzmaurice Place, London W1J 5JD.



Brad Ormsby (Apr 2, 2025 19:27 GMT+1)

**Brad Ormsby**

**Director**

2 April 2025

Company registration number: 04597315 (England and Wales)

# Independent auditor's report

To the members of Judges Scientific plc

## Opinion on the financial statements

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 2024 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Judges Scientific plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise the Consolidated statement of comprehensive income, the Consolidated and Parent Company balance sheet, the Consolidated and Parent Company statement of changes in equity, the Consolidated Cash flow statement and notes to the financial statements, including a summary of significant accounting policies/material accounting policy information.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice).

## Basis for opinion

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

### *Independence*

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## Conclusions relating to going concern

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

- We obtained the Directors' budgeted operating results, cash flow forecast models and covenant compliance calculations covering the period to 30 June 2026 and checked that the information was arithmetically accurate;
- We critically reviewed these budgets and forecast models and assessed the achievability of the projections outlined within the Directors' forecast models, specifically with reference to detailed performance and growth assumptions for those components subject to full scope audit procedures included within the scope of our Group audit. This included change of assumptions with reference to the current economic climate and current year and post year end performance against budget;
- We confirmed the arithmetic accuracy and appropriateness of sensitivity analysis performed by Management and performed additional sensitivities testing to determine whether any variances would result in a risk to going concern including the impact on forecast cashflows and covenant compliance;
- We agreed the applicable financial covenants to relevant loan documentation to ensure inputs are consistent with the definitions within the financing arrangement and have been calculated correctly; and
- We evaluated the Group's disclosures on going concern compliance against the requirements of IAS 1 "Presentation of financial statements" (IAS 1) and assessed the consistency with the going concern assessment performed by the Directors.

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

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

## Overview

Key audit matters	2024	2023
Fraud risk in revenue recognition from sales of instruments and spares	X	X
Valuation of Group goodwill (three CGUs) and valuation of parent company investment in subsidiaries (two CGUs)	X	X
Valuation of contingent consideration liability on acquisition of Rockwash at year end	X	-
Valuation of intangible assets on acquisition of Rockwash and Magsputter (Teer Coatings)	X	-
Key audit matters in relation to the business combination accounting for the acquisitions of Magsputter (Teer Coatings) and Rockwash in the current year have been included due to the value and complexity of balances included in comparison to the 2023 acquisitions.		
Materiality	<i>Group financial statements as a whole</i>	
	£0.84m (2023: £0.86m) based on 5% profit before tax as adjusted for a normalised Geotek core contribution and non-recurring costs within the business (2023: 5% of Group profit before tax, as adjusted for fair value adjustments for the Geotek contingent consideration.)	

### An overview of the scope of our audit

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

#### Components in scope

The Group is highly decentralised with 36 components primarily based in the UK and North America with other operations in Brazil, India and Switzerland. All international entities are subject to UK component management oversight. Components generally have separate accounting functions and local management and therefore the control environment varies across the Group. For our scoping assessment, we identified components as separate legal entities, aligned with statutory audit requirements in the UK.

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

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

Based on our risk assessment, we identified 11 UK components that required full scope audits of their complete financial information due to the extent to which these components contribute to the identified Group risks of material misstatement. We identified a further four UK components, two US components, the Brazilian component, and the Indian component which required audit procedures over specific financial statement areas due to the extent to which certain financial statement areas within these components contributed to the identified Group risks of material misstatement. Finally, we performed specific audit procedures at a Group level on one UK component, one US component and the Swiss component. The remainder of the components, comprising smaller UK and US operations were not identified as contributing to identified Group risks of material misstatement and the financial information of these components were principally subject to analytical review procedures performed by the Group audit team. All component auditors are BDO LLP teams.

#### Procedures performed centrally

The Group team performed procedures on the four specific components where only specific procedures were required.

The Group team also performed full scope procedures on the UK component that is individually the most significant to Group results. Additionally, the Group team performed audit procedures on specific financial statement areas over this component's relevant subsidiaries in Brazil, UK and India.

The Group team performed procedures centrally on the defined benefit pension scheme, going concern and impairment due to these being the responsibility of the Group management.

All other procedures relevant to components were performed by BDO LLP component teams.

### *Disaggregation*

The financial information relating to Group risks of material misstatement is highly disaggregated across group. We performed procedures at the component level in relation to these risks in order to obtain comfort over the residual population of group balances and included an element of unpredictability when selecting components for testing.

### *Locations*

As noted above, Judges Scientific plc's operations and component management teams are primarily based in the UK, spread over a number of different locations. Our BDO UK teams visited all UK based components which had been scoped in for the purposes of our Group audit, together with the head office of Judges Scientific plc.

In addition, our teams worked remotely, holding calls and video conferences with component management and BDO LLP component audit teams where appropriate, and with digital information obtained from Judges Scientific plc.

### *Changes from the prior year*

Following the application of ISA 600 (revised), the auditing standard relevant to Group audit, our changes to Group scope included specific consideration and scoping of audit procedures on specific financial statement areas performed on a UK and US component that had previously been scoped out due to size and relative contribution to group balances.

### *Working with other auditors*

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

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

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

### *Climate change*

Our work on the assessment of potential impacts of climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment taking into consideration the sectors in which the Group operates and how climate change affects this particular sectors;
- Involvement of climate-related experts in evaluating management's risk assessment; and
- Review of the minutes of Board and Audit Committee meeting and other papers related to climate change and performing a risk assessment as to how the impact of the Group's commitment as set out in the Annual Report may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in the Directors' going concern assessment and in management's judgements and estimates in relation to Group goodwill and Parent company impairment reviews.

We also assessed the consistency of managements disclosures included as 'Other Information' from page 2 with the financial statements and with our knowledge obtained from the audit.

Based on our risk assessment procedures, we did not identify there to be any Key Audit Matters materially impacted by climate-related risks and related commitments.

### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the scope of our audit addressed the key audit matter
<p><b>Fraud risk in revenue recognition from sales of instruments and spares</b></p> <p>The amounts reported in relation to revenue represent information of significant interest to many users of the financial statements.</p> <p>This puts revenue at a greater risk of manipulation, bias, and misstatement. Having regard to the potential for fraud in relation to revenue recognition, we identified the following as areas of significant risk of material misstatement:</p> <ul style="list-style-type: none"> <li>• Manipulation through inappropriate journals to increase revenue.</li> <li>• Recognising revenue on instruments on dispatch but where the international commercial terms (INCO) criteria have not yet met.</li> <li>• Inappropriate assessment of instruments delivered but not installed pre year end as non-complex installations, resulting in inappropriate recognition of the goods revenue separate from the installation.</li> <li>• Inappropriate early release of deferred income balances in components where advanced payments are common practice.</li> <li>• A significant portion of the Group's sales are in international markets, which may drive complexities in revenue recognition. We therefore considered there to be a risk around compliance with IFRS 15 for new or amended revenue contracts with overseas distributors.</li> </ul> <p>For these reasons we considered this to be a key audit matter.</p> <p><i>The Group's accounting policy relating to Revenue Recognition is shown in note 2 with corresponding disclosures within note 3</i></p>	<p>Our audit work included but was not restricted to the following for in scope components:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the design and implementation of the controls and procedures operating over the delivery of goods and services and recognition of revenue within the Group's accounting systems.</li> <li>• We used data analytics to review the pattern of advanced payment releases to revenue. We reviewed sales patterns around year end to identify unusual movements in revenue and margins. Where the corresponding debit entries were outside of our expectations, we obtained supporting evidence from management.</li> <li>• We held discussions to obtain an understanding of any distributor relationships. We reviewed a sample of contracts and other relevant communications with distributors to check that revenue had been recognised in accordance with IFRS 15 and Group accounting policies.</li> <li>• We used data analytics to review the combination of journals being posted to revenue. Where the corresponding debit entries were outside of our expectations, we obtained supporting evidence from management to confirm that these transactions have a valid business rationale</li> <li>• For a sample of instrument sales within the component defined cut off period, we selected a sample from the nominal ledger; we agreed these through to purchase order, invoice and third-party evidence of delivery in line with the INCO terms, or installation evidence, where designated as complex installation. Where appropriate we obtained management's IFRS 15 assessment of the transaction and considered this against the Standard.</li> <li>• We selected a sample of post year end credit notes and agreed these through to related invoice to check that revenue was recognised in the correct period.</li> <li>• Where in scope UK components sell instruments via a US subsidiary component before being sold to the final customer, we evidenced delivery and receipt to the end customer to ensure the revenue at a group level was recognised in the correct financial year.</li> </ul> <p>Key observations: We did not identify any indicators to suggest that revenue recognition was inappropriate</p>
<p><b>Valuation of Group goodwill (three CGUs)</b></p> <p>The Group's accounting estimates and policies relating to the impairment assessment and carrying value of goodwill are shown in note 2 with the supporting disclosures outlined in note 13.</p> <p><b>Valuation of parent company investments in subsidiaries (two CGUs)</b></p>	<p>Management exercise significant judgement in determining the underlying assumptions used in the impairment review of the Group's cash-generating units ("CGUs").</p> <p>These assumptions include the determination of the CGUs, the discount rate, CGU forecast performance including revenue growth, operating margins, and the growth rate over the measurement period.</p> <p>The same CGU value in use calculation as used in the impairment assessment for the Group's goodwill is used for the impairment assessment of the parent company's investments in subsidiaries.</p> <p>Due to increased risk factors including poor performance against budget or significant forecast increase in future performance and/or reduced headroom in the calculation, we assessed the risk on impairment review to be significant for three CGUs impacting</p> <p>We performed the following procedures over the impairment assessment applied by management across the valuation of goodwill on consolidation and the valuation of the parent company investments in subsidiaries:</p> <ul style="list-style-type: none"> <li>• We have assessed management's determination of each CGU against the criteria of IAS 38 and confirmed the allocation of goodwill and net assets through to the underlying consolidation, which we have performed detailed testing on.</li> <li>• We have obtained, reviewed, and challenged the impairment models prepared by management including confirming their arithmetic accuracy and obtaining an understanding of assumptions included within the CGU forecasts.</li> <li>• We considered the assessment results for each CGU against various risk criteria including significance of Group and parent company balances, amount of headroom in management's assessment and other performance risk factors. For the three CGUs identified as having material risk factors, our additional procedures included the following:</li> <li>• With the assistance of our internal valuation experts we have reviewed and assessed the appropriateness of the discount rate applied. We independently recalculated the Group discount rate, based on applicable gearing, risk and equity premiums and compared this to the rate used by management.</li> </ul>

<p>The Group's accounting policies relating to investments are shown in parent company financial statements note 2 with the supporting disclosures outlined in note 5</p>	<p>Group goodwill, two of which also impact Parent company investment in subsidiaries,</p> <p>Due to the judgements involved we considered this and the related disclosures to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>• We challenged and assessed the appropriateness of the CGU level FY25 budgets and expected growth rate assumptions within the models through discussions with management, and, where appropriate, agreement to supporting documentation and historical trends.</li> <li>• Sensitivities that have been applied by management have been challenged and compared against sensitivities deemed reasonable by the audit team ensuring that the current economic environment has been taken into consideration.</li> <li>• We have reviewed relevant Group and parent company disclosures to confirm relevant assumptions and sensitivity conclusions have been correctly summarised by management based on their assessment performed.</li> </ul> <p>Key observations: We consider the judgements made by management when assessing impairment to be appropriate.</p>
<p><b>Valuation of contingent consideration liability on Rockwash acquisition at year end</b></p> <p>The Group's accounting policies are disclosed within note 2 with the supporting disclosures outlined in note 9.</p>	<p>Under IFRS 3, management are required to calculate the fair value of the consideration payable as a result of the acquisition. For Rockwash Geodata ("Rockwash"), this involves a material judgement in the calculation of the fair value of contingent consideration including an assessment of probability of meeting relevant earn out thresholds and consideration of the appropriate discount rate for the time value of money.</p> <p>The liability is required to be re-evaluated at each year end.</p> <p>Due to the judgements involved we considered this and the related disclosures to be a significant risk and a key audit matter.</p>	<p>We performed the following procedures on the fair value of the contingent consideration as at acquisition and year end:</p> <ul style="list-style-type: none"> <li>• We verified management's calculation of contingent consideration through to the terms of the earn out contingent consideration within the Sale and Purchase Agreement and confirmed arithmetic accuracy of the calculation;</li> <li>• We obtained Group management's forecast earnings for the earnout measurement period. We critically considered this estimate of earnings, with reference to relevant component financial information including historical performance, current order book and discussions with group and component management.</li> <li>• With the assistance of our internal valuation experts we have reviewed and assessed the reasonability of the discount rate applied to calculate the present value of the liability at acquisition date and year end date. We independently recalculated the Group discount rate, based on applicable gearing, risk and equity premiums and compared this to the rate used by management.</li> <li>• We have reviewed relevant Group disclosures to confirm relevant assumptions and sensitivity conclusions have been correctly summarised by management based on their assessment.</li> </ul> <p>Key observations: We consider the judgements made by management when assessing the contingent liability to be appropriate.</p>
<p><b>Valuation of intangible assets on acquisition of Rockwash and Magsputter (Teer Coatings)</b></p> <p>The groups accounting policies are disclosed within note 2 with the supporting disclosures outlined in note 9.</p>	<p>Under IFRS 3, management are required to calculate the fair value of acquired assets and liabilities, including the identification and valuation of separately identifiable intangible assets and goodwill.</p> <p>The valuation of intangibles involves selection of appropriate valuation techniques, calculation of an appropriate discount rate and forecasting revenue and profitability over a suitable timeframe.</p> <p>Due to the material judgements and estimation involved in these calculations for the two larger acquisitions Magsputter and Rockwash, we considered there to be a significant risk of material misstatement relating to the valuation of these assets.</p> <p>Therefore, this was considered to be a key audit matter.</p>	<p>We performed the following procedures on the fair value of the intangible assets acquired within Rockwash Geodata and Magsputter (Teer Coatings):</p> <ul style="list-style-type: none"> <li>• With regards to the valuation of acquired intangibles, we obtained the valuation report prepared by management's valuation expert and agreed the values included within this report to the completion balance sheet.</li> <li>• With the assistance of our internal valuation experts we reviewed management's valuation expert's report and considered whether the valuation methodologies used, and the discount rate used were appropriate.</li> <li>• We considered the appropriateness of key assumptions included within the calculation with reference to our knowledge of the acquired businesses, historical and forecast revenues and operating margins, as well as nature of the customer base and contracts existing at the acquisition date.</li> <li>• We considered the completeness of acquired intangibles with reference to previous acquisitions made by the Group and other similar companies.</li> </ul> <p>Key observations: We consider the judgements made by management when assessing the fair value of the intangible assets acquired within Rockwash Geodata and Magsputter (Teer Coatings) to be appropriate.</p>

## Our application of materiality

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

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

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

	Group financial statements		Parent company financial statements	
	2024	2023	2024	2023
<b>Materiality</b>	£0.84m	£0.86m	£0.80m	£0.85m
<b>Basis for determining materiality</b>	5% profit before tax as adjusted for normalised coring contribution and non-recurring costs within the business	5% of Group profit before tax, as adjusted for fair value adjustments for the Geotek contingent consideration.	Capped at 95% Group materiality.	Capped at 99% Group materiality.
<b>Rationale for the benchmark applied</b>	Profit before tax was deemed the appropriate benchmark to calculate materiality as maximising shareholder return is a key objective for the Group. Profit before tax was adjusted to exclude nonrecurring items not reflective of the ongoing operations of the Group. In 2024 the impact of no coring contract was normalised using a three-year average operating contribution from the coring business to more appropriately reflect the ongoing operations of the Group.		Capped at 95% (2023: 99%) Group materiality given our assessment of component aggregation risk.	
<b>Performance materiality</b>	£0.54m	£0.56m	£0.52m	£0.55m
<b>Basis for determining performance materiality</b>	65% materiality	65% materiality	65% materiality	65% materiality
<b>Rationale for the percentage applied for performance materiality</b>	Performance materiality was determined based a percentage of materiality on a number of factors including: <ul style="list-style-type: none"> <li>• our risk assessment;</li> <li>• the Group operates a decentralised management structure.</li> </ul>		Performance materiality was determined based on our risk assessment.	

### Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, apart from the Parent Company whose materiality and performance materiality are set out above, based on a percentage of between 4% and 95% of Group performance materiality (2023: 21% and 99% of Group materiality) dependent on a number of factors including consideration of the control environment, history of misstatements, disaggregation across components, size of the components, whether the component is new to the Group, any significant changes affecting the component since the prior year and our assessment of the risk of material misstatement of those components. Component performance materiality ranged from £0.02m to £0.52m (2023: component materiality ranged from £0.18m to £0.85m).

### Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £0.04m (2023: £0.04m). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

### Other information

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

We have nothing to report in this regard.

## Other Companies Act 2006 reporting

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

<b>Strategic report and Directors' report</b>	<p>In our opinion, based on the work undertaken in the course of the audit:</p> <ul style="list-style-type: none"> <li>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</li> <li>the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.</li> </ul> <p>In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.</p>
<b>Matters on which we are required to report by exception</b>	<p>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:</p> <ul style="list-style-type: none"> <li>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</li> <li>the Parent Company financial statements are not in agreement with the accounting records and returns; or</li> <li>certain disclosures of Directors' remuneration specified by law are not made; or</li> <li>we have not received all the information and explanations we require for our audit.</li> </ul>

## 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 the Parent Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

## *Non-compliance with laws and regulations*

- We updated our understanding of the legal and regulatory framework applicable at both the Group and component level and the industries in which they operate and considered the risk of acts by the Group or components that were contrary to applicable laws and regulations, including fraud. We determined that the following laws and regulations remained the most significant: UK-adopted international accounting standards for the Group and Financial Reporting Standard 101 "Reduced Disclosure Framework" for the parent company, Companies Act 2006, AIM listing rules and UK tax compliance regulations which is the principal jurisdiction in which the Group operates.
- We discussed among the Group engagement team, component audit teams and relevant internal experts how and where non-compliance with laws and regulations and fraud might occur in the financial statements and any potential indicators of fraud. The engagement team has accumulated extensive knowledge of the industry through their work on the audit of similar entities over a number of years.
- We designed audit procedures to identify instances of non-compliance with such laws and regulations. Our procedures included:
  - Reviewing the financial statement disclosures and agreeing to underlying supporting documentation where necessary;
  - With the assistance of our internal tax specialists, we performed reviews of employment tax, sales tax and corporation tax for significant components and those components subject to full scope audits;
  - Reviewing all Board and Committee meetings held throughout the year for any indicators of non-compliance; and
  - Making enquiries of management and the Directors as to the risks of non-compliance and any instances thereof.
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including component engagement teams who were all deemed to have appropriate competence and capabilities and remained alert to any indicators of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams we also reviewed their work in this regard.

## *Fraud*

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

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

Based on our risk assessment, we considered the areas most susceptible to fraud to be the risk of fraud in relation to revenue recognition and management override of controls, specifically manual adjustments outside component finance systems, year-end adjustments and adjustments to results and balances through material estimates including impairment review inputs, acquisition accounting assumptions and provisions.

Our procedures in respect of the above included:

- We addressed the risk of management override of controls, considered to be in connection with the posting of inappropriate journals and bias in significant management estimates and judgements, through testing journal entries processed during the year and subsequent to the year-end which met a specific criterion, including a review of unusual journal entry combinations that benefited the profit before tax position within either revenue or expenditure, unusual seldom used accounts, consolidation journals and manual late adjustments. Where we identified journals that met our criteria as being unusual, we challenged management and verified these to supporting documentation.
- In response to the risk of fraud in revenue recognition we have performed the procedures set out in the Key Audit Matters section of our report.
- We also evaluated whether there was evidence of bias in setting significant estimates and judgements by the Directors that represented a risk of material misstatement due to fraud including those set out in the Key Audit Matters section of our report relating to the valuation of Group goodwill, non-current assets, contingent consideration acquisition liability and the parent company investments in subsidiaries.
- We selected a judgemental sample of journals not meeting the defined risk criteria and agreed these to supporting documentation.

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

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

DocuSigned by:



58384ECB0AAE48C...

Nigel Harker (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Gatwick, UK  
2 April 2025

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

# Consolidated statement of comprehensive income

For the year ended 31 December 2024

	Note	Adjusted £m	Adjusting items £m	2024 Total £m	Adjusted £m	Adjusting items £m	2023 Total £m
<b>Revenue</b>	3	<b>133.6</b>	<b>—</b>	<b>133.6</b>	136.1	—	136.1
Operating costs	3,4,5	<b>(105.7)</b>	<b>(11.2)</b>	<b>(116.9)</b>	(101.3)	(13.2)	(114.5)
<b>Operating profit/(loss)</b>	8	<b>27.9</b>	<b>(11.2)</b>	<b>16.7</b>	34.8	(13.2)	21.6
Interest income	4,9	<b>0.3</b>	<b>0.1</b>	<b>0.4</b>	0.3	0.1	0.4
Interest expense	4,9	<b>(3.9)</b>	<b>(0.2)</b>	<b>(4.1)</b>	(3.4)	(5.2)	(8.6)
<b>Profit/(loss) before tax</b>		<b>24.3</b>	<b>(11.3)</b>	<b>13.0</b>	31.7	(18.3)	13.4
Taxation (charge)/credit	4,10	<b>(5.1)</b>	<b>2.9</b>	<b>(2.2)</b>	(6.9)	3.4	(3.5)
<b>Profit/(loss) for the year</b>		<b>19.2</b>	<b>(8.4)</b>	<b>10.8</b>	24.8	(14.9)	9.9
<b>Attributable to:</b>							
Owners of the parent		<b>18.8</b>	<b>(8.4)</b>	<b>10.4</b>	24.4	(14.9)	9.5
Non-controlling interests	31	<b>0.4</b>	<b>—</b>	<b>0.4</b>	0.4	—	0.4
<b>Profit/(loss) for the year</b>		<b>19.2</b>	<b>(8.4)</b>	<b>10.8</b>	24.8	(14.9)	9.9
<b>Other comprehensive income</b>							
<b>Items that will not be reclassified subsequently to profit or loss</b>							
Retirement benefits actuarial (loss)/gain				<b>(1.4)</b>			0.1
Deferred tax on retirement benefits actuarial gain/(loss)				<b>0.4</b>			—
<b>Items that may be reclassified subsequently to profit or loss</b>							
Exchange differences on translation of foreign subsidiaries				<b>(0.5)</b>			(0.1)
<b>Other comprehensive income for the year, net of tax</b>				<b>(1.5)</b>			—
<b>Total comprehensive income for the year</b>				<b>9.3</b>			9.9
<b>Attributable to:</b>							
Owners of the parent				<b>9.0</b>			9.5
Non-controlling interests				<b>0.3</b>			0.4

		2024 Pence	2024 Pence	2023 Pence	2023 Pence
Earnings per share – adjusted					
Basic	12	<b>283.4</b>		374.6	
Diluted	12	<b>278.7</b>		368.5	
Earnings per share – total					
Basic	12		<b>156.7</b>		145.8
Diluted	12		<b>154.2</b>		143.5

The accompanying notes form an integral part of these consolidated financial statements.

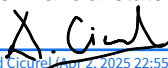
# Consolidated balance sheet

As at 31 December 2024

	Note	2024 £m	2023 £m
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	13	60.4	54.8
Other intangible assets	14	36.7	35.6
Property, plant and equipment	15	26.2	19.8
Right-of-use leased assets	16	5.6	6.6
Retirement benefit surplus	30	—	1.4
		<b>128.9</b>	<b>118.2</b>
<b>Current assets</b>			
Inventories	18	28.1	26.5
Trade and other receivables	19	30.2	25.1
Cash and cash equivalents		17.9	13.7
		<b>76.2</b>	<b>65.3</b>
<b>Total assets</b>		<b>205.1</b>	<b>183.5</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	20	(29.9)	(24.6)
Provisions	21	(1.5)	—
Payables relating to acquisitions	29	—	(0.5)
Borrowings	22	—	(6.2)
Right-of-use lease liabilities	23	(1.2)	(1.2)
Current tax liabilities		(0.9)	(2.5)
		<b>(33.5)</b>	<b>(35.0)</b>
<b>Non-current liabilities</b>			
Borrowings	22	(67.6)	(52.2)
Payables relating to acquisitions	29	(2.0)	—
Right-of-use lease liabilities	23	(4.8)	(5.7)
Deferred tax liabilities	17	(10.0)	(8.0)
		<b>(84.4)</b>	<b>(65.9)</b>
<b>Total liabilities</b>		<b>(117.9)</b>	<b>(100.9)</b>
<b>Net assets</b>		<b>87.2</b>	<b>82.6</b>
<b>EQUITY</b>			
Share capital	25	0.3	0.3
Share premium account	25	19.2	17.7
Other reserves	27	26.5	26.9
Retained earnings		40.9	37.5
<b>Equity attributable to owners of the parent company</b>		<b>86.9</b>	<b>82.4</b>
<b>Non-controlling interests</b>	31	<b>0.3</b>	<b>0.2</b>
<b>Total equity</b>		<b>87.2</b>	<b>82.6</b>

The accompanying notes form an integral part of these consolidated financial statements.

The financial statements were approved by the Board on 2 April 2025.

  
David Cicurel (Apr 2, 2025 22:55 GMT+3)

**David Cicurel**  
Director

  
Brad Ormsby (Apr 2, 2025 19:27 GMT+1)

**Brad Ormsby**  
Director

# Consolidated statement of changes in equity

For the year ended 31 December 2024

	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Total attributable to owners of the parent £m	Non-controlling interests £m	Total equity £m
<b>At 1 January 2024</b>	<b>0.3</b>	<b>17.7</b>	<b>26.9</b>	<b>37.5</b>	<b>82.4</b>	<b>0.2</b>	<b>82.6</b>
Dividends	—	—	—	(6.5)	(6.5)	(0.2)	(6.7)
Issue of share capital	—	1.5	—	—	1.5	—	1.5
Purchase of own shares for Company reward scheme	—	—	—	(0.1)	(0.1)	—	(0.1)
Tax on Company reward scheme shares awarded	—	—	—	(0.1)	(0.1)	—	(0.1)
Deferred tax on share-based payments	—	—	—	(0.6)	(0.6)	—	(0.6)
Share-based payments	—	—	—	1.3	1.3	—	1.3
<b>Transactions with owners</b>	<b>—</b>	<b>1.5</b>	<b>—</b>	<b>(6.0)</b>	<b>(4.5)</b>	<b>(0.2)</b>	<b>(4.7)</b>
Profit for the year	—	—	—	10.4	10.4	0.4	10.8
Net retirement benefit actuarial loss	—	—	—	(1.0)	(1.0)	—	(1.0)
Foreign exchange differences	—	—	(0.4)	—	(0.4)	(0.1)	(0.5)
<b>Total comprehensive income for the year</b>	<b>—</b>	<b>—</b>	<b>(0.4)</b>	<b>9.4</b>	<b>9.0</b>	<b>0.3</b>	<b>9.3</b>
<b>At 31 December 2024</b>	<b>0.3</b>	<b>19.2</b>	<b>26.5</b>	<b>40.9</b>	<b>86.9</b>	<b>0.3</b>	<b>87.2</b>
<b>At 1 January 2023</b>	<b>0.3</b>	<b>17.2</b>	<b>4.1</b>	<b>32.7</b>	<b>54.3</b>	<b>0.2</b>	<b>54.5</b>
Dividends	—	—	—	(5.7)	(5.7)	(0.4)	(6.1)
Issue of share capital	—	0.5	22.9	—	23.4	—	23.4
Purchase of own shares for Company reward scheme	—	—	—	(0.1)	(0.1)	—	(0.1)
Tax on Company reward scheme shares awarded	—	—	—	(0.1)	(0.1)	—	(0.1)
Deferred tax on share-based payments	—	—	—	(0.1)	(0.1)	—	(0.1)
Share-based payments	—	—	—	1.2	1.2	—	1.2
Transactions with owners	—	0.5	22.9	(4.8)	18.6	(0.4)	18.2
Profit for the year	—	—	—	9.5	9.5	0.4	9.9
Net retirement benefit actuarial gain	—	—	—	0.1	0.1	—	0.1
Foreign exchange differences	—	—	(0.1)	—	(0.1)	—	(0.1)
<b>Total comprehensive income for the year</b>	<b>—</b>	<b>—</b>	<b>(0.1)</b>	<b>9.6</b>	<b>9.5</b>	<b>0.4</b>	<b>9.9</b>
<b>At 31 December 2023</b>	<b>0.3</b>	<b>17.7</b>	<b>26.9</b>	<b>37.5</b>	<b>82.4</b>	<b>0.2</b>	<b>82.6</b>

The accompanying notes form an integral part of these consolidated financial statements.

# Consolidated cashflow statement

For the year ended 31 December 2024

	2024 £m	2023 £m
<b>Cashflows from operating activities</b>		
Profit after tax	10.8	9.9
Adjustments for:		
Financial instruments measured at fair value	0.2	1.2
Share-based payments	1.3	1.2
Depreciation of property, plant and equipment	2.4	1.9
Depreciation of right-of-use leased assets	1.3	1.3
Amortisation of acquired intangible assets	9.2	11.8
Amortisation of internally generated intangible assets	0.9	0.4
Interest income	(0.3)	(0.3)
Interest expense	3.5	3.0
Interest payable on right-of-use lease liabilities	0.4	0.4
Fair value movement on contingent consideration	0.1	4.0
Retirement benefit obligation net finance income	(0.1)	(0.1)
Tax expense recognised in the Consolidated Statement of Comprehensive Income	2.2	3.5
Decrease/(increase) in inventories	1.8	(5.1)
Increase in trade and other receivables	(2.8)	(0.3)
Increase/(decrease) in trade and other payables and provisions	3.1	(1.5)
Cash generated from operations	34.0	31.3
Tax paid	(5.5)	(4.8)
<b>Net cash from operating activities</b>	<b>28.5</b>	<b>26.5</b>
<b>Cashflows from investing activities</b>		
Paid on acquisition of subsidiaries	(16.4)	(3.1)
Payment in respect of surplus working capital	(3.9)	(1.2)
Paid in respect of earn out	(0.7)	(17.5)
Gross cash inherited on acquisition	4.5	1.5
Acquisition of subsidiaries, net of cash acquired	(16.5)	(20.3)
Purchase of property, plant and equipment	(5.0)	(4.7)
Capitalised development costs	(1.4)	(1.2)
Proceeds on disposal of property, plant and equipment	—	—
Interest received	0.3	0.3
<b>Net cash used in investing activities</b>	<b>(22.6)</b>	<b>(25.9)</b>
<b>Cashflows from financing activities</b>		
Proceeds from issue of share capital	1.5	0.5
Purchase of own shares for Company reward scheme	(0.1)	(0.1)
Tax on shares awarded under Company scheme	(0.1)	(0.1)
Finance costs paid	(3.5)	(3.0)
Proceeds from bank loans*	17.3	12.0
Repayments of borrowings*	(8.1)	(9.2)
Repayments of right-of-use lease liabilities	(1.7)	(1.6)
Equity dividends paid	(6.5)	(5.7)
Dividends paid to non-controlling interest	(0.2)	(0.4)
<b>Net cash used in financing activities</b>	<b>(1.4)</b>	<b>(7.6)</b>
<b>Net change in cash and cash equivalents</b>	<b>4.5</b>	<b>(7.0)</b>
<b>Cash and cash equivalents at the start of the year</b>	<b>13.7</b>	<b>20.8</b>
Exchange movements	(0.3)	(0.1)
<b>Cash and cash equivalents at the end of the year</b>	<b>17.9</b>	<b>13.7</b>

\*On 1 July 2024, £10.9m of outstanding loans were repaid and £10.9m was simultaneously reborrowed as the Group amended and extended its banking facilities (see note 22).

The accompanying notes form an integral part of these consolidated financial statements.

# Notes to the consolidated financial statements

For the year ended 31 December 2024

## 1. General information

Judges Scientific plc is the ultimate parent company of the Group, whose principal activities comprise the design, manufacture and sale of scientific instruments and services.

Judges Scientific plc is incorporated and domiciled in the UK and its registered office is 52c Borough High Street, London SE1 1XN.

## 2. Summary of significant accounting policies

### **Basis of preparation**

The consolidated financial statements have been prepared under the historical cost convention except for certain financial instruments which are carried at fair value.

Being quoted on the Alternative Investment Market of the London Stock Exchange, the Company has prepared its consolidated financial statements in accordance with UK-adopted international accounting standards ("IAS") and those parts of the Companies Act 2006 that apply to companies reporting under IAS. Accordingly, these financial statements have been prepared in accordance with the accounting policies set out below which are based on the aforementioned IAS and in effect at 31 December 2024.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed under "Use of key accounting estimates and judgements".

### **Going concern**

The consolidated financial statements have been prepared on a going concern basis. The Directors have taken note of guidance issued by the Financial Reporting Council on Going Concern Assessments in determining that this is the appropriate basis of preparation of the financial statements. In delivering its buy and build strategy, and having acquired Luciol, Rockwash and Magsputter (Teer Coatings) for a combined increase to adjusted net debt of £18.7m during 2024 (see note 29), the Group ended 2024 with adjusted net debt of £51.7m compared to £45.1m at 31 December 2023. The Group uses adjusted net debt rather than statutory net debt for this comparison, as this figure includes future acquisition-related liabilities. The higher net debt figure reflects the aforementioned acquisition activity, payments of dividends to our shareholders (£6.5m), settlement of our fair share of tax arising on profits (£5.5m) and ongoing investment into normal capital expenditure together with property improvements for our trading businesses (£5.0m) and was partially offset by strong overall cash generation from the Group's operating businesses.

The Directors have considered the potential ongoing impact of heightened political tensions globally, and of continuing higher levels of interest rates and inflation, and a summary of the implications is included in the Strategic Report. The Group is in a strong financial position with high cash balances, moderate leverage, reasonable order intake and a solid future order book enabling it to navigate the continued uncertain global economic environment. The Directors have planned for reasonably foreseeable worsening scenarios including a repetition of the same 13% reduction in orders in 2025 as happened after the first outbreak of Covid-19 in 2020, which would not cause any significant challenges to the Group's continued existence.

The Directors therefore have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. In making this assessment the Directors have considered the period until the end of June 2026 and therefore continue to adopt the going concern basis in preparing the Annual Report and Accounts.

### **Changes in accounting policies**

At the date of approval of these consolidated financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group including the following relevant standard:

IFRS 18, 'Presentation and Disclosure in Financial Statements' (effective date 1 January 2027) - The key new concepts introduced in IFRS 18 relate to the structure of the statement of profit or loss; the required disclosures in the financial statements for 'management-defined performance measures'; and enhanced principles on aggregation and disaggregation.

Management currently anticipates that the above pronouncement will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement and the Directors' are still assessing the potential impact of this standard on the Group's financial statements.

### **Consolidation**

The consolidated financial statements include those of the parent company and its subsidiaries.

The Group uses the purchase method of accounting for the acquisition of a subsidiary. Acquisition consideration is measured at the fair value of the consideration given, equity instruments issued and liabilities incurred or assumed at the date of exchange.

Business combination costs directly attributable to the acquisition are immediately written off through the Consolidated Statement of Comprehensive Income. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date irrespective of the extent of any non-controlling interest.

The parent company has taken the merger relief that is required by section 612 of the Companies Act 2006 in respect of the fair value of the consideration received in excess of the nominal value of the equity shares issued in connection with the acquisition of Fire Testing Technology Limited, UHV Design Limited, Scientifica Limited, Armfield Limited, Geotek Holding Limited, and Geotek Coring Limited.

## **Goodwill**

Goodwill is the difference between the fair value of the consideration paid and the fair value of the net identifiable assets and liabilities acquired in a business combination. Following recognition, it is not amortised; however, it is subject to impairment testing on an annual basis or more frequently if circumstances indicate that the asset may have become impaired. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

## **Revenue recognition**

Revenue is measured by reference to the fair value of consideration received or receivable by the Group, excluding value added tax (or similar local sales tax), in exchange for transferring the promised goods or services to the customer. The consideration is allocated to each separate performance obligation that is identified in a sales contract, based on stand-alone selling prices. Sales of instruments and spares, and sales of services, such as material service contracts, non-specialised installation and training, extended warranty, maintenance and service, contract testing, software licences or consultancy, are assessed to be separate performance obligations.

Revenue is recognised when (or as) the Group satisfies the identified performance obligation. For sales of instruments, spares, installation, and one-off services, the performance obligation is satisfied at a point in time; for revenue from other services, the performance obligation is satisfied over time. As the period of time between payment and performance is less than one year, the Group does not adjust revenue for the effects of financing.

Revenue from sales of instruments and spares is recognised at the point at which the customer obtains control of the asset, which is deemed to be the point at which risks and responsibilities for the goods pass to the customer as defined in the terms of the invoice, including incoterms. For sales of instruments from overseas subsidiaries, the point at which the customer obtains control of the asset is deemed to be when the customer receives the goods. Revenue from installations and one-off services is recognised at the point at which the installation or service is completed. For large, complex instruments which require highly specialised installation, revenue from both the instrument and installation is recognised at the point at which installation is completed.

Revenue from material service contracts is recognised when the contractual obligation to be on site is fulfilled and spread over the term of the contract, based on the input cost method.

Revenue from extended warranty, maintenance and testing contracts and software licences is recognised rateably as the performance obligation to the customer is satisfied.

## **Segment reporting**

The Group's activities are predominantly in or in support of the design and manufacture of scientific instruments. The Group operates two main operating segments: Materials Sciences and Vacuum. No operating segments have been aggregated.

Operating segments are reported in a manner consistent with internal reporting provided to the Executive Directors, which is responsible for allocating and assessing performance of operating segments, and which is considered to be the Chief Operating Decision Maker. Each segment's range of instruments has its individual requirements in terms of design, manufacture and marketing.

## **Intangible assets acquired as part of a business combination**

An intangible asset acquired in a business combination is deemed to have a cost to the Group of its fair value at the acquisition date. The fair value of the intangible asset reflects market expectations about the probability that the future economic benefits embodied in the asset will flow to the Group.

Amortisation charges are included as adjusting items in operating costs in the Consolidated Statement of Comprehensive Income. Amortisation is provided at rates calculated to write off the cost of each intangible asset over its expected useful life, as follows:

Acquired customer relationships	Between 3 and 5 years
Acquired distribution agreements	Between 2 and 5 years
Acquired technology	Between 5 and 7 years
Acquired sales order backlog	Upon recognition of the related revenue
Acquired brand and domain names	5 years

## **Research and development**

Research and development expenditure is recognised in the Consolidated Statement of Comprehensive Income as an expense until it can be demonstrated that the conditions for capitalisation under IAS 38 Intangible Assets apply.

The criteria for capitalisation include demonstration that the project is technically and commercially feasible, the Group has sufficient resources to complete development and the asset will generate probable future economic benefit. Assets capitalised are amortised on a straight-line basis over three years from the start of the commercial sales life.

## **Property, plant and equipment**

Property, plant and equipment is stated at historical cost, less accumulated depreciation.

Depreciation is provided at annual rates calculated to write off the cost less residual value of each asset over its expected useful life (with the exception of land which is held at cost and reviewed annually for impairment), within the following ranges:

Freehold buildings	50 years (excluding the estimated cost of land)
Plant and machinery	7 years
Fixtures, fittings and equipment	Between 3 and 10 years

Motor vehicles	4 years
Building improvements	Over the minimum term of the lease or 10 years if the building is owned

***Impairment testing of goodwill, other intangible assets, property, plant and equipment and right-of-use assets***

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated are tested for impairment at least annually. All other individual assets or cash-generating units are tested whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. Value in use is based on estimated future cashflows from each cash-generating unit, discounted at a suitable rate in order to calculate the present value of those cashflows. The data used for impairment testing procedures is directly linked to the Group's latest approved budgets, adjusted as necessary to exclude any future restructuring to which the Group is not yet committed. Discount rates are determined individually for each cash-generating unit and reflect their respective risk profiles as assessed by the Directors.

With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. Impairment charges are included in operating costs in the Consolidated Statement of Comprehensive Income.

***Leases***

Any contract entered into, which contains an identified asset, whose use the Group has the right to direct throughout the period of the lease, and the right to obtain substantially all of the economic benefits from, is accounted for as a lease. At the lease commencement date, the Group recognises a right-of-use leased asset and a right-of-use lease liability on the balance sheet. The lease liability is measured at the present value of the total lease payments due, discounted using the interest rate implicit in the lease if readily available, or at the Group's incremental borrowing rate. The right-of-use asset is measured at cost, being the lease liability, plus any initial direct costs incurred by the Group, the present value of any contractual provisions such as dilapidations, or lease payments made in advance of the commencement date.

Right-of-use assets are depreciated on a straight-line basis to the end of the lease term. The Group assesses the right-of-use asset for impairment when such indicators exist.

The lease liability is repaid over the life of the lease, through the lease payments, which includes interest which is accrued monthly at the same rate used to calculate the liability. Lease liabilities are remeasured to reflect any reassessment or modification of the lease – when the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use leased asset, or in the Consolidated Statement of Comprehensive Income if the asset is already reduced to zero.

The Group does not recognise an asset or liability when entering into a lease with a term of less than 12 months, in accordance with the exemption in IFRS 16.

***Inventories***

Inventories are recorded at the lower of cost and net realisable value. Costs of ordinarily interchangeable items are assigned using the first-in, first-out cost formula. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity.

***Taxation***

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of those temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

***Share-based employee compensation***

The Group operates equity-settled share-based compensation plans for remuneration of its Directors and employees.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values.

Share-based compensation is recognised as an expense in the Consolidated Statement of Comprehensive Income with a corresponding credit to retained earnings. If vesting periods or other vesting conditions apply, the expense is allocated over the

vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of share options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates.

The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium when the options are exercised.

### **Financial assets**

Financial assets consist of cash and cash equivalents, trade and other receivables and derivatives.

#### **Financial assets measured at amortised cost**

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits which are subject to an insignificant risk of changes in value.

##### *Trade and other receivables*

Trade receivables are recognised and carried at the original invoice amount less a provision for uncollectable amounts. An estimate of uncollectable amounts is made on initial recognition of each receivable based on any future expected risk of non-collection. This estimate is updated should collection of the amount become no longer probable. The Group uses historical experience and external information to determine the need for, and quantum of, any such provision.

#### **Financial assets measured at fair value**

Interest rate swaps and foreign currency options are treated as derivative financial instruments and are accounted for at fair value through profit and loss.

#### **Financial liabilities**

Derivatives are recorded at fair value through profit or loss. The fair value of derivative financial instruments is determined by reference to active market transactions or using a valuation technique where no active market exists.

All financial liabilities with the exception of out-of-the-money interest rate swaps and foreign currency options are recorded at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance cost in the Consolidated Statement of Comprehensive Income.

These financial liabilities include trade and other payables, accruals and external borrowings, including bank loans and right-of-use lease liabilities. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to the Consolidated Statement of Comprehensive Income on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Interest rate swaps and foreign currency options are treated as derivative financial instruments and are accounted for at fair value through profit and loss. Contingent acquisition consideration is also accounted for at fair value through profit and loss.

#### **Employee benefits – Defined contribution plans**

The Group operates defined contribution pension schemes for employees and Directors. The assets of the schemes are held by investment managers separately from those of the Group. The contributions payable to these schemes are recorded in the Consolidated Statement of Comprehensive Income in the accounting period to which they relate.

#### **Employee benefits – Defined benefit plans**

The Group operates a funded defined benefit scheme, where payments are made to trustee administered funds. The asset or liability recognised in the Consolidated Balance Sheet is calculated as the present value of the defined benefit obligation less the fair value of the plan assets, as at the balance sheet date. The Group only recognises an asset where the pension deed provides it the right to do so.

The defined benefit obligation is calculated at least triennially by independent actuaries using the projected unit credit method and is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds, matched to the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. The retirement benefits obligation net finance cost is the change during the year in the net defined benefit asset or liability due to the passage of time and is recognised as an interest expense in the Consolidated Statement of Comprehensive Income. The interest rate is based on the yield on high quality corporate bonds. Actuarial gains and losses arising from changes in actuarial assumptions and experience adjustments are recognised in the Consolidated Statement of Comprehensive Income in the year in which they arise.

#### **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the Consolidated Statement of Comprehensive Income in the period in which they arise. In respect of overseas subsidiaries on consolidation, assets and liabilities are translated at the closing rate and income and expenses are translated at the average rate over the reporting period. Exchange differences are recorded in other comprehensive income.

#### **Dividends**

Final dividend distributions payable to equity shareholders are included in trade and other payables when the dividends are approved in general meeting but not paid prior to the balance sheet date. Interim dividends are recognised in the period in which they are paid.

#### **Equity**

Other reserves include:

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### *Capital redemption reserve*

Capital redemption reserve represents amounts set aside from retained earnings on conversion of Convertible Redeemable shares equal to the reduction then arising in the overall nominal value of share capital of all classes.

### *Merger reserve*

Merger reserve represents the fair value of the consideration received in excess of the nominal value of equity shares issued in connection with acquisitions where the Company has taken the merger relief that is required by section 612 of the Companies Act 2006.

### **Adjusting items**

Adjusting items (and their related tax impact) are those which by their size or nature the Directors consider should be disclosed separately for the purposes of presenting results and earnings per share figures so as to enable users of the financial statements to evaluate more effectively the underlying operating performance of the Group. Amortisation of intangible assets recognised following an acquisition is excluded from the underlying performance as these assets are not otherwise allowed to be recognised in the normal course of business. Acquisition costs are also considered to be a cost outside of normal trading and are therefore presented separately. Movements in the fair value of future hedging is also excluded from normal trading as the total cost of the hedge is recorded as a trading expense in the period to which the hedge relates. Share-based payments have consistently been treated as non-trading cost as these are non-cash and equity related, together with any corporation tax benefit arising from the exercise of share options. Normal costs of restructuring are treated as a trading expense, and not as an adjusting item as these are considered to be a normal cost of doing business.

### **Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is likely that an outflow of resource will be required to settle the obligation and that the amount of the probable outflow can be reasonably estimated. Where the Group expects all or some of the obligation to be reimbursed, the reimbursement is recognised as a separate asset to the extent that it is virtually certain to be reimbursed. The expense relating to any provision is presented in the Consolidated Statement of Comprehensive Income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the year-end date. If material, provisions are determined by discounting the expected future cashflows using rates that reflect current market assessments of the time value of money.

### **Use of key accounting estimates and judgements**

Many of the amounts included in the consolidated financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the consolidated financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the consolidated financial statements and the key areas are summarised below.

#### *Judgements in applying accounting policies*

- **Capitalisation of development costs:** Expenditure incurred in the development of major new products is capitalised as internally generated intangible assets only when it has been judged that strict criteria are met, specifically in relation to the products' technical feasibility and commercial viability (the ability to generate probable incremental future economic benefits for the Group). The assessment of technical feasibility and future commercial viability of development projects requires significant judgement particularly around whether a product in development will have a sufficient appeal to its niche market and also the level of marketplace competition. The amounts capitalised are disclosed in note 14.
- **Fair value assessment of business combination consideration:** Following an acquisition the Group is required to determine the value of contractual contingent consideration. The Directors will therefore estimate the expected performance of the acquired business and the amount of contingent consideration that will therefore become payable. Additionally, where the value of such contingent consideration is material, the contingent consideration will be discounted to reflect the time value of money and the consideration will therefore be recorded at its present value at the date of the acquisition. Subsequently the discount will be unwound as the due date for payment approaches.
- **Revenue recognition on material service contracts:** Where the Company has a material service contract deliverable over a short-term period (usually less than six months) it uses the input method in accordance with IFRS 15 to recognise revenue. This requires judgement in arriving at the expected total cost and margin attributable to the project and then matching the revenue with the forecast total cost incurred to date.

#### *Sources of estimation uncertainty*

- **Retirement benefits:** Determining the value of the future defined benefit obligation involves significant estimates in respect of the assumptions used to calculate present values. These include discount rates, future mortality and inflation. The Group uses previous experience and independent actuarial advice to select the values for critical estimates. See note 3 for additional information.
- **Carrying value of goodwill:** In carrying out impairment reviews of goodwill, a number of significant assumptions have to be made when preparing cashflow projections to determine the value in use of the asset or cash-generating unit ("CGU"). These include the future rate of market growth, discount rates, the market demand for the products acquired and the future profitability of acquired businesses or products. If actual results differ or changes in expectations arise, impairment charges may be required which may adversely impact the statutory results. Further information can be found in note 13.
- **Valuation of acquired intangible assets:** Following an acquisition the Group is required to make an assessment to identify and value separable intangible assets. The assumptions involved in valuing these intangible assets require the use of certain estimates. The estimates made in relation to valuing acquired intangible assets include future growth rates, expected inflation

and discount rates. Further estimates are made in relation to the useful economic lives of the acquired intangible assets. Third party specialists are engaged to assist with this valuation. Further details on intangible assets are disclosed in note 14.

- **Fair value assessment of a business combination:** Following an acquisition the Group makes an assessment of all assets and liabilities, inclusive of making judgements on the identification of specific intangible assets which are recognised separately from goodwill. These include items such as brand names and customer lists, to which value is first attributed at the time of acquisition. The valuation process for the intangible assets requires a number of judgements to be made regarding future performance of an acquisition, together with other asset-specific factors. In order to estimate the fair value of separately identifiable assets in business combinations certain judgements must be made about future trading performance, royalty rates and customer attrition rates. Where acquisitions are significant, appropriate advice is sought from professional advisers before making such allocations. The fair values of assets and liabilities acquired in business combinations are disclosed in note 29 and the carrying values of separately identifiable intangible assets initially measured at fair value are disclosed in note 14.

### 3. Segmental analysis

For the year ended 31 December 2024	Note	Materials Sciences £m	Vacuum £m	Head office £m	Total £m
<b>Revenue</b>		<b>64.6</b>	<b>69.0</b>	<b>—</b>	<b>133.6</b>
Adjusted operating costs		(51.6)	(50.5)	(3.6)	(105.7)
<b>Adjusted operating profit</b>		<b>13.0</b>	<b>18.5</b>	<b>(3.6)</b>	<b>27.9</b>
Adjusting items	4				(11.2)
<b>Operating profit</b>					<b>16.7</b>
Net interest expense					(3.7)
<b>Profit before tax</b>					<b>13.0</b>
Income tax charge					(2.2)
<b>Profit for the year</b>					<b>10.8</b>

For the year ended 31 December 2023	Note	Materials Sciences £m	Vacuum £m	Head office £m	Total £m
<b>Revenue</b>		72.5	63.6	—	136.1
Operating costs		(51.9)	(45.0)	(4.4)	(101.3)
<b>Adjusted operating profit</b>		20.6	18.6	(4.4)	34.8
Adjusting items	4				(13.2)
<b>Operating profit</b>					21.6
Net interest expense					(8.2)
<b>Profit before tax</b>					13.4
Income tax charge					(3.5)
<b>Profit for the year</b>					9.9

Head office items relate to the Group's head office costs.

#### Segment assets and liabilities

At 31 December 2024		Materials Sciences £m	Vacuum £m	Head office £m	Total £m
Assets		57.0	52.1	96.0	205.1
Liabilities		(28.7)	(13.9)	(75.3)	(117.9)
<b>Net assets</b>		<b>28.3</b>	<b>38.2</b>	<b>20.7</b>	<b>87.2</b>
Capital expenditure		1.9	3.1	—	5.0
Depreciation of property, plant and equipment		1.3	1.1	—	2.4
Depreciation of right-of-use leased assets		0.9	0.3	0.1	1.3
Amortisation of acquired intangible assets		8.0	1.2	—	9.2
Amortisation of internally generated intangible assets		0.3	0.6	—	0.9

At 31 December 2023		Materials Sciences £m	Vacuum £m	Head office £m	Total £m
Assets		52.8	41.6	89.1	183.5
Liabilities		(24.1)	(13.1)	(63.7)	(100.9)
<b>Net assets</b>		<b>28.7</b>	<b>28.5</b>	<b>25.4</b>	<b>82.6</b>
Capital expenditure		2.2	2.5	—	4.7
Depreciation of property, plant and equipment		1.1	0.7	0.1	1.9
Depreciation of right-of-use leased assets		0.9	0.4	—	1.3
Amortisation of acquired intangible assets		11.1	0.7	—	11.8
Amortisation of internally generated intangible assets		0.1	0.3	—	0.4

Head office items include borrowings, intangible assets and goodwill arising on acquisition, deferred tax, defined benefit obligations and parent company net assets.

## Analysis of revenue and non-current assets by geographical areas

Geographic analysis	Revenue		Non-current assets	
	Year to	Year to	Year to	Year to
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	£m	£m	£m	£m
UK (domicile)	17.8	14.7	128.2	117.3
Rest of Europe	36.5	33.7	—	—
North America	32.9	37.9	0.6	0.8
China/Hong Kong	13.6	18.4	—	—
Rest of the World	32.8	31.4	0.1	0.1
	133.6	136.1	128.9	118.2

Segmental revenue is presented on the basis of the destination of the goods where known, otherwise the geographical location of customers is utilised.

### Analysis of revenue by performance obligation

	2024	2023
	£m	£m
Sale of goods, recognised at a point in time	117.2	117.0
Sale of services, recognised at a point in time	4.8	4.3
Sale of services, recognised over time	11.6	14.8
	133.6	136.1

No customer makes up more than 10% of the Group's revenues.

### 4. Adjusting items

	2024	2023
	£m	£m
Amortisation of acquired intangible assets	9.2	11.8
Financial instruments measured at fair value: hedging contracts	0.1	—
Share-based payments (note 26)	1.3	1.2
Retirement benefits obligation costs	0.3	—
Employment taxes arising from share-based payments	—	—
Acquisition costs	0.3	0.2
Total adjusting items in operating profit	11.2	13.2
Fair value movement on contingent consideration	0.1	4.0
Retirement benefits obligation net interest income (note 30)	(0.1)	(0.1)
Financial instruments measured at fair value: interest rate swaps (note 24)	0.1	1.2
Total adjusting items	11.3	18.3
Taxation	(2.9)	(3.4)
Total adjusting items net of tax	8.4	14.9
Attributable to:		
Owners of the parent	8.4	14.9
Non-controlling interest	—	—
	8.4	14.9

### 5. Operating costs

	2024	2023
	£m	£m
Raw materials and consumables	41.6	41.3
Staff costs	43.3	40.0
Other external charges	16.2	16.4
Depreciation of property, plant and equipment	2.4	1.9
Depreciation of right-of-use leased assets	1.3	1.3
Amortisation of internally generated intangible assets	0.9	0.4
Other operating costs, excluding adjusting items	105.7	101.3
Amortisation of acquired intangible assets	9.2	11.8
Financial instruments: hedging contracts	0.1	—
Share-based payments	1.3	1.2
Retirement benefits obligation costs	0.3	—
Employment taxes arising from share-based payments	—	—
Acquisition costs	0.3	0.2
<b>Total operating costs</b>	<b>116.9</b>	<b>114.5</b>

Research and development expenditure totalled £8.4m (2023: £6.8m) of which £1.4m (2023: £1.2m) was capitalised in the year.

## 6. Employees

### Employment costs

	2024 £m	2023 £m
Wages and salaries	38.3	35.9
Social security costs	3.5	3.1
Defined contribution pension costs	2.4	1.7
Capitalised development costs	(0.9)	(0.7)
	43.3	40.0
Share-based payments	1.3	1.2
	44.6	41.2

### Average number of employees

	2024 No.	2023 No.
By function:		
Manufacturing	413	381
Sales and administration	364	333
	777	714
By operating segment:		
Materials Sciences	393	375
Vacuum	365	322
Head office (includes Non-Executive Directors in both years)	19	17
	777	714

## 7. Remuneration of key senior management

	2024 £m	2023 £m
Short-term employee benefits:		
Salaries including bonuses and social security costs	3.9	3.9
Share-based payments	1.1	1.0
Company car allowance and other benefits	0.1	0.1
Total short-term employee benefits	5.1	5.0
Post-employment benefits:		
Defined contribution pension plans	0.2	0.2
Total post-employment benefits	0.2	0.2
	5.3	5.2

Key management personnel comprise Directors of the parent company and the Managing Directors of the principal operating companies and totalled 29 (2023: 26).

Remuneration of Directors is disclosed in the Remuneration Report on pages 45 to 48 and in the parent company note 13.

## 8. Operating profit

	2024 £m	2023 £m
Operating profit is stated after charging:		
Fees payable to the Company's auditor:		
for the audit of the Company's annual accounts	0.3	0.2
Fees payable to the Company's auditor for other services:		
for the audit of the Company's subsidiaries, pursuant to legislation	0.6	0.5
for audit-related assurance services	—	—
for non-audit services	—	—
Depreciation of property, plant and equipment	2.4	1.9
Depreciation of right-of-use fixed assets	1.3	1.3
Amortisation of internally generated intangible assets	0.9	0.4
Amortisation of acquired intangible assets	9.2	11.8

## 9. Interest income and expense

	2024 £m	2023 £m
Interest income – short-term bank deposits	0.3	0.3
Interest expense – bank loans	(3.5)	(3.0)
Interest expense – payable on right-of-use lease liabilities	(0.4)	(0.4)
Interest expense before adjusting items	(3.9)	(3.4)
<b>Net interest expense before adjusting items</b>	<b>(3.6)</b>	<b>(3.1)</b>
Retirement benefits obligation net finance income	0.1	0.1
Fair value movement on contingent consideration	(0.1)	(4.0)
Financial instruments measured at fair value: hedging contracts	(0.1)	(1.2)
<b>Net interest expense</b>	<b>(3.7)</b>	<b>(8.2)</b>

## 10. Taxation charge/(credit)

	2024 £m	2023 £m
<b>Current tax</b>		
Current year charge	3.7	5.0
Adjustment in respect of prior years	(1.3)	(1.0)
Foreign tax suffered	0.5	1.1
<b>Total current tax</b>	<b>2.9</b>	<b>5.1</b>
<b>Deferred tax – origination and reversal of temporary differences:</b>		
Current year credit	(1.6)	(2.1)
Adjustment in respect of prior years	0.9	0.5
<b>Total deferred tax</b>	<b>(0.7)</b>	<b>(1.6)</b>
<b>Total net taxation charge</b>	<b>2.2</b>	<b>3.5</b>
<b>The net taxation charge is analysed as follows:</b>		
Tax on profit for the year – current year	2.6	4.0
Tax on profit for the year – prior years	(0.4)	(0.5)
<b>Total net taxation charge</b>	<b>2.2</b>	<b>3.5</b>

The adjustments in respect of prior years primarily represent claims for capital allowances (2023: claims for UK Research and Development tax credits).

### Factors affecting the tax charge for the year:

Profit before tax	13.0	13.4
Profit before tax multiplied by standard rate of UK corporation tax of 25% (2023: 23.52%)	3.2	3.2
Share options	(0.3)	(0.3)
Provisions and expenditure not deductible for tax purposes	0.1	0.9
Patent box deduction	(0.2)	—
Recognition of previously unrecognised deferred tax	(0.3)	—
Overseas tax	0.1	0.2
Adjustment in respect of prior years	(0.4)	(0.5)
<b>Total net taxation charge</b>	<b>2.2</b>	<b>3.5</b>

Finance Act 2021, which was effective from 1 April 2023, increased the corporation tax rate from 19% to 25%. The effective rate for the year ended 31 December 2024 is 25%, which has been applied when calculating current tax (2023: 23.5%). The 25% rate has been applied when calculating deferred tax at the year end (2023: 25%).

## 11. Dividends

	2024		2023	
	Pence per share	£m	Pence per share	£m
Final dividend for the previous year	68.0	4.5	59.0	3.9
Interim dividend for the current year	29.7	2.0	27.0	1.8
<b>Total final and interim dividend</b>	<b>97.7</b>	<b>6.5</b>	<b>86.0</b>	<b>5.7</b>

The Directors will propose a final dividend of 74.8p per share, amounting to £5.0m, for payment on 11 July 2025. As the final dividend remains conditional on shareholders' approval at the Annual General Meeting, provision has not been made for this dividend in these consolidated financial statements.

## 12. Earnings per share

	Note	2024 £m	2023 £m
<b>Profit attributable to owners of the parent</b>			
Adjusted profit		18.8	24.4
Adjusting items	4	(8.4)	(14.9)
<b>Profit for the year</b>		<b>10.4</b>	<b>9.5</b>

		Pence	Pence
<b>Earnings per share – adjusted</b>			
Basic		283.4	374.6
Diluted		278.7	368.5
<b>Earnings per share – total</b>			
Basic		156.7	145.8
Diluted		154.2	143.5

	Note	Number	Number
Issued Ordinary shares at the start of the year		6,615,717	6,369,746
Movement in Ordinary shares during the year	25	26,767	245,971
<b>Issued Ordinary shares at the end of the year</b>		<b>6,642,484</b>	<b>6,615,717</b>
Weighted average number of shares in issue		6,634,863	6,514,028
Dilutive effect of share options		111,655	106,816
<b>Weighted average Ordinary shares in issue on a diluted basis</b>		<b>6,746,518</b>	<b>6,620,844</b>

Adjusted basic earnings per share is calculated on the adjusted profit, which excludes any adjusting items, attributable to the Company's shareholders divided by the weighted average number of shares in issue during the year.

Adjusted diluted earnings per share is calculated on the adjusted basic earnings per share, adjusted to allow for the issue of Ordinary shares on the assumed conversion of all dilutive share options and any other dilutive potential Ordinary shares. The calculation is based on the treasury method prescribed in IAS 33. This calculates the theoretical number of shares that could be purchased at the average middle market price in the period out of the proceeds of the notional exercise of outstanding options. The difference between this theoretical number and the actual number of shares under option is deemed liable to be issued at nil value and represents the dilution.

Total earnings per share is calculated as above whilst substituting total profit for adjusted profit.

## 13. Goodwill

	2024 £m	2023 £m
Cost		
1 January	54.8	53.6
Acquisitions (note 29)	5.6	1.2
31 December	60.4	54.8

£47.5m of goodwill resides in the Materials Sciences segment (including £34.9m relating to Geotek) (2023: £45.7m) and £12.9m resides in the Vacuum segment (2023: £9.1m). There are 9 CGUs within the Materials Sciences segment and 11 within the Vacuum segment. Goodwill is tested annually for impairment by reference to the value in use of each of the relevant cash-generating units it is allocated to and aggregated for disclosure purposes into the respective operating segments. The value in use is calculated on the basis of projected cashflows for five years together with the terminal value at the end of the five years, which is computed by reference to projected year six cashflows and discounted. There was no requirement for any impairment provision at 31 December 2024 (2023: £nil). The key assumptions in determining the value in use are:

**Revenue and margins:** These are derived from the detailed 2025 budgets which are built up with reference to markets and product categories with projected 6% medium-term growth factors (2023: 6%). Projected margins reflect historical performance and the expected impact of efforts to improve operational efficiency.

**Discount rate:** Cashflows are discounted using a pre-tax discount rate of 15.5%-16.3% (2023: 16.5%-17.0%) per annum, calculated by reference to year-end data on equity values and interest, dividend and tax rates.

**Long-term growth rates:** 2.5% long-term growth rate takes into account both UK and overseas industry growth expectations (2023: 2.1%).

The long-term growth rate is consistent for all cash-generating units on the basis that the businesses operate in similar markets and are exposed to similar risks.

The Directors have considered the sensitivity of the key assumptions, including the discount rate and medium-term growth rates, and have concluded that any possible changes that may be reasonably contemplated in these key assumptions would not result in the value in use falling below the carrying value of goodwill, given the amount of headroom available, and the conservative nature of the assumptions.

## 14. Other intangible assets

	Internally generated development costs £m	Acquired distribution agreements £m	Acquired technology £m	Acquired sales order backlog £m	Acquired brand and domain names £m	Acquired customer relationships £m	Total £m
<b>Cost</b>							
1 January 2023	2.2	3.8	35.4	10.8	15.4	27.8	95.4
Acquisitions (note 29)	—	—	1.3	0.2	—	0.7	2.2
Additions	1.2	—	—	—	—	—	1.2
31 December 2023	3.4	3.8	36.7	11.0	15.4	28.5	98.8
Acquisitions (note 29)	—	—	6.8	0.3	1.1	1.6	9.8
Additions	1.4	—	—	—	—	—	1.4
<b>31 December 2024</b>	<b>4.8</b>	<b>3.8</b>	<b>43.5</b>	<b>11.3</b>	<b>16.5</b>	<b>30.1</b>	<b>110.0</b>
<b>Amortisation</b>							
1 January 2023	0.1	3.8	13.3	7.6	13.3	12.9	51.0
Charge for the year	0.4	—	4.0	3.4	0.6	3.8	12.2
31 December 2023	0.5	3.8	17.3	11.0	13.9	16.7	63.2
Charge for the year	0.9	—	4.5	0.2	0.7	3.8	10.1
<b>31 December 2024</b>	<b>1.4</b>	<b>3.8</b>	<b>21.8</b>	<b>11.2</b>	<b>14.6</b>	<b>20.5</b>	<b>73.3</b>
<b>Net book value 31 December 2024</b>	<b>3.4</b>	<b>—</b>	<b>21.7</b>	<b>0.1</b>	<b>1.9</b>	<b>9.6</b>	<b>36.7</b>
Net book value 31 December 2023	2.9	—	19.4	—	1.5	11.8	35.6
Net book value 31 December 2022	2.1	—	22.1	3.2	2.1	14.9	44.4

The key assumptions in valuing the acquired intangible assets of technology and customer relationships at the date of acquisition are:

Discount rate: Cashflows are discounted using a pre-tax discount rate ranging between 16% to 20% per annum (2023: 16% to 17%).

Long-term growth rates: 2–2.9% long-term revenue growth rate takes into account both UK and overseas markets and 3% cost growth to maintain margin which broadly aligns with long-term inflation.

Included in the above is Geotek customer relationships and acquired technology with net book value of £7.9m and £14.3m respectively (2023: £11.2m and £17.5m) and £4.3m for acquired technology in Teer Coatings.

## 15. Property, plant and equipment

	Freehold land and buildings £m	Plant and machinery £m	Fixtures, fittings and equipment £m	Motor vehicles £m	Leasehold improvements £m	Total £m
<b>Cost</b>						
1 January 2023	10.6	5.1	4.1	0.2	1.4	21.4
Additions	1.8	1.1	0.8	—	1.0	4.7
Acquisitions	—	—	—	—	—	—
Transfers	—	1.1	—	—	—	1.1
Disposals	—	(0.2)	—	(0.1)	(0.4)	(0.7)
31 December 2023	12.4	7.1	4.9	0.1	2.0	26.5
Additions	1.4	1.4	1.0	—	0.1	3.9
Acquisitions (note 29)	1.9	1.8	—	—	0.1	3.8
Transfers	—	1.3	(0.1)	—	(0.1)	1.1
Disposals	—	(0.5)	(1.0)	—	—	(1.5)
<b>31 December 2024</b>	<b>15.7</b>	<b>11.1</b>	<b>4.8</b>	<b>0.1</b>	<b>2.1</b>	<b>33.8</b>
<b>Accumulated depreciation</b>						
1 January 2023	0.8	1.6	2.2	0.1	0.8	5.5
Charge for the year	0.2	0.9	0.7	—	0.1	1.9
Disposals	—	(0.2)	—	(0.1)	(0.4)	(0.7)
31 December 2023	1.0	2.3	2.9	—	0.5	6.7
Charge for the year	0.2	1.0	0.8	0.1	0.3	2.4
Transfers	—	—	—	—	—	—
Disposals	—	(0.5)	(1.0)	—	—	(1.5)
<b>31 December 2024</b>	<b>1.2</b>	<b>2.8</b>	<b>2.7</b>	<b>0.1</b>	<b>0.8</b>	<b>7.6</b>
<b>Net book value – 31 December 2024</b>	<b>14.5</b>	<b>8.3</b>	<b>2.1</b>	<b>—</b>	<b>1.3</b>	<b>26.2</b>
Net book value – 31 December 2023	11.4	4.8	2.0	0.1	1.5	19.8
Net book value – 31 December 2022	9.8	3.5	1.9	0.1	0.6	15.9

Included in Freehold land and buildings is land held at cost of £2.0m including £0.5m (2023: £1.5m including £nil) acquired during the year. During the year there was no impairment to this value (2023: £nil).

Transfers relates to stock reclassified to fixed assets due to its use in generating services revenue.

## 16. Right-of-use leased assets

	Plant and machinery £m	Fixtures, fittings and equipment £m	Motor vehicles £m	Property £m	Total £m
<b>Cost</b>					
1 January 2023	0.2	0.1	0.2	6.3	6.8
New leases	—	—	—	3.8	3.8
Exit from leases	—	—	—	(0.8)	(0.8)
<b>31 December 2023</b>	<b>0.2</b>	<b>0.1</b>	<b>0.2</b>	<b>9.3</b>	<b>9.8</b>
New leases	—	0.1	0.1	—	0.2
Lease assets acquired on acquisition (note 29)	—	—	—	0.1	0.1
Remeasurement of lease assets	—	—	—	0.1	0.1
Exit from leases	(0.1)	(0.1)	—	(0.1)	(0.3)
<b>31 December 2024</b>	<b>0.1</b>	<b>0.1</b>	<b>0.3</b>	<b>9.4</b>	<b>9.9</b>
<b>Accumulated depreciation</b>					
1 January 2023	—	—	0.1	2.5	2.6
Charge for the year	0.1	—	—	1.2	1.3
Exit from leases	—	—	—	(0.7)	(0.7)
<b>31 December 2023</b>	<b>0.1</b>	<b>—</b>	<b>0.1</b>	<b>3.0</b>	<b>3.2</b>
Charge for the year	0.1	—	0.1	1.1	1.3
Exit from leases	(0.1)	—	—	(0.1)	(0.2)
<b>31 December 2024</b>	<b>0.1</b>	<b>—</b>	<b>0.2</b>	<b>4.0</b>	<b>4.3</b>
<b>Net book value – 31 December 2024</b>	<b>—</b>	<b>0.1</b>	<b>0.1</b>	<b>5.4</b>	<b>5.6</b>
Net book value – 31 December 2023	0.1	0.1	0.1	6.3	6.6
Net book value – 31 December 2022	0.2	0.1	0.1	3.8	4.2

Right-of-use lease liabilities are disclosed in note 23.

New lease agreements in the year have been valued using a discount rate in the range of 8–9% (2023: 8-9%).

## 17. Deferred tax

Deferred tax balances are presented in the balance sheet as follows:

	2024 £m	2023 £m
Net deferred tax liabilities	<b>(10.0)</b>	<b>(8.0)</b>

Deferred tax balances have been presented on a net basis on the balance sheet where the amounts relate to the same tax jurisdiction and the Group intends to settle the balances on a net basis. Deferred tax assets and liabilities are split as follows:

	2024 £m	2023 £m
<b>Assets</b>		
1 January	<b>2.5</b>	2.4
Acquisitions in the year (note 29)	—	—
Adjustments in respect of prior years	<b>0.3</b>	(0.1)
Credit to the Consolidated Statement of Comprehensive Income in the year	<b>0.3</b>	0.3
Charge to equity in the year	<b>(0.6)</b>	(0.1)
<b>31 December</b>	<b>2.5</b>	2.5
Deferred tax balances relate to temporary differences as follows:		
Provisions allowable for tax in subsequent periods	<b>0.2</b>	—
Tax losses	<b>0.3</b>	—
Share options	<b>2.0</b>	2.5
	<b>2.5</b>	2.5
<b>Liabilities</b>		
1 January	<b>10.5</b>	11.4
Acquisitions in the year (note 29)	<b>2.5</b>	0.5
Adjustments in respect of prior years	<b>1.2</b>	0.4
Movement in other comprehensive income – retirement benefits actuarial loss	<b>(0.4)</b>	—
Credit to the Consolidated Statement of Comprehensive Income in the year	<b>(1.3)</b>	(1.8)
<b>31 December</b>	<b>12.5</b>	10.5
Deferred tax balances relate to temporary differences as follows:		
Accelerated capital allowances	<b>4.2</b>	2.0
Defined benefit obligation	—	0.3
Intangible assets	<b>8.3</b>	8.2
	<b>12.5</b>	10.5

Finance Act 2021, which was effective from 1 April 2023, increased the corporation tax rate from 19% to 25%. The 25% rate has been applied when calculating deferred tax at the year end (2023: 25%).

## 18. Inventories

	2024 £m	2023 £m
Raw materials	16.8	18.5
Work in progress	5.6	3.7
Finished goods	5.7	4.3
	<b>28.1</b>	<b>26.5</b>

In 2024, a total of £41.6m of inventories was included in the Consolidated Statement of Comprehensive Income as an expense (2023: £41.3m). This includes an amount of £0.6m (2023: £0.1m) resulting from write-downs of inventories and an amount of £0.3m (2023: £nil) which is the reversal of previous write-downs. All Group inventories form part of the assets pledged as security in respect of bank loans.

## 19. Trade and other receivables – current

	2024 £m	2023 £m
Trade receivables	22.1	18.7
Other receivables	2.8	2.8
Accrued income	1.0	—
Interest rate swap receivable	1.1	1.1
Prepayments	3.2	2.5
	<b>30.2</b>	<b>25.1</b>

The fair value of receivables approximates to their carrying value. All trade and other receivables have been reviewed for expected credit losses with no significant provision being required as the Group has not experienced significant loss via unpaid overdue receivables. The interest rate swap balance is further detailed in note 24. Included in other receivables is VAT recoverable of £0.6m (2023: £1.3m).

Trade receivables which were past due at the balance sheet date are analysed as follows:

	2024 £m	2023 £m
Not more than three months	4.3	4.2
More than three months but not more than six months	0.6	1.1
More than six months but not more than twelve months	1.1	0.6
Greater than one year	0.4	0.6
	<b>6.4</b>	<b>6.5</b>

## 20. Trade and other payables – current

	2024 £m	2023 £m
Trade payables	7.3	7.2
Social security and other taxes	1.1	2.6
Other payables	2.1	1.7
Accruals and payments-on-account	19.4	13.1
	<b>29.9</b>	<b>24.6</b>

The fair value of trade and other payables approximates to their carrying value. Payments-on-account, which relate to receipts from customers for instruments in advance of their shipment or for future contracted services, amount to £15.7m (2023: £7.7m). All such payments-on-account are expected to be recognised as revenue within 12 months and £7.7m of the opening payments-on-account balance has been included in revenue in 2024 (£9.4m of the opening balances included in revenue in 2023).

## 21. Provisions

	Warranties £m	Dilapidations £m	Total £m
Balance as at 1 January 2024*	0.4	0.4	0.8
Provisions made during the year	0.5	0.1	0.6
Provisions acquired through acquisitions	0.1	—	0.1
<b>Balance as at 31 December 2024</b>	<b>1.0</b>	<b>0.5</b>	<b>1.5</b>
Amounts falling due before one year	1.0	—	1.0
Amounts falling due after more than one year	—	0.5	0.5

\*Provisions at 1 January 2024 were held within accruals

### Warranty provisions

Product warranty provisions reflect commitments made to customers on the sale of goods in the ordinary course of business and included within the Group companies' standard terms and conditions. Warranty commitments typically apply for a 12-month period. The provision represents the Directors' best estimate of the Group's liability based on past experience.

### Dilapidations

Dilapidations relate to the estimated cost of returning a leasehold property to its original state at the end of the lease in accordance with the lease terms.

## 22. Borrowings

	2024 £m	2023 £m
Current		
Bank loans	—	6.2
	—	6.2
Non-current		
Bank loans	67.6	52.2
	67.6	52.2

The movement in borrowings over the year was as follows:

	2024 £m	2023 £m
At 1 January	58.4	55.6
Proceeds from drawdown of loans	17.3	12.0
Repayment of loans	(8.1)	(9.2)
Interest payable – non-cash	3.5	3.0
Interest paid – cash	(3.5)	(3.0)
<b>At 31 December</b>	<b>67.6</b>	<b>58.4</b>

### Amendment and Extension to Facilities

On 1 July 2024, the Group entered into an amendment and extension of the Group's existing multi-bank facility ("Facility") with Lloyds Banking Group plc, Santander and Bank of Ireland (the "Banks"). The changes to the Group's Facility are as follows:

- £40m extension of the aggregate to £140m consisting of a £90m revolving credit facility ("RCF") alongside a £50m uncommitted accordion facility, which can be drawn with the agreement of the Banks. This replaces the previous £100m facility which consisted of a £25m term loan ("Term Loan"), a committed £55m RCF and a £20m uncommitted accordion.
- The Facility has been extended by two years giving a four year term running to 1 July 2028 ("Borrowing Term").

The RCF is repayable in a bullet at the end of the Borrowing Term, with an option to prepay at any point during the term. Interest rates remain as Sonia plus a margin dependent on the Group's leverage.

The banking covenants remain as:

- Gearing no greater than 3 times Adjusted EBITDA\*; and
- Interest Cover no less than 3 times.

*\*Adjusted EBITDA (earnings before interest, tax, depreciation and amortisation) excludes adjusting items relating to amortisation of acquired intangible assets, acquisition-related costs, share based payments and hedging of risks materialising after the end of the year.*

The Banks have a fixed and floating charge over the Group's UK assets and the Group was in compliance with the above covenants throughout the year.

During 2024, loans were drawn down in order to finance the 2024 acquisitions (2023: £12.0m drawn down). As at 31 December 2024, the Group's outstanding loans were as follows:

- the term loan was £nil (2023: £14.1m);
- the committed RCF was £67.6m drawn (2023: £44.3m); and
- the accordion remained uncommitted and undrawn.

Borrowings mature as follows:

31 December 2024	£m
Repayable in less than six months	—
Repayable in months seven to twelve	—
Current portion of long-term borrowings	—
Repayable in years one to five	81.0
<b>Total borrowings</b>	<b>81.0</b>
Less: interest included above	(13.4)
Less: cash and cash equivalents	(17.9)
Add: right-of-use lease liabilities	6.0
<b>Statutory net debt</b>	<b>55.7</b>
Less: right-of-use lease liabilities	(6.0)
Add: accrued acquisition consideration payable	2.0
<b>Adjusted net debt</b>	<b>51.7</b>

31 December 2023	Bank loans £m
Repayable in less than six months	4.6
Repayable in months seven to twelve	4.6
Current portion of long-term borrowings	9.2
Repayable in years one to five	55.9
<b>Total borrowings</b>	<b>65.1</b>
Less: interest included above	(6.7)
Less: cash and cash equivalents	(13.7)
Add: right-of-use lease liabilities	6.9
<b>Statutory net debt</b>	<b>51.6</b>
Less: right-of-use lease liabilities	(6.9)
Add: accrued acquisition consideration payable	0.4
<b>Adjusted net debt</b>	<b>45.1</b>

### 23. Right-of-use lease liabilities

The majority of the Group's right-of-use liabilities related to medium-term property leases, measured to the end of the agreed lease term, irrespective of any break clauses therein. The movement in the right-of-use lease liabilities over the year was as follows:

	2024 £m	2023 £m
At 1 January	6.9	4.3
New leases (note 16)	0.2	3.8
Remeasurement of lease liabilities	0.1	—
Lease liabilities acquired on acquisition (note 29)	0.1	—
Interest payable (note 9)	0.4	0.4
Repayments of lease liabilities	(1.7)	(1.6)
<b>At 31 December</b>	<b>6.0</b>	<b>6.9</b>

Right-of-use lease assets are disclosed in note 16.

Lease liabilities mature as follows:

	2024 £m	2023 £m
<b>Minimum right-of-use lease liabilities falling due</b>		
Within one year – land and property	1.6	1.5
Within one year – vehicles	—	—
Within one year – plant and machinery	—	0.1
Within one year – fixtures, fittings and equipment	—	—
	<b>1.6</b>	<b>1.6</b>
Between one and five years – land and property	4.2	4.7
Between one and five years – vehicles	—	—
Between one and five years – plant and machinery	0.1	0.1
Between one and five years – fixtures, fittings and equipment	—	—
	<b>4.3</b>	<b>4.8</b>
Greater than five years – land and property	1.3	2.0
<b>Total commitment</b>	<b>7.2</b>	<b>8.4</b>
Less: finance charges included above	(1.2)	(1.5)
<b>Net present value of lease liabilities</b>	<b>6.0</b>	<b>6.9</b>
<b>Current</b>	<b>1.2</b>	<b>1.2</b>
<b>Non-current</b>	<b>4.8</b>	<b>5.7</b>

## 24. Financial instruments

The Group's policies on treasury management, capital management objectives and financial instruments are given in the Directors' Report commencing on page 49.

### **Fair value of derivative financial instruments**

The Group enters into derivative financial instruments in order to manage its interest rate and foreign currency exposure. The principal derivatives used include foreign currency options and interest rate swaps. Material changes in the carrying values of these instruments are recognised in the Consolidated Statement of Comprehensive Income in the periods in which the changes arise. Such recognition is treated as an adjusting item in the Consolidated Statement of Comprehensive Income where the foreign currency hedge was entered into in order to protect profits in later accounting periods, or if there is a gain or loss on the value of the interest rate swap. In such cases, the charge or credit will be reversed out of adjusting items in the accounting period for which the hedge was intended and will be shown in results before adjusting items. All financial instruments denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. The Directors believe that there is no material difference between the book value and fair value of all financial instruments.

### **Borrowing facilities**

Financial instruments include the borrowings set out in note 22. The Group has a committed revolving credit facility and an uncommitted accordion.

### **Trade and other payables, accruals, and provisions**

All amounts excluding provisions are short term (all payable within six months) however, all their carrying values are considered reasonable approximations of fair value.

### **Right-of-use lease liabilities**

Right-of-use lease liabilities reflect the present value of the contracted lease liabilities. See note 23 for further details.

### **Fair value hierarchy**

The fair value hierarchy has the following levels:

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 inputs).

The interest rate swaps and foreign currency hedges (level 2) are measured at fair value, calculated as the present value of the estimated future cashflows based on observable yield curves.

	2024 £m	2023 £m
<b>Summary of financial assets and financial liabilities by category</b>		
<b>Financial assets – amortised cost</b>		
Trade and other receivables and accrued income	25.3	20.2
Cash and cash equivalents	17.9	13.7
<b>Financial assets – fair value</b>		
Derivative financial instruments	1.1	1.1
<b>Total financial assets</b>	<b>44.3</b>	<b>35.0</b>
<b>Financial liabilities – amortised cost</b>		
Trade payables	(7.3)	(7.2)
Accruals	(3.6)	(5.4)
Provisions	(1.5)	—
Other payables	(2.1)	(1.7)
Right-of-use lease liabilities – current	(1.2)	(1.2)
Right-of-use lease liabilities – non-current	(4.8)	(5.7)
Borrowings – current	—	(6.2)
Borrowings – non-current	(67.6)	(52.2)
<b>Financial liabilities – fair value</b>		
Payables relating to acquisitions	(2.0)	(0.5)
<b>Total financial liabilities</b>	<b>(90.1)</b>	<b>(80.1)</b>
<b>Net financial liabilities</b>	<b>(45.8)</b>	<b>(45.1)</b>
<b>Non-financial assets and liabilities</b>		
Goodwill	60.4	54.8
Other intangible assets	36.7	35.6
Property, plant and equipment	26.2	19.8
Right-of-use leased assets	5.6	6.6
Retirement benefit surplus	—	1.4
Inventories	28.1	26.5
Prepayments	3.2	2.5
Social security and other taxes – VAT	0.6	1.3
Social security and other taxes – other	(1.1)	(2.6)
Payments-on-account	(15.8)	(7.7)
Current tax payable	(0.9)	(2.5)
Deferred tax liabilities	(10.0)	(8.0)
	<b>133.0</b>	<b>127.7</b>
<b>Total equity</b>	<b>87.2</b>	<b>82.6</b>

Trade and other receivables are denominated in the following currencies:

	2024 £m	2023 £m
Sterling	14.8	13.2
US Dollars	6.8	5.5
Euros	2.6	1.3
Other	1.1	0.2
	<b>25.3</b>	<b>20.2</b>

#### **Financial assets**

The Group's financial assets held at amortised cost (which are summarised above) comprise cash and cash equivalents and trade and other receivables.

The amounts derived from these assets and included as interest income in the Consolidated Statement of Comprehensive Income are £0.3m (2023: £0.3m) (see note 9).

Cash and cash equivalents are principally denominated in Sterling and earn interest at floating rates.

Interest expense from financial assets held at fair value through profit or loss (in-the-money derivatives) totalled £0.1m (2023: expense of £1.2m).

#### **Financial liabilities**

The Group's principal financial liabilities held at amortised cost are bank loans, trade and other payables, provisions and accruals. The Group also holds interest rate swaps and foreign currency forward contracts and options.

The costs attributable to these liabilities and included as interest expense in the Consolidated Statement of Comprehensive Income amounted to £3.9m (2023: £3.4m) (see note 9).

Finance expense arising from financial liabilities held at fair value through profit or loss, being contingent acquisition consideration, totalled £0.1m (2023: £4.0m).

Following the amendment and extension of the Group's existing multi-bank facility in July 2024 (see note 22), the Group entered into further interest rate swaps, in addition to those already entered into following the Group's refinancing in 2022, over the significant majority of its unhedged debt at that time. The swaps fixed the element of floating SONIA rate debt for fixed rates ranging between 2.86% and 3.88% for the remainder of the term of the Group's bank facilities. Part of the amount of the swaps reduces in step with the original quarterly repayments on the Group's term loan prior to its repayment.

## **25. Share capital and share premium**

### **Share capital**

	2024 £m	2023 £m
Allotted, called up and fully paid – Ordinary shares of 5p each		
1 January: 6,615,717 shares (2023: 6,369,746 shares)	0.3	0.3
Exercise of share options: 26,767 shares (2023: 15,830 shares)	—	—
Issue of shares as settlement of acquisition costs: nil shares (2023: 2,278 shares)	—	—
Issue of shares as settlement of earn-out: nil shares (2023: 227,863 shares)	—	—
31 December: 6,642,484 shares (2023: 6,615,717 shares)	<b>0.3</b>	<b>0.3</b>

Allotments of Ordinary shares in 2024 were made to satisfy the exercise of 26,767 share options in aggregate on 14 occasions during the year when the share price was within the range 8625p to 11925p (2023: exercise of 15,830 share options when the share price was within the range 7910p to 9800p).

Throughout 2024, the Group continued to award a free "matching share" under the Judges Scientific plc Share Incentive Plan for every share purchased. This is currently set at a maximum value of £900 per employee per tax year. During 2024, an average of 288 employees participated in the scheme each month (2023: 260 employees), purchasing 5,205 shares in total, including matching shares (2023: 4,897 shares). At 31 December 2024, there were 290 employee shareholders in this Share Incentive Plan.

The market price of the Company's Ordinary shares at 31 December 2024 was 8450p (2023: 9120p). The share price range during the year was 8340p to 12250p (2023: 7400p to 10200p).

### **Share premium**

The £1.5m increase in share premium results from the aforementioned share option exercises. The cash-free issue of shares as settlement for acquisition costs (note 32) increased share premium by £nil (2023: £0.2m).

## 26. Share-based payments

### Equity share options

At 31 December 2024, options had been granted and remained outstanding in respect of 271,587 Ordinary shares in the Company (2023: 254,169), all priced by reference to the mid-market price of the shares on the date of grant and all exercisable (subject to achievement of performance conditions where applicable), following a three-year vesting period, between the third and tenth anniversaries of grant, as below:

	At 1 January 2024 Number	Granted Number	Lapsed Number	Exercised Number	At 31 December 2024 Number	Of which exercisable Number	Weighted average exercise price (p)
2005 Approved Option Scheme	—	—	—	—	—	—	—
2005 Unapproved Option Scheme	—	—	—	—	—	—	—
2015 Approved Option Scheme	20,303	3,263	(1,737)	(1,555)	20,274	6,840	3175.0
2015 Unapproved Option Scheme	233,866	43,868	(1,209)	(25,212)	251,313	127,888	3523.0
	<b>254,169</b>	47,131	(2,946)	(26,767)	<b>271,587</b>	134,728	
Weighted average exercise price (p)	<b>5435.2</b>	9712.5	7801.8	5546.3	<b>6140.8</b>	3505.3	5546.3

### 2005 Option Scheme

From 31 December 2023 there were no remaining unexercised options under this scheme. During 2023, exercise prices ranged between 1690.0p and 2180.0p per share.

### 2015 Option Scheme

Exercise prices for the year ended 31 December 2024 ranged between 1402.5p and 6580.0p per share (2023: between 1402.5p and 5150.0p per share). The unexercised options have a weighted average remaining contractual life of 5.11 years (2023: 6.48 years).

In accordance with IFRS 2, a Black Scholes valuation model has been used. The key assumptions used in the model are as follows:

- interest rate – 4.7% (2023: 4.9%);
- historical volatility – 32.2% (2023: 31.8%);
- dividend yield – 1.1% (2023: 1.0%);
- expected life of option – 5.0 years (2023: 5.0 years); and
- employee leavers – 5.0% (2023: 5.0%).

### Growth reward plan

The Group has an annual scheme for subsidiary management whereby upon achievement of certain compound growth targets they will receive Judges shares. Any award, which is accounted for as equity settled, is deferred for three years, consistent with the vesting of share options.

The total share-based payment charge for both of these plans for the year ended 31 December 2024 was £1.3m (2023: £1.2m).

## 27. Other reserves

	Capital redemption reserve £m	Merger reserve £m	Translation reserve £m	Total £m
<b>Balance at 1 January 2024</b>	—	26.9	—	26.9
Issue of share capital	—	—	—	—
<b>Transactions with owners</b>	—	—	—	—
Exchange differences on translation of foreign subsidiaries	—	—	(0.4)	(0.4)
<b>Total comprehensive income</b>	—	—	(0.4)	(0.4)
<b>Balance at 31 December 2024</b>	—	<b>26.9</b>	<b>(0.4)</b>	<b>26.5</b>

	Capital redemption reserve £m	Merger reserve £m	Translation reserve £m	Total £m
<b>Balance at 1 January 2023</b>	—	4.0	0.1	4.1
Issue of share capital	—	22.9	—	22.9
<b>Transactions with owners</b>	—	22.9	—	22.9
Exchange differences on translation of foreign subsidiaries	—	—	(0.1)	(0.1)
<b>Total comprehensive income</b>	—	—	(0.1)	(0.1)
<b>Balance at 31 December 2023</b>	—	<b>26.9</b>	—	<b>26.9</b>

There was no cash-free issue of shares as consideration for a shareholding in a subsidiary company which qualified for merger relief, and therefore no increase in the Merger reserve (2023: increase of £22.9m).

## 28. Risk management objectives and policies

The Group is exposed to market risks, arising predominantly from currency exposure resulting from its export activities, interest rate fluctuation on its loans and deposits and credit and liquidity risks. Risk management strategies are co-ordinated by the Directors.

### Foreign currency risk

The Group exports a substantial proportion of its sales, frequently denominated in foreign currencies (principally in US Dollars and Euros). Exposure to currency rate fluctuations exists from the moment a sales order is confirmed through to the time when the related remittance is converted into Sterling. This exposure is computed monthly (along with offsetting exposure on purchases, generally of minimal amounts) and economically hedged, predominantly through the use of currency forward contracts and options. The net exposure to risk is therefore substantially reduced. This does not, however, represent a hedge under IFRS 9.

The table below summarises the foreign currency hedged at year end, and which is expected to be settled within the first four months of 2025: as such the amount of foreign currency hedged in the below table is calculated by taking the Group's monthly options and multiplying them by the four-month settlement period. Residual exposure is the difference between the net exposure and the amounts of currency hedges, both translated into Sterling at each measurement date.

	Sterling equivalent of US\$ £m	Sterling equivalent of € £m	Sterling equivalent of Brazilian Real £m	Sterling equivalent of other £m
<b>31 December 2024</b>				
Amount of foreign currency hedged at year end	10.0	2.6	—	—
Residual exposure at year end – long/(short)	(0.2)	0.8	1.7	0.4
Impact on pre-tax profits of a 5% variation in exchange rate on year-end residual exposure	—	—	0.1	—
Impact on equity of a 5% variation in exchange rate on year-end residual exposure	—	—	0.1	—
<b>31 December 2023</b>				
Amount of foreign currency hedged at year end	10.0	2.8	—	—
Residual exposure at year end – long/(short)	(2.6)	(0.9)	1.7	—
Impact on pre-tax profits of a 5% variation in exchange rate on year-end residual exposure	(0.1)	—	0.1	—
Impact on equity of a 5% variation in exchange rate on year-end residual exposure	(0.1)	—	0.1	—

In addition to the hedging of this foreign currency exposure, the Group seeks to mitigate the impact of currency fluctuations on future trading performance. This was achieved at 31 December 2024 by entering into currency options to sell €9.8m and \$41.3m for the rest of 2025, at predetermined exchange rates.

The fair value of the hedging financial instruments is a liability of £0.2m (2023: £0.1m).

### Interest rate risk

The Group's interest rate exposure arises in respect of its bank loans and cash, which are SONIA linked for interest rate purposes. To hedge this exposure the Group is party to interest rate swaps at predetermined rates. The fair value of these financial instruments has been recognised in these accounts and the fair value of interest rate swaps is an asset of £1.1m (2023: asset of £1.1m). Summary of movements in this asset is as follows:

	2024 £m	2023 £m
<b>Value at 1 January</b>	<b>1.1</b>	<b>2.4</b>
Change from financing cashflows	(0.1)	(1.2)
New hedging	0.2	—
Change in fair value	(0.1)	(0.1)
<b>Value at 31 December</b>	<b>1.1</b>	<b>1.1</b>

The Group's sensitivity to interest rate changes is as follows:

	2024 £m	2023 £m
Unhedged bank loans outstanding at year end	4.8	9.3
Impact on pre-tax profits of a 1% change in SONIA	—	0.1
Impact on equity of a 1% change in SONIA	—	0.1
Cash at year end	17.9	13.7
Impact on pre-tax profits of a 1% change in bank base rates	0.2	0.1
Impact on equity of a 1% change in bank base rates	0.1	0.1

## Credit risk

The Group's exposure to credit risk is limited to the carrying amounts of financial assets recognised at the balance sheet date, as follows:

	2024 £m	2023 £m
Cash and cash equivalents	17.9	13.7
Trade and other receivables	25.3	20.2
	<b>43.2</b>	<b>33.9</b>

The Group reviews the credit risk relating to its customers by ensuring wherever possible that it deals with long-established trading partners, distributors and government/university-backed bodies, where the risk of default is considered low. Where considered appropriate, the Group insists on upfront payment and requires letters of credit to be provided. The Directors monitor the ageing of trade receivables to identify balances where there is no reasonable expectation of recovery and no material provision is required. None of the financial assets are secured by collateral or other credit enhancements. For other receivables there is minimal credit risk in relation to these balances.

Where Group companies trade through overseas distributors, credit exposure to an individual distributor can be significant at times. At 31 December 2024, no counterparty owed more than 10% of the Group's total trade and other receivables (2023: none).

The credit risk for liquid funds and other short-term financial assets is considered small. The substantial majority of these assets are deposited with Lloyds Banking Group or other high quality financial institutions.

## Liquidity risk

Longer-term finance is required to enable the Group to pursue its strategic goal of growing through acquisitions as well as through Organic development. This requirement for financing is satisfied for the foreseeable future by a £90.0m revolving credit facility (drawn to £67.6m at 31 December 2024) together with a £50.0m uncommitted accordion facility provided by Lloyds Banking Group, Santander UK plc and Bank of Ireland. The Group has no term loan debt as at 31 December 2024. Despite the increase in the Group's borrowings during 2024, the Group's strategy continues to envisage the servicing of this debt to be achieved from the cashflow arising from the businesses acquired. In 2024 £8.1m was repaid (2023: £9.2m). For short and medium-term financial needs, the Group regularly compares its projected requirements with available cash and borrowing facilities.

The periods of maturity of the Group's borrowings are set out in note 22 and the maturity of the Group's right-of-use lease liabilities are set out in note 23. The maturity of all trade and other payables is within the period of less than six months.

## 29. Acquisitions

### Acquisition of Henniker Scientific Limited

The maximum earn-out of £0.5m on this acquisition was achieved and was settled in July 2024.

### Acquisition of Luciol Instruments SA

On 1 February 2024, Judges Scientific via PE.fiberoptics Limited acquired 100% of the entire issued capital of Luciol Instruments SA ("Luciol") a company manufacturing and selling instruments to measure optic fibre properties based in Mies, Vd, Switzerland.

The purchase price of Luciol consisted of:

- The initial consideration, paid in cash at completion, of CHF 2.0m;
- Contingent consideration up to a maximum of CHF 0.5m to be satisfied in cash;
- The contingent consideration became payable on achievement of an average minimum adjusted EBIT of CHF 0.5m for the four years to 31 December 2023 (or 2024 if higher) increasing pro rata on a 4:1 ratio until it reaches a cap when an adjusted EBIT of CHF 0.625m is achieved; and
- An additional payment for excess cash (surplus working capital) at completion over and above the ongoing requirements of the business and will be covered by the cash inherited at completion.

The summary provisional fair value of the cost of this acquisition (in Sterling) includes the components stated below:

Consideration	£m
Initial cash consideration	1.8
Contingent consideration	0.5
	<b>2.3</b>
Gross cash inherited on acquisition	0.8
Cash retained in the business	(0.1)
Payment in respect of surplus working capital	0.7
<b>Total consideration</b>	<b>3.0</b>
Acquisition-related transaction costs charged to operating costs	0.1

On 27 March 2024 Judges paid CHF 0.2m in relation to the Luciol earn out, and in March 2025 a final nominal amount was settled.

The summary provisional fair values recognised for the assets and liabilities acquired with Luciol are as follows:

	Book value £m	Accounting policy alignments £m	Fair value adjustments £m	Fair value £m
Intangible assets	—	—	1.1	1.1
Inventories	0.4	0.1	(0.1)	0.4
Trade and other receivables	0.3	—	—	0.3
Cash and cash equivalents	0.8	—	—	0.8
<b>Total assets</b>	<b>1.5</b>	<b>0.1</b>	<b>1.0</b>	<b>2.6</b>
Trade and other payables	(0.3)	—	—	(0.3)
Deferred tax liabilities	—	—	(0.2)	(0.2)
<b>Total liabilities</b>	<b>(0.3)</b>	<b>—</b>	<b>(0.2)</b>	<b>(0.5)</b>
<b>Net identifiable assets and liabilities</b>	<b>1.2</b>	<b>0.1</b>	<b>0.8</b>	<b>2.1</b>
Total consideration				3.0
<b>Goodwill recognised</b>				<b>0.9</b>

The intangible assets recognised reflect recognition of acquired customer relationships (£0.3m), the value of the brand (£0.2m) and the acquired technology (£0.6m). A significant amount of the value of the acquired business is attributable to its workforce and sales knowhow and contributes to the goodwill recognised upon acquisition. £0.9m of goodwill has been allocated to the Materials Sciences segment.

The majority of the deferred tax liabilities recognised represent the tax effect which will result from the amortisation of the intangible assets, estimated using the tax rate substantively enacted at the balance sheet date.

#### **Acquisition of Rockwash Geodata Limited**

On 28 June 2024, Judges Scientific via Geotek Limited acquired 100% of the entire issued capital of Rockwash Geodata Ltd ("Rockwash") a company specialising in rock cuttings and chippings digitalisation.

The purchase price of Rockwash consisted of:

- The initial consideration, paid in cash at completion, of £2.3m;
- Contingent consideration up to a maximum of £3.7m to be satisfied in cash;
- The contingent consideration becomes payable on achievement of an average minimum adjusted EBIT of £0.4m for the year ended 31 December 2024 (or 2025 if higher) increasing pro rata on a 6:1 ratio until it reaches a cap when an adjusted EBIT of £1.0m is achieved; and
- An additional payment for excess cash (surplus working capital at completion) over and above the ongoing requirements of the business and will be covered by the cash inherited at completion.

The summary provisional fair value of the cost of this acquisition includes the components stated below:

	£m
Consideration	
Initial cash consideration	2.3
Contingent consideration	1.8
	<b>4.1</b>
Gross cash inherited on acquisition	0.7
Cash retained in the business	(0.3)
Payment in respect of surplus working capital	0.4
<b>Total consideration</b>	<b>4.5</b>
Acquisition-related transaction costs charged to operating costs	0.1

The Group expects the majority of the earnout to be paid in relation to Rockwash's 2025 results. The contingent consideration has been discounted in arriving at the amount in the table above as the earnout is expected to be settled in 2026. The contingent consideration at 31 December 2024 has increased by £0.2m to £2.0m as a result of the unwinding of the discount. A £0.1m difference to Rockwash's 2025 EBIT performance would change the earnout payable by £0.6m, of which after discounting, would have a £0.4m impact on the earnout payable at the acquisition date and £0.5m at 31 December 2024.

The summary provisional fair values recognised for the assets and liabilities acquired with Rockwash are as follows:

	Book value £m	Accounting policy alignments £m	Fair value adjustments £m	Fair value £m
Intangible assets	—	—	2.6	2.6
Property, plant and equipment	0.5	—	—	0.5
Right-of-use leased assets	—	0.1	—	0.1
Inventories	—	—	—	—
Trade and other receivables	0.9	—	—	0.9
Cash and cash equivalents	0.7	—	—	0.7
<b>Total assets</b>	<b>2.1</b>	<b>0.1</b>	<b>2.6</b>	<b>4.8</b>
Trade and other payables	(0.3)	—	—	(0.3)
Deferred tax liabilities	(0.1)	—	(0.6)	(0.7)
Right-of-use lease liabilities	—	(0.1)	—	(0.1)
Current tax liability	(0.1)	—	—	(0.1)
<b>Total liabilities</b>	<b>(0.5)</b>	<b>(0.1)</b>	<b>(0.6)</b>	<b>(1.2)</b>
<b>Net identifiable assets and liabilities</b>	<b>1.6</b>	<b>—</b>	<b>2.0</b>	<b>3.6</b>
Total consideration				4.5
<b>Goodwill recognised</b>				<b>0.9</b>

The intangible assets recognised reflect recognition of acquired customer relationships (£0.7m), the value of the brand (£0.1m), the value of the acquired future committed order book (£0.1m), together with the acquired technology (£1.7m). A significant amount of the value of the acquired business is attributable to its workforce and sales knowhow and contributes to the goodwill recognised upon acquisition. £0.9m of goodwill has been allocated to the Materials Sciences segment.

The majority of the deferred tax liabilities recognised represent the tax effect which will result from the amortisation of the intangible assets, estimated using the tax rate substantively enacted at the balance sheet date.

#### **Acquisition of Magsputter Limited**

On 15 August 2024, Judges Scientific acquired 100% of the entire issued share capital of Magsputter Limited, the holding company of Teer Coatings Limited ("Teer Coatings"), a company specialising in manufacturing coating instruments and providing coatings services.

The purchase price of Teer Coatings consisted of:

- The initial consideration, paid in cash at completion, of £12.3m (including £1.9m for the purchase of premises);
- An additional payment for excess cash (surplus working capital at completion) over and above the ongoing requirements of the business and will be covered by the cash inherited at completion.

The summary of the cost of this acquisition includes the components stated below:

	£m
Consideration	
Initial cash consideration	12.3
Gross cash inherited on acquisition	3.0
Cash retained in the business	(0.2)
Payment in respect of surplus working capital	2.8
<b>Total consideration</b>	<b>15.1</b>
Acquisition-related transaction costs charged to operating costs	0.1

The summary provisional fair values recognised for the assets and liabilities acquired with Teer Coatings are as follows:

	Book value £m	Accounting policy alignments £m	Fair value adjustments £m	Fair value £m
Intangible assets	—	—	6.1	6.1
Property, plant and equipment	2.5	(0.4)	1.2	3.3
Inventories	1.2	1.9	(0.1)	3.0
Trade and other receivables	2.7	(1.3)	—	1.4
Cash and cash equivalents	3.0	—	—	3.0
<b>Total assets</b>	<b>9.4</b>	<b>0.2</b>	<b>7.2</b>	<b>16.8</b>
Trade and other payables	(1.4)	(2.0)	—	(3.4)
Deferred tax liabilities	(0.3)	0.5	(1.8)	(1.6)
Current tax liability	(0.5)	—	—	(0.5)
<b>Total liabilities</b>	<b>(2.2)</b>	<b>(1.5)</b>	<b>(1.8)</b>	<b>(5.5)</b>
<b>Net identifiable assets and liabilities</b>	<b>7.2</b>	<b>(1.3)</b>	<b>5.4</b>	<b>11.3</b>
Total consideration				15.1
<b>Goodwill recognised</b>				<b>3.8</b>

The intangible assets recognised reflect recognition of acquired customer relationships (£0.6m), the value of the brand (£0.7m), the value of the acquired future committed order book (£0.2m), together with the acquired technology (£4.6m). A significant amount of the value of the acquired business is attributable to its workforce and sales knowhow and contributes to the goodwill recognised upon acquisition. £3.8m of goodwill has been allocated to the Materials Sciences segment.

The majority of the deferred tax liabilities recognised represent the tax effect which will result from the amortisation of the intangible assets, estimated using the tax rate substantively enacted at the balance sheet date.

These acquisitions resulted in revenue of £6.8m and a profit after tax (before adjusting items) attributable to owners of the parent company of £1.6m in the period post-acquisition. After amortisation of intangible assets, the contribution to owners of the parent company's results amounted to a profit of £0.8m after tax.

If these acquisitions had completed on 1 January 2024, revenue attributable to these acquisitions for the year ended 31 December 2024 would have been £11.0m and profit after tax (before adjusting items) attributable to the owners of the parent company would have been £2.7m. After amortisation of intangible assets, the contribution to owners of the parent company's results would have amounted to a profit of £1.1m after tax.

All acquisitions were made in line with Group strategy, which includes acquiring independent trading companies or complementary companies for existing subsidiaries.

### 30. Retirement benefit obligations

#### Defined benefit obligations

The Group's subsidiary, Armfield Limited, operates a defined benefit scheme for certain of its employees. A full actuarial valuation was carried out as at 31 March 2023 and the retirement benefit liability was independently revalued as at 31 December 2024. The scheme has been closed to new members from 2001 and closed to new accrual in 2006. The average duration of the plan's liabilities has been calculated to be approximately 12 years (2023: 13 years). The trustees are normally drawn partly from Armfield's employees and also from nominees of the Judges Scientific Group.

The full actuarial valuation carried out as at 31 March 2023 was in accordance with the scheme funding requirements of the Pensions Act 2004 and the funding of the plan is agreed between Armfield Limited and the pension trustees in line with those requirements. These in particular require the surplus/deficit to be calculated using prudent, as opposed to best estimate, actuarial assumptions. It was agreed with the trustees that, as the scheme was in surplus, no annual contributions were necessary until at least the next triennial valuation. The next full actuarial valuation will be carried out no later than 31 March 2026. The asset investment strategy is the responsibility of the trustees and after the 2023 valuation was completed, the portfolio of assets were more closely coupled to the future cash outflows of the liabilities. In March 2024 the Trustees entered into a buy-in policy with an insurance company. This policy secured payment of all future pensions due to the scheme's members. This action also formally commenced a process of transferring the future responsibility of the Armfield defined benefit pension scheme to the insurance company.

There are four insured pensions which were separately valued at £0.1m as at 31 December 2024 (31 December 2023: £0.2m). These pensions do not affect the overall valuation as they are a liability with a fully insured offsetting asset.

	31 December 2024	31 December 2023	31 December 2022
	£m	£m	£m
Summary			
Fair value of plan assets	5.3	7.4	7.0
Present value of defined benefit obligation	(5.3)	(6.0)	(5.8)
Surplus in scheme	—	1.4	1.2
Deferred tax	—	(0.3)	(0.3)
<b>Net retirement benefit surplus</b>	<b>—</b>	<b>1.1</b>	<b>0.9</b>

The retirement benefit surplus was recognised as it met the conditions for recognition as the scheme's trust deed allows for a refund of any remaining surplus upon closure of the scheme.

	31 December 2024	31 December 2023
	£m	£m
Changes in the fair value of plan assets		
1 January	7.4	7.0
Interest income	0.3	0.4
Return on plan assets (excluding amounts in interest income)	(2.0)	0.3
Contributions by the Company	—	—
Expenses	—	—
Benefits paid	(0.4)	(0.3)
<b>31 December</b>	<b>5.3</b>	<b>7.4</b>

The actual return on plan assets for the year ended 31 December 2024 was an decrease of £1.7m (2023: increase of £0.7m).

	31 December 2024	31 December 2023
	£m	£m
Changes in the fair value of defined benefit pension obligations		
1 January	6.0	5.8
Current service cost	—	—
Past service cost	—	—
Expenses	—	—
Interest expense	0.3	0.3
Actuarial losses due to scheme experience	—	0.1
Actuarial gains due to changes in demographic assumptions	—	(0.1)
Actuarial (gains)/losses due to financial assumptions	(0.6)	0.2
Benefits paid	(0.4)	(0.3)
<b>31 December</b>	<b>5.3</b>	<b>6.0</b>

There were no plan amendments, curtailments or settlements in the above years. Member benefits have been updated for the impact of Guaranteed Minimum Pension (“GMP”) equalisation, which equalises the different effects of GMPs between men and women.

	31 December 2024	31 December 2023	31 December 2022
	£m	£m	£m
Major categories of plan assets			
Quoted equities	—	—	4.2
Insurance annuities	5.3	—	—
Bonds	—	7.4	2.7
Property	—	—	—
Cash and other assets	—	—	0.1
	<b>5.3</b>	<b>7.4</b>	<b>7.0</b>

	31 December 2024	31 December 2023
	%	%
Principal actuarial assumptions		
Discount rate	5.40	4.50
Inflation rate (RPI)	3.25	3.30
Inflation rate (CPI)	2.85	2.70
In payment pension increases	3.55	3.50
In deferment pension increases	5.00	5.00

The mortality assumptions used in valuing the liabilities of the plan in 2023 and 2024 are based 100% on the standard tables S3PxA, projected using the CMI 2023 model with a 1.25% per annum long-term rate of improvement for males and a 1.00% per annum long-term rate of improvement for females.

The life expectancies assumed are as follows:

	31 December 2024	31 December 2023
	Life expectancy at age 65 (years)	Life expectancy at age 65 (years)
Male retiring in current financial year	21.6	21.7
Female retiring in current financial year	24.0	23.9
Male retiring in twenty years	22.9	22.9
Female retiring in twenty years	25.1	25.0

### Sensitivity

The significant actuarial assumptions in determining the defined benefit obligation are the discount rate, the rate of mortality and the rate of inflation. Changes to these actuarial assumptions may impact this obligation as follows:

	31 December 2024	31 December 2023
	Change in liabilities £m	Change in liabilities £m
Discount rate – decrease by 0.25% per annum	0.1	0.2
Inflation rate – increase by 0.25% per annum	—	—
Mortality rate – increase of one year in life expectancy	0.1	0.2

The above shows the impact on the defined benefit obligation if the assumptions were changed as shown (assuming all other assumptions remain constant). The sensitivity analysis may not be representative of the actual change in the obligation as it is unlikely that any change in assumption would happen in isolation.

### Risk management

There is a risk that changes in discount rates, price inflation, asset returns and/or mortality assumptions could lead to a material deficit. Given the long-term time horizon of the pension plan cashflows, the assumptions used are uncertain. The assumptions can also be volatile from year to year due to changes in investment market conditions. A material pension deficit could directly impact the Group's equity valuation and credit rating and may lead to additional funding requirements in future years. Any deficit relative to the actuarial liability for funding purposes, which may differ from the funding position on an accounting basis, will generally be financed over a period that ensures the contributions are reasonably affordable to the Group and in line with local regulations.

### Post-balance sheet event

in January 2025, the Trustees of the Armfield pension scheme approved commencement of the winding up of the scheme, a process that is expected to take 12-18 months before the defined benefit pension scheme is officially no longer the responsibility of Armfield.

### 31. Non-controlling interests

Summarised financial information of the Group's non-controlling interests is set out below:

	2024 £m	2023 £m
Non-current assets	0.1	0.1
Current assets	2.4	2.0
<b>Total assets</b>	<b>2.5</b>	<b>2.1</b>
Current liabilities	(0.7)	(0.4)
Total liabilities	(0.7)	(0.4)
<b>Total equity</b>	<b>1.8</b>	<b>1.7</b>
<b>Attributable to:</b>		
Owners of the parent	1.5	1.5
Non-controlling interest	0.3	0.2

	2024 £m	2023 £m
Revenue	4.5	3.5
Profit for the year	2.2	2.0
<b>Attributable to:</b>		
Owners of the parent	1.8	1.6
Non-controlling interest	0.4	0.4
Dividend paid to non-controlling interest	(0.2)	(0.4)

	2024 £m	2023 £m
Net cash from operating activities	1.8	1.7
Net cash from investing activities	0.1	0.2
Net cash used in financing activities	(1.9)	(2.4)
<b>Net cash inflow/(outflow)</b>	<b>—</b>	<b>(0.5)</b>

### 32. Capital commitments

At 31 December the Group had capital commitments as follows:

	2024 £m	2023 £m
<b>Contracted for but not provided in these financial statements</b>	<b>2.5</b>	<b>0.4</b>

### 33. Related party transaction

Dividends paid in the year to Directors who hold shares amounted to £0.8m in aggregate (2023: £0.8m).

There were no other reportable related party transactions during 2024. In 2023, Charles Holroyd, a Non-Executive Director of Judges, was paid an introduction fee of £0.4m relating to the 2022 acquisition of Geotek which he elected to receive one half in new Ordinary shares and the other half in cash to enable him to settle the related tax payable.

### 34. Alternative performance measures

The Group uses several alternative performance measures (“APMs”) in order to provide additional useful information to shareholders regarding the performance and position of the Group. APMs are non-GAAP and not defined by IFRS and may not be directly comparable with APMs of other companies. The Group uses these measures for planning and reporting purposes and to enhance the comparability of information between reporting periods. The measures are also used during discussions with the investment community. We have identified and defined the following key measures which are used within the business by management to assess the performance of the Group:

APM term	Definition
Organic	Organic describes the performance of the Group including businesses acquired prior to 1 January 2023. This measure is used to provide a consistent comparison of the results of the Group to exclude recent acquisitions. The terms most commonly used in these accounts are Organic revenue, Organic order intake and Organic operating margin.
Order intake	The amount of contracted orders that the Group has received in any defined period.
Order book	The total contracted orders yet to be converted to revenue reported in weeks, and calculated as total contracted orders yet to be converted to revenue divided by budgeted sales for the period.
Operating profit or EBIT	Operating profit or EBIT is earnings before interest (or finance costs) and tax. A reconciliation of operating profit to profit before tax is shown in the Consolidated Statement of Comprehensive Income.
EBIT contribution	EBIT contribution is equivalent to the EBIT of the Group’s trading businesses excluding central costs, adjusting items and before interest, tax and amortisation.
Adjusted earnings	The Group has consistently reported adjusted earnings figures, such as Adjusted operating profit and Adjusted earnings per share, that exclude adjusting items relating to amortisation of acquired intangible assets, acquisition-related costs, share-based payments and hedging of risks materialising after the end of the year. See note 4 for a summary of adjusting items and note 12 for a reconciliation of Adjusted earnings per share to the equivalent statutory figure.
Statutory net debt	Statutory net debt is total borrowings (bank and IFRS 16 lease liabilities) less cash balances. See note 22 for an analysis of net cash/(debt).
Adjusted net debt	Adjusted net debt differs from Statutory net debt as it includes acquisition-related cash payables that had yet to be settled at the balance sheet date and excludes IFRS 16 liabilities.
Return on Total Invested Capital (“ROTIC”)	ROTIC is calculated over a rolling 12-month period calculated by comparing EBITA with the amounts invested in plant and equipment, net current assets (excluding cash) and unamortised intangible assets and goodwill (as recognised at the initial acquisition date) together with any acquisition costs and any increases to acquisition consideration post-acquisition date.
Capital expenditure	Comprises additions to property, plant and equipment, capitalised development and other intangible assets, excluding assets acquired through business combinations.
Cash conversion	Cash conversion compares cash generated from operations with Adjusted operating profit.

#### Reconciliation of Organic to Total

	2024	2023	2024	2023
	Revenue	Revenue	Adjusted Operating Profit	Adjusted Operating Profit
	£m	£m	£m	£m
<b>Organic</b>	<b>123.6</b>	133.8	<b>25.3</b>	34.0
<b>Acquisitions</b>	<b>10.0</b>	2.3	<b>2.6</b>	0.8
<b>Total</b>	<b>133.6</b>	136.1	<b>27.9</b>	34.8

# Parent company balance sheet

As at 31 December 2024

	Note	2024 £m	2023 £m
<b>Fixed assets</b>			
Tangible assets	3	0.5	0.5
Right-of-use leased assets	4	—	0.1
Debtors	6	6.2	—
Investments in subsidiaries	5	180.4	173.6
		<b>187.1</b>	<b>174.2</b>
<b>Current assets</b>			
Debtors	6	10.6	12.4
Cash and cash equivalents		—	—
		<b>10.6</b>	<b>12.4</b>
<b>Creditors: amounts falling due within one year</b>			
Creditors relating to acquisitions due within one year	7	(9.6)	(11.3)
Right-of-use lease liabilities falling due within one year	9	—	(0.5)
		<b>(9.6)</b>	<b>(11.9)</b>
<b>Net current assets</b>			
		<b>1.0</b>	<b>0.5</b>
<b>Total assets less current liabilities</b>			
		<b>188.1</b>	<b>174.7</b>
<b>Creditors: amounts falling due after more than one year</b>			
Creditors: amounts falling due after more than one year	8	(67.6)	(52.2)
Right-of-use lease liabilities falling due after more than one year	9	—	—
		<b>(67.6)</b>	<b>(52.2)</b>
<b>Total net assets</b>			
		<b>120.5</b>	<b>122.5</b>
<b>Capital and reserves</b>			
Called up share capital	11	0.3	0.3
Share premium	11	19.2	17.7
Other reserves		24.9	24.9
Retained earnings		76.1	79.6
<b>Shareholders' funds</b>			
		<b>120.5</b>	<b>122.5</b>

The accompanying notes form an integral part of these financial statements.

In accordance with the exemptions permitted by section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company has not been presented. Profit for the year totalled £2.4m (2023: £9.7m).

These parent company financial statements were approved by the Board on 2 April 2025.

  
David Cicurel (Apr 2, 2025 22:55 GMT+3)

**David Cicurel**  
**Director**

  
Brad Ormsby (Apr 2, 2025 19:27 GMT+1)

**Brad Ormsby**  
**Director**

# Parent company statement of changes in equity

For the year ended 31 December 2024

	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Total equity £m
<b>At 1 January 2024</b>	<b>0.3</b>	<b>17.7</b>	<b>24.9</b>	<b>79.6</b>	<b>122.5</b>
Dividends	—	—	—	(6.5)	(6.5)
Issue of share capital	—	1.5	—	—	1.5
Purchase of own shares for Company reward scheme	—	—	—	(0.1)	(0.1)
Tax on Company reward scheme shares awarded	—	—	—	(0.1)	(0.1)
Deferred tax on share-based payments	—	—	—	(0.5)	(0.5)
Share-based payments	—	—	—	1.3	1.3
<b>Transactions with owners</b>	<b>—</b>	<b>1.5</b>	<b>—</b>	<b>(5.9)</b>	<b>(4.4)</b>
Profit for the year	—	—	—	2.4	2.4
<b>Total comprehensive income for the year</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2.4</b>	<b>2.4</b>
<b>At 31 December 2024</b>	<b>0.3</b>	<b>19.2</b>	<b>24.9</b>	<b>76.1</b>	<b>120.5</b>
<b>At 1 January 2023</b>	<b>0.3</b>	<b>17.2</b>	<b>2.0</b>	<b>74.5</b>	<b>94.0</b>
Dividends	—	—	—	(5.7)	(5.7)
Issue of share capital	—	0.5	22.9	—	23.4
Purchase of own shares for Company reward scheme	—	—	—	(0.1)	(0.1)
Tax on Company reward scheme shares awarded	—	—	—	(0.1)	(0.1)
Deferred tax on share-based payments	—	—	—	0.1	0.1
Share-based payments	—	—	—	1.2	1.2
<b>Transactions with owners</b>	<b>—</b>	<b>0.5</b>	<b>22.9</b>	<b>(4.6)</b>	<b>18.8</b>
Profit for the year	—	—	—	9.7	9.7
<b>Total comprehensive income for the year</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>9.7</b>	<b>9.7</b>
<b>At 31 December 2023</b>	<b>0.3</b>	<b>17.7</b>	<b>24.9</b>	<b>79.6</b>	<b>122.5</b>

The accompanying notes form an integral part of these financial statements.

# Notes to the parent company financial statements

For the year ended 31 December 2024

## 1. Statement of compliance

The financial statements were prepared in accordance with FRS 101 Reduced Disclosure Framework.

## 2. Summary of significant accounting policies

### **Basis of preparation**

As permitted by FRS 101, for both periods presented, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of a cashflow statement, share-based payments, fair value measurements, comparative reconciliations for tangible and intangible assets, standards not yet effective, related party transactions with other wholly owned members of the Group, and key management personnel compensation.

The financial statements have been prepared on the historical cost basis.

Equivalent disclosures and accounting policies are, where required, given in the publicly available Group financial statements of Judges Scientific plc.

The relevant accounting policies for the parent company financial statements that are disclosed in note 2 to the Group financial statements are as follows:

- tangible fixed assets (property, plant and equipment);
- taxation;
- employee benefits – defined contribution plans;
- share-based employee compensation;
- foreign currencies;
- leases;
- equity;
- dividends;
- other income; and
- financial assets and liabilities.

The accounting policies relevant only for the parent company are as follows:

### **Investments**

Fixed asset investments in subsidiaries are stated at cost, including directly attributable transaction costs less provision for impairment.

### **Financial assets and liabilities**

Financial assets relevant to the parent company consist of cash and cash equivalents, amounts owed by Group companies, other debtors and derivatives. Except for amounts owed by Group companies, which are held at amortised cost and accounted for consistent with the Group's trade debtors, all other policies are included in the Group accounting policies.

Financial liabilities include creditors and borrowings, including bank loans, trade and other payables, amounts owed to Group companies, accruals, contingent consideration and lease liabilities. Except for amounts owed to Group companies, which are held at amortised cost and accounted for consistent with the Group's trade payables, all other policies are included in the Group accounting policies.

### **Use of key accounting estimates and judgements**

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimates is contained in the accounting policies and/or the notes to the financial statements, and the key areas are summarised below.

### **Key judgements**

Fair value assessment of business combination consideration – disclosed in the Group accounting policies.

### **Sources of estimation uncertainty**

The carrying value of investments is assessed based on the current trading performance, the expected future performance and net assets of the investment. If actual results differ or changes in expectations arise, impairment charges may be required which would adversely impact the parent company result. See note 13 to the Group accounts for a summary of the key assumptions for the value in use calculations.

### 3. Tangible assets

	Property and leasehold improvements £m	Fixtures, fittings and equipment £m	Total £m
<b>Cost</b>			
<b>1 January and 31 December 2024</b>	0.8	0.1	0.9
<b>Depreciation</b>			
1 January 2024	0.3	0.1	0.4
Charge for the year	—	—	—
<b>31 December 2024</b>	0.3	0.1	0.4
<b>Net book value – 31 December 2024</b>	<b>0.5</b>	<b>—</b>	<b>0.5</b>
Net book value – 31 December 2023	0.5	—	0.5

### 4. Right-of-use leased assets

	Property £m	Total £m
<b>Cost</b>		
<b>At 1 January and 31 December 2024</b>	0.3	0.3
<b>Depreciation</b>		
1 January 2024	0.2	0.2
Charge for the year	0.1	0.1
<b>31 December 2024</b>	0.3	0.3
<b>Net book value – 31 December 2024</b>	<b>—</b>	<b>—</b>
Net book value – 31 December 2023	0.1	0.1

### 5. Investments in subsidiaries

	2024 £m	2023 £m
<b>Carrying value</b>		
1 January	173.6	172.5
Additions	15.1	3.6
Impairment of investment in a subsidiary	(8.3)	(2.5)
<b>31 December</b>	<b>180.4</b>	<b>173.6</b>

Additions in 2024 relate to the acquisition of Magsputter Limited, the parent company of Teer Coatings Limited. 2023 additions relate to the acquisition of Henniker Scientific Limited.

The same impairment review relating to the carrying value of the parent company investments was performed as per note 13 to the consolidated financial statements. It identified indicators of impairment in one investment, Geotek, due to its subdued performance in 2024. A £8.3m impairment has therefore been recorded to reduce the investment carrying value from £99.7m to £91.4m which remains higher than the earnings multiple on which the business was acquired.

The Company's subsidiaries at 31 December 2024, including those acquired during 2024, are incorporated and domiciled in the United Kingdom (except as stated), and are listed as follows:

Company	Principal activity	Class of shares	% held
Aitchee Engineering Limited	Manufacture of engineering parts and finished products	Ordinary £1	100%
Armfield Inc. (USA)*	Sale of research and training equipment	Common Shares	100%
Armfield Limited	Design and manufacture of research and training equipment	Ordinary £1	100%
Bossa Nova Vision Inc. (USA)*	Design and manufacture of systems to test the mechanical properties of fibres	Common Shares	100%
CoolLED Limited	Design and manufacture of illumination systems for fluorescence microscopy	Ordinary £1	100%
Deben UK Limited	Design and manufacture of devices to enable observation of objects under a microscope	Ordinary £1	100%
Dia-Stron Inc. (USA)*	Sale of systems to test the mechanical properties of fibres	Common Shares	100%
Dia-Stron Limited	Design and manufacture of systems to test the mechanical properties of fibres	Ordinary £1	100%
EWB Solutions Limited	Design and manufacture of edge-welded bellows	Ordinary £1	100%
Fire Testing Technology Limited	Design and manufacture of fire testing instruments	Ordinary £1	100%
Fire Testing Technology Inc*	Sale of fire testing instruments	Common Shares	100%
Geotek Coring Inc. (USA)*	Geotechnical service provider	Common Shares	100%
Geotek Coring Limited	Geotechnical service provider	Ordinary £1	100%
Geotek Do Brazil Ltda (Brazil)*	Geotechnical service provider	Common Shares	82%
Geotek Holding Limited	Holding company	Ordinary £1	100%
Geotek Limited*	Design and manufacture of geotechnical instruments and supply of geotechnical services	Ordinary £1	100%
Geotek Hong Kong Limited *	Geotechnical service provider	Common Shares	100%

Company	Principal activity	Class of shares	% held
Global Digital Systems Limited	Design and manufacture of instruments used to test the physical properties of soil and rocks	"A" and "B" Ordinary £1	100%
Henniker Scientific Limited	Design and manufacture of plasma and surface science applications	Ordinary £1	100%
Judges Scientific (Shanghai) Co. Limited.	Sale of scientific instruments	Common Shares	100%
Korvus Technology Limited	Design and manufacture of deposition systems	Ordinary £1	100%
Moorfield Nanotechnology Limited*	Design, manufacture and distribution of instruments that prepare samples for examination in electron microscopes	Ordinary £1	100%
Oxford Cryosystems Limited	Design, manufacture and marketing of products for crystallography and other markets	Ordinary £1	100%
PE.fiberoptics Limited	Design and manufacture of fibre-optic testing instruments	Ordinary 1p	100%
Quorum Technologies Limited	Design, manufacture and distribution of instruments that prepare samples for examination in electron microscopes	Ordinary £1	100%
Scientifica Limited	Design and manufacture of instruments used in electrophysiology	Ordinary £1	100%
Scientifica LLC (USA)*	Sale of instruments used in electrophysiology	Common Shares	100%
Sircal Instruments (U.K.) Limited*	Design, manufacture and distribution of rare gas purifiers for use in metals analysis	Ordinary £1	100%
Spectra Map Limited*	Geotechnical service provider	Ordinary £1	100%
Thermal Hazard Technology Inc. (USA)*	Sale of calorimeters	Common Shares	100%
Thermal Hazard Technology Limited	Design and manufacture of calorimeters	Ordinary £1	100%
UHV Design Limited	Design and manufacture of instruments used to manipulate objects in ultra-high vacuum chambers	Ordinary £1	100%
Armfield Technical Education Company Limited*	Dormant	Ordinary £1	100%
Bordeaux Acquisition Limited	Dormant	Ordinary £1	100%
Crystallon Limited*	Dormant	Ordinary £1	100%
EM Technologies Limited*	Dormant	Ordinary £1	100%
FTT Scientific Limited*	Dormant	Ordinary £100	100%
Gatehouse Engineering Limited*	Dormant	Ordinary £1	100%
GDS Instruments Limited*	Dormant	Ordinary £1	100%
Heath Scientific Company Limited*	Dormant	Ordinary £1	100%
Judges Capital Limited	Dormant	Ordinary £1	100%
Judges Scientific (Dublin) Limited (Ireland)	Dormant	Ordinary €1	100%
Polaron Instruments Limited*	Dormant	Ordinary £1	100%
Stanton Redcroft Limited*	Dormant	Ordinary £1	100%
<b>Acquired during 2024</b>			
Magsputter Limited	Holding company	Ordinary £1	100%
Teer Coatings Limited *	Design and manufacture of coating instruments and provision of coating services.	Ordinary £1	100%
Dong Guan Art Teer*	Dormant	Common Shares	100%
Rockwash Geodata Limited *	Geotechnical service provider	Ordinary £1	100%
Rockwash Geodata India Private Limited*	Geotechnical service provider	Common Shares	95.5%
Luciol Instruments SA*	Design and manufacture of systems to measure optic fibre properties	Common Shares	100%

\*Indirectly held.

The head office for each of the UK subsidiaries is 52c Borough High Street, London SE1 1XN.

The address for each of the US subsidiaries is 9 Trenton–Lakewood Road, Clarksburg NJ 08510, USA, with the exception of Geotek Coring Inc., whose address is 3350 W Directors Row Suite 600, Salt Lake City, Utah 84194, USA, and Bossa Nova Vision which is 5777 W Century Blvd, Los Angeles, CA 90045, USA.

The address for Geotek do Brazil Ltda is 50, AV. Nilo Pecanha, Sala 2701, Centro, Rio De Janeiro, RJ, Brazil, and the address of Judges Scientific (Shanghai) Co. Ltd. is Floor 1-2, Building 4, No. 1628 Lizheng Road, Lingang, FTZ, Shanghai, 201304, P.R. China and Geotek Hong Kong is Unit 1003, 10/F, Shanghai Industrial investment building, 48-62 Hennessy Road, Wanchai, Hong Kong.

The address for Luciol is Route Suisse 7b 1295 Mies, Switzerland and the address for Rockwash Geodata India is 2/4, Patrika Marg Civil Lines Allahabad Pradesh India 211001

## 6. Debtors

	2024 £m	2023 £m
Amounts owed by Group companies	12.0	8.1
Prepayments and accrued income	1.0	0.6
Deferred tax asset (note 10)	1.7	1.8
Corporation tax recoverable	0.4	0.2
Interest rate swap	1.1	1.1
Other debtors	0.6	0.6
	<b>16.8</b>	<b>12.4</b>
<b>Current</b>	<b>10.6</b>	<b>12.4</b>
<b>Non-current</b>	<b>6.2</b>	<b>—</b>

Except as stated, all amounts are recoverable in less than one year. In accordance with IFRS 9, expected credit losses for amounts due from subsidiaries have been determined at inception. There has been no significant increase in credit risk associated with the amounts due since initial recognition. All intercompany balances are expected to be recovered via the operating cashflows of the related subsidiary entities. Non-current receivables relate to amounts owed by Group companies where repayment is not expected to be within the next twelve months.

The Company enters into derivative financial instruments in order to manage its interest rate and foreign currency exposure. The principal derivatives used include interest rate swaps and foreign currency forward contracts and options. The fair value of the interest rate swaps is an asset of £1.1m (2023: £1.1m). In addition the fair value of foreign currency financial instruments is a liability of £0.2m (2023: £0.1m), held within creditors.

## 7. Creditors: amounts falling due within one year

	2024 £m	2023 £m
Bank overdraft	1.7	0.7
Current portion of bank loans	—	6.2
Trade creditors	0.6	0.7
Amounts owed to Group companies	5.7	—
Social security and other taxes	0.3	1.7
Other creditors	0.8	0.6
Accruals and deferred income	0.5	1.4
	<b>9.6</b>	<b>11.3</b>

Creditors relating to acquisitions totalled £nil (2023: £0.5m).

Overdraft facilities totalling £5m are available to the parent company as part of the Group's bank facility. As part of this facility the Group is able to set off overdraft balances against existing Sterling cash balances.

## 8. Creditors: amounts falling due after more than one year

	2024 £m	2023 £m
Bank loans	67.6	52.2

The bank loans are detailed in note 22 of the consolidated financial statements of the Group.

## 9. Right-of-use lease liabilities

The movement in the right-of-use lease liability over the year was as follows:

	2024 £m	2023 £m
At 1 January	0.1	0.1
Interest payable	—	—
Repayments of lease liabilities	(0.1)	—
<b>At 31 December</b>	<b>—</b>	<b>0.1</b>

Lease liabilities mature as follows:

	2024 £m	2023 £m
<b>Minimum right-of-use lease liabilities falling due</b>		
Within one year – land and property	—	0.1
Within one year – fixtures, fittings and equipment	—	—
	—	0.1
Between one and five years – land and property	—	—
Between one and five years – fixtures, fittings and equipment	—	—
	—	—
<b>Total commitment</b>	—	0.1
Less: finance charges included above	—	—
<b>Net present value of lease liabilities</b>	—	0.1
<b>Current</b>	—	0.1
<b>Non-current</b>	—	—

#### 10. Deferred tax asset

	2024 £m	2023 £m
1 January	1.9	1.5
Credit to the Consolidated Statement of Comprehensive Income in the year	0.3	0.3
(Charge)/credit to equity in the year	(0.5)	0.1
31 December	1.7	1.9
Deferred tax balances relate to temporary differences as follows:		
Provisions allowable for tax in subsequent periods	—	(0.1)
Share options	1.7	2.0
	1.7	1.9

Finance Act 2021 which was substantively enacted on 24 May 2021 included provisions to increase the corporation tax rate to 25% effective from 1 April 2023 and this rate has been applied when calculating the deferred tax at the year end.

#### 11. Share capital, share premium and share-based payments

Details relating to the parent company's share capital are set out in notes 25 and 26 to the consolidated financial statements.

#### 12. Related party transactions

The Company is exempt under the terms of FRS 101.8 from disclosing transactions with its wholly owned subsidiaries.

Dividends paid in the year to Directors who hold shares amounted to £0.8m in aggregate (2023: £0.8m).

See note 33 to the consolidated financial statements for disclosure on the 2023 related party transaction with Charles Holroyd, a Judges Non-Executive Director.

#### 13. Directors and employees

	2024 £m	2023 £m
<b>Staff costs (including Directors)</b>		
Wages and salaries	2.0	2.2
Social security costs	0.2	0.3
Other pension costs	0.1	0.1
	2.3	2.6
<b>Total Directors' emoluments</b>		
Emoluments	1.5	1.7
Defined contribution pension scheme contributions	—	—
	1.5	1.7

During 2024 one Director exercised options over the Ordinary shares of the Company (2023: no Directors).

	2024 £m	2023 £m
<b>Emoluments of the highest paid Director</b>		
Emoluments	0.4	0.5

During the year, two Directors participated in a defined contribution pension scheme (2023: two).

	2024 Number	2023 Number
<b>Average number of persons employed</b>		
Directors	9	9
Administrative staff	9	7
Total	18	16

# Company information

## **Directors**

Ralph Julian Elman (Non-Executive Chair)  
David Elie Cicurel (Chief Executive)  
Bradley Leonard Ormsby (Chief Financial Officer)  
Mark Stephen Lavelle (Chief Operating Officer)  
Tim Prestidge (Group Business Development Director)  
Ian Wilcock (Group Commercial Director) (appointed 2 September 2024)  
Sue Nyman (Non-Executive Director)  
The Hon. Alexander Robert Hambro (Non-Executive Director)  
Charles John Arthur Holroyd (Non-Executive Director)  
Lushani Kodituwakku (Non-Executive Director)

## **Company Secretary**

Glynn Carl Reece

## **Registered Office**

52c Borough High Street  
London SE1 1XN

## **Registrar**

### ***Link Group***

Unit 10, Central Square  
29 Wellington Street  
Leeds LS1 4DL

## **Nominated Adviser**

### ***Shore Capital and Corporate Ltd***

Cassini House  
57 St. James's Street  
London SW1A 1LD

## **Stockbrokers**

### ***Shore Capital Stockbrokers Ltd***

Cassini House  
57 St. James's Street  
London SW1A 1LD

### ***Liberum Capital Limited***

Ropemaker Place  
25 Ropemaker Street  
London EC2Y 9LY

### ***Investec Bank Plc***

30 Gresham Street  
London  
EC2V 7QP

## **Auditor**

### ***BDO LLP***

2 City Place  
Beehive Ring Road  
Gatwick RH6 0PA

## **Bankers**

### ***Lloyds Bank Corporate Markets***

25 Gresham Street  
London EC2V 7HN

### ***Santander UK plc***

1 Cornwall Street  
Birmingham B3 2DX

### ***Bank of Ireland***

Bow Bells House  
1 Bread Street  
London EC4M 9BE

**Solicitors**

***Sidley Austin LLP***

70 St. Mary Axe  
London EC3A 8BE

**Financial PR**

***Alma strategic communications Ltd***

71-73 Carter Lane  
Moorgate  
London EC4V 5EQ

Registered in England and Wales, company no. 04597315











# Judges Scientific plc - Statutory Accounts 2024 - vf


Final Audit Report

2025-04-02

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