

Annual Report & Audited Financial Statements

SRJ Technologies Group Plc

ARBN 642 229 856

31 December 2025





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SRJ Technologies Group Plc

Chair statement

Dear Shareholder,

It is my privilege to present the 2025 Annual Report for SRJ Technologies Group plc (SRJ or the Company). This year marks a clear turning point for the Group as we transitioned from a period of recalibration to one of disciplined execution and growth re-acceleration.

Following the challenges experienced in 2024, the Board and management entered 2025 with a singular focus: to stabilise the business, strengthen our operating platform, and position SRJ for sustainable, long-term growth. While we made progress against a number of these objectives, the financial and operational results for 2025 were below our expectations. We recognise that the outcomes delivered do not yet reflect the full benefits of the work undertaken. We remain committed to executing our strategy and building a stronger, more resilient platform for future growth and, as we exit the year, I am pleased to say we are in a materially stronger position, with an improved operating structure, a stronger commercial pipeline, and a clear line of sight to recurring revenue.

A key milestone during the year was the full integration and restructuring of Air Control Entech Limited ("ACE UK"). The business is now fully embedded within the Group, with a simplified structure, aligned processes, and a clearer strategic role supporting SRJ's broader asset integrity offering. This integration has enhanced our technical capabilities and removed legacy inefficiencies that had constrained performance.

Commercially, we have made tangible progress. New Business Development Managers were appointed in both the Middle East and Aberdeen, and early traction has been encouraging, with contracts secured with blue-chip clients in both regions. Importantly, these wins reflect a shift towards higher-quality, repeatable work aligned with our core asset integrity strategy, rather than opportunistic or low-margin activity.

While some opportunities in the Middle East have experienced timing delays, partly influenced by broader regional developments, client engagement and underlying demand in the region remain strong.

Operational execution has been materially strengthened under the leadership of our Chief Executive Officer, Kurt Reeves. A comprehensive Group-wide restructure was completed during the year, delivering approximately £500,000 in annualised cost savings. In parallel, a new Operations Director was appointed and located in the Middle East, further reinforcing our ability to deliver safely, efficiently, and at scale in our key growth market.

2025 represents the year in which SRJ's growth strategy moved decisively from planning into execution. The Group completed its first strategic acquisition, securing the National Oil Company (NOC) approvals required to progress our core asset integrity services. This is a critical enabler for long-term, recurring revenue in the Middle East and underpins our ambition to become a trusted, integrated inspection, asset integrity, and maintenance partner to major operators.

As we move into 2026, the Group is transitioning from platform establishment into an execution phase, with a focus on converting pipeline opportunities and delivering secured contracts.

Leadership and governance were also strengthened during the year. Kurt is now fully embedded and delivering across all fronts — operational performance, cost discipline, commercial momentum, and strategic execution. The Middle East regional headquarters is fully established and operational, with first call-offs from joint ventures expected in Q2 2026.

The Board was refreshed to ensure we have the technical depth required to support our expanding drone, robotics, and data-driven inspection capabilities. We welcomed Jason De Silveira, founder of Nexxis Australia, whose experience materially strengthens our technical oversight. To maintain a lean and effective Board structure, Alexander Wood stepped down during the year. The Board now comprises a balanced mix of operational, engineering, and capital markets expertise, positioning SRJ well for its next phase of growth.

SRJ Technologies Group Plc

Chair statement (continued)

Looking ahead to 2026, we expect continued momentum in line with our strategic plan. Our focus will be on expanding our integrated inspection, asset integrity, and maintenance services across the Middle East, supported by a growing pipeline and a sound cash position aligned with our budgeted plans. We will continue to assess joint venture opportunities and selective bolt-on acquisitions, with commercial discipline, where they clearly enhance our service offering and align with our long-term growth strategy.

On behalf of the Board, I would like to thank our employees for their commitment and professionalism during a year of significant change. I also extend my sincere appreciation to our shareholders for their continued support as we reposition SRJ for sustained value creation.

We enter 2026 with renewed confidence, a stronger foundation, and a clear strategy. The Board is confident that SRJ is now well positioned to deliver consistent growth and long-term returns for all stakeholders.

Yours sincerely,



George Gourlay, Chair
SRJ Technologies Group Plc

SRJ Technologies Group Plc

Company Information

For the year ended 31 December 2025

Directors	George Gourlay Alexander Wood (resigned 2 June 2025) Roger Smith Stefan McGreevy (resigned 2 June 2025) Giles Bourne Jason De Silveira (appointed 4 November 2025)
Company Secretary	Benjamin Donovan
Registered Number	115590
Registered Office <i>Jersey</i>	Le Quai House Le Quai d'Auvergne St Helier Jersey, JE2 3TN Telephone: +(44) 01534 626818
<i>Australia</i>	c/- Argus Corporate Partners Pty Ltd Level 4, 225 St Georges Terrace Perth WA 6000 Telephone: +(61) 401 248 048
Independent Auditor	Grant Thornton Limited Kensington Chambers 46/50 Kensington Place St Helier Jersey JE1 1ET
Accountants	Moore Stephens Accounting & Taxation Services (Jersey) Limited 1 Waverley Place Union Street St Helier Jersey, JE4 8SG
Bankers	Barclays Bank Plc 13 Library Place St Helier Jersey, JE4 8NE
Lawyers	Mourant 22 Grenville Street St Helier Jersey, JE4 8PX

SRJ Technologies Group Plc

Directors' Report

For the year ended 31 December 2025

The directors present their report and the financial statements of SRJ Technologies Group Plc (the "Company") and its subsidiaries (together the "Group") for the year ended 31 December 2025.

Principal Activity

The principal activity of the Company is the holding of investments in the following subsidiaries:

Subsidiary	Percentage Ownership	Country of Incorporation
SRJ Limited	100%	Jersey
SRJ Technology Limited	100%	United Kingdom
SRJ Tech Australia Pty Limited	100%	Australia
Acorn Intellectual Properties Limited	100%	Jersey
Air Control Entech Limited	100%	Scotland
First Avenue General Contracting Sole Proprietorship LLC	100%	United Arab Emirates
Air Control Entech Survey LLC	99%	United Arab Emirates

SRJ Limited, SRJ Technology Limited and SRJ Tech Australia Pty Limited deliver integrated asset integrity maintenance, engineering and technology-enabled services to the energy, industrial and maritime industries. Asset integrity maintenance involves the provision of embedded site-based maintenance, advanced inspection, predictive monitoring and repair solutions designed to prevent asset failures and extend asset life. The services are focused on maintaining and assuring the integrity of critical mechanical and pressure containment systems, supporting safe, reliable and compliant operations across operating facilities. SRJ's asset integrity and maintenance services support asset owners in the development, implementation and execution of long-term lifecycle integrity strategies, including regulatory compliance requirements applicable to critical mechanical and pressure containment systems.

During the prior year the Company acquired 100% of the share capital of Air Control Entech Limited ("ACE UK"), which provides remote inspection services utilising advanced robotics and custom Unmanned Aerial Vehicle (UAV) technologies. By providing advanced robotic and UAV systems, ACE UK is revolutionising asset inspection by removing people's exposure to high-risk environments and providing accurate and repeatable inspection data. Acorn Intellectual Properties Limited has the primary activity of holding intellectual property.

During the year the Company acquired 100% of First Avenue General Contracting Sole Proprietorship LLC ("First Avenue") a UAE entity registered with a regional NOC that holds pre-qualifications relevant to the Group's business. The acquisition provides a pathway to direct access to NOC tenders and regional client engagement together with a fast-tracked capability to deliver on strategic commercial opportunities in the Middle East.

During the year a new Group company in the UAE, Air Control Entech Survey LLC ("ACE UAE") was incorporated. ACE UK owns 99% of the UAE entity. This development significantly enhances ACE's regional presence in the Middle East and is aligned with its broader strategic expansion plan. The company has been set up as the operating entity through which ACE UK will conduct its business activities in the region.

SRJ Technologies Group Plc

Directors' Report

For the year ended 31 December 2025

Review of Operations and Financial Position

Review of Activities

A summary of key milestones achieved during 2025, include the following:

- **Strategy:** Strategic transformation into a full-scale Asset Integrity Maintenance provider with operational headquarters in Abu Dhabi. The Company's registered office and place of incorporation remain unchanged.
- **Leadership transition:** Industry veteran Kurt Reeves was appointed as the new Chief Executive Officer and Alexander Wood stepped down as part of the transition .
- **Regional acquisition:** Acquired an NOC registered UAE entity to create a pathway for direct access to NOC tenders and regional client engagement together with a fast-tracked capability to deliver strategic commercial opportunities in the Middle East.
- **NED appointment:** Appointed Jason de Silveira, a pioneer in robotics and inspections as a Non-Executive Director. Jason possesses significant experience in technology commercialisation and advanced manufacturing, with strong connections in Oil & Gas.
- **New entity Incorporation:** a new Group company in the UAE, Air Control Entech Survey LLC was incorporated, significantly enhancing ACE's regional presence in the Middle East and aligning with the broader strategic expansion plan.
- **Campaign for Supermajor:** Inspection contract secured and delivered with Oil & Gas Supermajor with a value of £695k (A\$1.45m) for inspection and emissions monitoring on North Sea Assets in 2025.
- **Asset Integrity contract:** Secured and delivered a further contract awarded for the development of an Asset Integrity system for a global FPSO operator valued at £160k (A\$333k). This extension secured a total of £218k (A\$454k) in revenue for 2025 from this global operator.
- **Middle East & Regional Growth:** Signed a strategic Joint Venture agreement with an NOC-registered entity to deliver a multi-year scope of work in the Middle East valued at more than US\$6m.
- **BoltEx® Sales:** Secured and delivered a contract with a global procurement specialist for the supply of BoltEx® to an FPSO operator in Guyana valued at US\$269k (A\$410k).
- **Partnerships:** Executed a further Joint Venture agreement to deliver a multi-year scope of work in the Middle East with a contract value of US\$23.8m over four years. Work will be released via individual call-off orders ("Call-Off"), each detailing specific scope, timing and value. The quantum and timing of SRJ's revenues and margins cannot be reliably estimated as it will depend on the volume and nature of each Call-Off and SRJ's role in each.
- **Completion of Capital Raise:** The Company conducted an 8-for-9 ANREO(rights issue) to raise ~A\$2.54m via 633.85m new CDIs, announced 1 August 2025 and a A\$356.6k placement to institutional and sophisticated investors announced on 24 July 2025.

Acquisition of ACE UK in prior year

During the year, the Group continued to integrate and develop the digital inspection and emissions monitoring capabilities acquired through the purchase of Air Control Entech Limited in the prior year, with a focus on operational execution and commercial scaling.

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Directors' Report

For the year ended 31 December 2025

Leadership Transition

During the year the Company appointed Kurt Reeves as Chief Executive Officer. Kurt's industry experience, commercial expertise, leadership capability and track record of delivering transformative growth will support the Group's strategy to deliver long-term market expansion and transformative growth.

Kurt is an experienced executive with over 22 years' experience in asset integrity management in the energy and maritime sectors. With Chair George Gourlay as Chair and a refreshed Board with the appointment of Jason De Silveira as a Non-Executive Director, SRJ now has the leadership in place to drive its next phase of strategy execution.

Financial Position

Revenue for the year decreased by 11% to £1,835,115 (2024: £2,065,654), primarily due to timing delays in respect of Group opportunities in the Middle East and reduced Asian client activity within the legacy SRJ operations. The Group's EBITDA loss increased from £934k in the prior year to £2,260k in the current year, reflecting the combined impact of revenue pressures, changes in sales mix, and elevated operating costs, including certain non-recurring items. While ACE UK's revenue remained broadly consistent year-on-year, the legacy SRJ operations experienced a reduction predominately due to a substantial decline in revenue from an Asian client affected by regulatory and jurisdictional uncertainty. Gross margin decreased as ACE UK's lower relative margin solutions constituted a significantly larger proportion of total sales. In addition, the UAE acquisition was required to be expensed immediately under UK accounting standards, as it did not meet the definition of a business combination, thereby increasing costs in the period. Operating expenses further increased due to the full-year consolidation of ACE UK and the inherent lead times associated with implementing cost-reduction initiatives, although annualised salary expenditure has begun to decrease following headcount reductions and role realignments. Additional non-cash share-based payment charges and higher rental costs arising from expanded facilities also contributed to the increased EBITDA loss.

Despite these results, the Group's cash position as at 31 December 2025 was £610,176 (2024: £636,986). Coupled with the short-term debtor position of £635,949 (2024: £1,006,436), this provides sufficient liquidity to support ongoing operations and strategic initiatives. The Board and management continue to monitor the Company's financial position closely to ensure it remains appropriately capitalised to support operational requirements and the execution of its strategy.

Business Strategy and Prospects

Strategic Overview

As part of the leadership transition SRJ Technologies undertook a strategic review across the Group. The key findings and actions were as follows:

Using the results of the review the leadership team developed a new strategy to drive revenues and reduce overheads. SRJ's strategy is to evolve into a fully embedded Asset Integrity Maintenance partner, offering recurring, high-margin, long-term asset maintenance services, bundled with AI-driven predictive maintenance and regulatory compliance requirements applicable to critical mechanical and pressure containment systems.

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Directors' Report

For the year ended 31 December 2025

This 3-year growth strategy is to be implemented through a phased and structured roadmap. This includes the short term action plan

Phase 1 – Foundation and Setup (2025)

Establish operational, organisational, and market entry foundations to support service delivery (including a strategic acquisition), initial client wins and secure initial JV call-off contracts.

Phase 2 - Market Penetration and secure independent contract wins (2026)

Achieve first independent contract awards and begin scaling operations and technology solutions.

Phase 3 - Growth, AI/ESG Scaling, and Regional Expansion (2027)

Scale embedded services, fully integrate AI and regulatory compliance offerings applicable to critical mechanical and pressure containment systems, and solidify regional market presence.

Phase 4 - Market Leadership & Service Integration (2028)

Establish SRJ as a recognised regional market leader in AI and regulatory compliance offerings applicable to critical mechanical and pressure containment systems and as an asset integrity maintenance provider.

Industry trends and Investment priorities

The Group operates in markets characterised by increasing focus on asset integrity, safety, and the use of digital technologies to improve inspection efficiency and data quality. Operators continue to prioritise life extension of existing assets, cost optimisation and risk reduction, while regulatory and stakeholder expectations relating to emissions monitoring and environmental performance remain elevated.

In response to these trends, the Group's investment priorities remain focused on the development and deployment of technology-enabled inspection and asset integrity solutions, including digital inspection, emissions monitoring and data analytics capabilities. The Group also continues to prioritise investment in geographic expansion within the targeted region of the Middle East, operational efficiency, and selective enhancement of service offerings through internal development and, where appropriate, strategic acquisitions.

These priorities are intended to support sustainable growth while maintaining disciplined capital allocation and operational resilience.

Strategic Action Plan

As part of Phase 1 – Foundation and Setup (2025) of the Group's strategic roadmap, management's short-term focus is on establishing the operational, organisational and commercial foundations required to support scalable service delivery and early client engagement. The Board's priorities during this phase include:

- aligning the Group's organisational structure, governance and leadership responsibilities to support the delivery of embedded asset integrity maintenance services across key regions;
- strengthening sales, commercial and bid management processes, with a focus on progressing framework agreements, joint venture arrangements and initial call-off contracts with targeted customers;
- implementing disciplined cost control and overhead reduction initiatives, supported by improved resource allocation and operational efficiency measures;
- integrating the Group's digital inspection, emissions monitoring and data capabilities into a more unified service offering to support recurring service delivery; and
- progressing selective strategic initiatives, including partnerships or acquisitions, where these are considered to accelerate market entry or enhance service capability during the foundation phase.

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Directors' Report

For the year ended 31 December 2025

Principal Risks and Uncertainties

The Group reported a loss for the year ended 31 December 2025 and continues to implement its Middle East expansion strategy. The Board considers the following to be the principal risks and uncertainties that could materially affect the Group's financial performance, position or prospects.

- Liquidity and Funding Risk

The Group's ability to continue as a going concern is dependent on the timing and quantum of sales and associated cash inflows. While contracted asset integrity work has been secured in the Middle East and purchase orders have been received for 2026, additional revenue is expected from identified pipeline opportunities.

There can be no assurance as to the level or timing of such sales or cash receipts. Should anticipated sales not materialise, contracted activity be delayed or working capital movements be adverse, the Group may require additional funding. Any such funding may not be available on commercially reasonable terms and could result in dilution of existing shareholders.

The Board mitigates this risk through rolling cash flow forecasting, active working capital management and ongoing operational efficiency initiatives aimed at reducing cash outflows.

- NOC Qualification and Licensing Risk

The Group's Middle East operations depend on maintaining NOC registration and required operating licences, all of which are currently in place. Continued qualification is subject to regulatory compliance and renewal requirements.

Loss or suspension of NOC registration or licences could restrict the Group's ability to tender for and execute regional contracts, adversely affecting revenue expectations that underpin forecast cash flows.

Compliance obligations are monitored on an ongoing basis with local advisory support and Board oversight.

- Strategic Execution and Pipeline Conversion Risk

The Group's forecasts assume conversion of identified opportunities in addition to contracted work. Revenue generation is dependent on securing and mobilising further asset integrity contracts in the region.

Delays in contract awards, slower-than-expected mobilisation, or reduced margins may impact forecast cash inflows and profitability.

The Group mitigates this risk through disciplined bid evaluation processes, strengthened regional leadership and alignment of its cost base to expected activity levels.

- Joint Venture and Contract Performance Risk

The Group participates in joint venture arrangements to deliver NOC-related services. Returns are dependent on effective contract execution, cooperation between parties and timely receipt of payments.

Cost overruns, delays, counterparty disputes or performance penalties could reduce profitability and affect cash flow assumptions included in forecasts.

Project performance is monitored through defined governance arrangements and structured oversight processes.

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Directors' Report

For the year ended 31 December 2025

- Market and Revenue Volatility Risk

The Group operates in sectors influenced by energy market conditions and customer capital expenditure cycles. Project timing delays contributed to the 2025 financial performance.

Further deferrals or reductions in customer activity may result in earnings volatility and impact expected sales volumes.

The Group seeks to increase the proportion of recurring maintenance services to improve revenue visibility.

- Operational and Margin Risk

Certain contracts are delivered under fixed-price or performance-based arrangements, exposing the Group to cost estimation and delivery risk.

Unforeseen execution challenges or cost increases may reduce margins and affect forecast profitability.

Structured contract review and project management controls are applied to mitigate this risk.

- Regulatory, Health and Safety Risk

The Group operates in regulated jurisdictions and industrial environments. Failure to maintain compliance with regulatory or safety standards could result in penalties, operational restrictions or reputational damage, with potential financial consequences.

Compliance monitoring and formal health and safety management systems are in place.

- Key Personnel Risk

The Group's performance depends on retaining experienced management and technically skilled personnel, particularly in the Middle East.

Loss of key personnel or recruitment challenges could affect delivery capability and revenue generation.

Succession planning and targeted recruitment strategies are maintained to address this risk.

Significant Changes in State of Affairs

Other than what is reported in the directors' report, there were no significant changes in the state of affairs of the Company during the financial year.

Earnings Per Share

	2025	<i>2024</i>
	£	<i>£</i>
Loss for the year	(3,514,975)	<i>(1,485,110)</i>
Weighted average number of shares	919,084,653	<i>336,572,051</i>
Basic and diluted loss per share	<u>(0.004)</u>	<u><i>(0.004)</i></u>

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Directors' Report

For the year ended 31 December 2025

Going Concern

The Group made a loss for the year of £3,514,975 (31 December 2024: £1,485,110) and as at 31 December 2025 was in a net asset position of £9,225,855 (31 December 2024: £10,932,998) and a net current asset position of £76,605 (2024: £669,493). In assessing the appropriateness of preparing the financial statements on a going concern basis, the Directors have prepared detailed cash flow forecasts covering a period of at least twelve months from the date of approval of these financial statements and have performed sensitivity analyses to assess the Group's ability to meet its liabilities as they fall due.

The forecasts are based on a number of key financial assumptions, including expectations regarding revenue growth and the impact of operational cost reductions. The Group has materially reduced its cost base over the past financial year through headcount reductions and organisational restructuring, and the post year end divestment of non-core operations. These measures have significantly lowered the annualised operating expense run rate entering the 2026 financial year.

In addition, the Group's internal forecasts assume a material increase in revenues relative to prior periods, driven by contracted revenues already secured for 2026 and, whilst not contractually committed, a growing pipeline of advanced-stage opportunities, the latter of which are not contractually committed. The Directors have applied conversion assumptions to this pipeline based on historical win-rates and current commercial activity. The Directors also note that certain near-term opportunities have been identified which, if secured, are expected to generate additional revenues and cash inflows in the short term.

Recent developments and disruption across parts of the Middle East have, however, impacted the timing of certain commercial activities and may affect the timing of revenue realisation and cash inflows. The Directors have considered this in their forecasting and sensitivity analysis.

While the timing and extent of these forecast revenues cannot be guaranteed, the Directors consider the assumptions to be reasonable based on evidence available at the date of approval. The Directors have also considered the availability of further mitigating actions, including additional cost reductions and access to external funding, if required, to support working capital requirements. The Directors do not consider that external funding is required in the base case to enable the Group to continue as a going concern but note that such funding may be pursued to support growth opportunities or to mitigate the impact of downside scenarios should they arise.

Notwithstanding the above, achieving the forecast levels of revenue and converting those revenues into cash in line with forecast assumptions remain subject to uncertainty. The restructured cost base does not depend on forecast revenue levels being achieved, and management retains the flexibility to make further overhead adjustments should revenues be delayed or fall short of expectations. Furthermore, there can be no certainty that additional funding, if required, would be available on acceptable terms or at all.

These factors represent a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. However, taking into account the significant cost reductions implemented, the expected increase in revenue from both contracted and pipeline opportunities, together with the availability of mitigating actions as described above, the Directors consider that the Group will have adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

Dividends

There were no dividends paid in the year under review (2024 - £nil).

Results

The Consolidated Statement of Comprehensive Income for the year is set out on page 31.

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Directors' Report

For the year ended 31 December 2025

Directors

The directors who served during the year and subsequently were:

Alexander Wood	(resigned 2 June 2025)
George Gourlay	
Roger Smith	
Stefan McGreevy	(resigned 2 June 2025)
Giles Bourne	
Jason De Silveira	(appointed 4 November 2025)

Post balance sheet events

Subsequent events have been evaluated up to the date that the financial statements were approved and authorised for issue by the Board of Directors. There have been no material events requiring adjustment or disclosure in these financial statements outside of the events outlined below:

- *Divestment of SRJ Technology Limited* – the Company entered into a Share Sale Agreement to dispose of its 100% interest in SRJ Technology Limited ("SRJ UK"), a UK-incorporated subsidiary, for nominal consideration. The disposal forms part of SRJ's strategic initiative to streamline its corporate structure and reduce overheads associated with non-core activities. Following due consideration, the Board determined that, although the initial intention was to close the operations and liquidate SRJ UK, pursuing a disposal was the more efficient and appropriate course of action. In addition, this solution preserved an established entity through which SRJ could procure ongoing engineering and consultancy support, as required. SRJ UK has not contributed materially to overall group revenue averaged over the last 3 years and those opportunities were non-recurring with no certainty around future revenue streams. Given the significant cost base required to maintain senior consultants, together with sustained pressure to reduce overheads, the decision was taken to proceed with divestment. The disposal removes a loss-making operation and will deliver meaningful overhead savings on a forward-looking basis, thereby improving the Group's cost structure.
- *Contract secured to deliver asset integrity services for an NOC* – the Company's wholly owned subsidiary, First Avenue General Contracting – Sole Proprietorship LLC, secured a purchase order with CAPSA Engineering & Contracting L.L.C. ("CAPSA") for asset integrity services covering the management and supply of a major controls upgrade to be retrofitted to existing equipment, owned and operated by a regional NOC. The NOC is a state-owned integrated energy company in the Middle East responsible for the management, development, and operation of the region's onshore and offshore oil and gas resources, acting on behalf of the region's government. Under the purchase order issued by CAPSA, SRJ has been assigned a significant workstream within the broader project awarded by the NOC (the "Main Contract"). SRJ will be responsible for the delivery of this significant workstream including management, subcontracting, personnel, material supply and associated financing. CAPSA remains contractually responsible to the NOC for the execution of all obligations under the Main Contract. The scope will commence with one unit followed by five subsequent units the sequence and timing of which is yet to be agreed. The purchase order value of US\$879k is expected to be completed within 18-36 months with staged payments in alignment with delivery and installation of the upgrade control systems.
- *Unsecured loan agreement* – the Company entered into an unsecured loan agreement on 25 February 2026 with an existing shareholder, BJS Robb Pty Ltd for USD\$200,000 (or AUD equivalent), bearing interest at 10% per annum and subject to a 6% establishment fee. The loan is not repayable on demand and is repayable only upon completion of a qualifying capital raising of not less than USD\$500,000 (or AUD equivalent), with repayment due within 10 business days of such event. The facility may, by mutual agreement, be converted into equity at a future date.

Subsequent to the reporting date, geopolitical developments in the Middle East have continued to evolve. The Group has ongoing operations and has secured asset integrity projects in the region. Management is closely monitoring the situation and assessing any potential impacts on personnel, operations, project execution and customer activity. At the date of authorisation of these financial statements, the Group's operations and contractual activities in the region continue largely as planned, although the evolving situation may result in changes to project scheduling or timing of contract execution and revenue recognition. Given the ongoing nature of regional developments, the potential financial impact, if any, cannot yet be reliably estimated. The financial statements have not been adjusted in respect of this matter.

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Directors' Report

For the year ended 31 December 2025

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Group are described elsewhere in this report. Following the leadership transition during the year, the Group completed a strategic review and has established a phased, multi-year growth strategy focused on evolving SRJ into an embedded asset integrity maintenance partner, delivering recurring, technology-enabled services.

The strategy is being implemented through a structured roadmap which prioritises the establishment of operational and organisational foundations, the development of recurring service offerings, and the integration of digital inspection, data and emissions monitoring capabilities. Over time, the strategy also contemplates geographic expansion and selective enhancement of service capabilities through internal development and, where appropriate, strategic partnerships or acquisitions.

The Directors recognise that the outcome and timing of future developments are subject to market conditions, customer demand and the successful execution of the Group's strategy. Accordingly, the results of these initiatives in future financial years cannot be stated with certainty. Nevertheless, the Board believes that the Group's sector experience, leadership capability and technology-enabled service model position it to respond to opportunities as they arise and to support the creation of long-term value for customers and shareholders.

Environmental issues

The Group is not subject to direct environmental regulation under Commonwealth, State or equivalent legislation in the jurisdictions in which it operates. However, environmental considerations, including emissions monitoring and environmental performance, are increasingly relevant to the industries served by the Group. Through its service offerings, the Group supports customers in meeting their own environmental and regulatory obligations, while continuing to manage its operations in accordance with applicable laws and regulations.

On-Market buy back

The Company has not undertaken any on market buy backs and there also is currently no on-market buyback.

Company secretary

The Company secretary who held office throughout the year and subsequently was Benjamin Donovan.

Information on directors and company secretary

George Gourlay, Non -Executive Chair (appointed 6 November 2024)

Qualifications: - MBA, Pg Dip

With over 23 years of executive leadership experience, George brings to SRJ a deep industry background and a strong network of relationships across oil and gas, maritime, engineering, and project management sectors. George's career spans significant leadership roles where he has driven transformational change and expansion. As the former Chief Executive Officer of AYTB (Al Yusr Industrial Contracting) in Saudi Arabia, George spearheaded a comprehensive restructuring initiative, aligning financial systems with strategic business goals to secure sustainable growth in Saudi's competitive petrochemical sector. Similarly, in his role as Chief Operating Officer at International Maritime Industries (a joint venture between Lamprell and Saudi Aramco), George was instrumental in crafting a five-year operational strategy that led to successful large-scale rig fabrication and maintenance projects. At Nexus Group, George further demonstrated his capacity for growth-oriented leadership. Serving as CEO, he led multiple acquisitions that significantly broadened the company's service offerings, establishing it as a premier provider in oil and gas services.

Mr Gourlay has no relevant interest in securities of the Company with the exception of the options disclosed in the Remuneration report and notes to the financial statements.

Mr Gourlay has not held any directorships in other listed companies during the last 3 years.

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Directors' Report

For the year ended 31 December 2025

Giles Bourne, Non-Executive Director (appointed 21 August 2024)

Qualifications: - BA (Hons), MBA, FAICD

Giles has over 27 years of experience leading technology innovation and commercialisation across diverse industries, including multinational software companies, polymer banknote technology, and corporate advisory before being the CEO of BluGlass (ASX: BLG). At BluGlass he has completed multiple ASX capital raises and delivered multiple international development partnerships. Other relevant roles include BluGlass (ASX: BLG) – CEO /MD and currently non-executive director Ticketless Parking Pty Ltd, Circadian Health Innovations Pty Ltd and FreeGuides Pty Ltd as well as executive director at Scalare Partners Pty Ltd.

Mr Bourne has a relevant interest in 371,612 CDIs and options disclosed in the Remuneration report and Notes to the financial statements.

Mr Bourne was appointed to the board of Scalare Partners, an ASX listed entity, on 29 October 2025

Roger Smith, Executive Director (appointed 15 January 2023)

Qualifications: BSc

Roger is SRJ's Managing Director of UK, Europe and Middle East for SRJ and a senior member of the executive management team. Prior to this Mr Smith had been the Non-Executive Chairman of SRJ for 4 years. Mr Smith joined SRJ with over 35 years' experience in the oil and gas industry, having served as a Senior Vice President of Petrofac Plc and as a Non-Executive Director of Haydale Graphene Industries plc. He has also held the post of commercial Director with Bureau Veritas. Mr Smith holds a bachelor's degree in physics from University of Southampton.

Mr Smith has a relevant interest in 2,212,570 CDI's and options disclosed in the Remuneration report and Notes to the financial statements.

Jason De Silveira, Non Executive Director (appointed 4 November 2025)

Qualifications: -

As Founder and Chief Executive Officer of Nexxis Pty Ltd, Mr De Silveira has established the company as a leader in advanced technological solutions within the inspection and testing sector. Nexxis specialises in the provision of innovative robotic and remote inspection systems that enhance safety, operational efficiency, and data accuracy across the oil and gas, mining, and energy industries. This strategic focus on technology and innovation aligns strongly with SRJ's service offerings, presenting significant opportunities for value creation through Jason's profound knowledge of the market and technological solutions alongside the potential adoption of Nexxis's advanced inspection technologies, data-driven solutions and flexible equipment models that support superior asset performance and reliability. Before founding Nexxis, Jason held several senior engineering and management roles in the energy sector. As Lead Mechanical HU Commissioning Engineer at Woodside Energy, he developed plans and procedures for offshore completions. He also served as Managing Director of J&D Project Services Pty Ltd, supplying labour and equipment to the Power Generation and Oil & Gas industries. Earlier in his career, Jason worked in various commissioning and supervisory roles with Worley Parsons, PTTEP, Brunel, Energy Resources International, Powertech, and TCPower, where he managed the installation and commissioning of gas turbines.

Mr De Silveira has a relevant interest in 205,590 CDI's

Stefan McGreevy, Executive Director (appointed 21 August 2024, resigned 2 June 2025)

Qualifications: ACA, BA (Hons)

Stefan is SRJ's Chief Financial Officer and a senior member of the executive management team. Mr McGreevy has been working with SRJ for 10 years and has been integral in the commercialisation of the Company. Mr McGreevy has over 25 years' experience in all facets of corporate services including finance, corporate governance, marketing, administration, human resources and regulatory compliance, having served as Head of Operations for Alden Global Capital a regulated investment manager. Other previous roles include Director at La Crosse Global Fund Services and a Director of the funds services division at Bank of America Merrill Lynch. He has also spent 11 years' with PricewaterhouseCoopers, as a chartered accountant specialising in the investment management sector. Mr McGreevy holds a bachelor's degree in Business from University of Plymouth and qualified as a Chartered Accountant with the Institute of Chartered Accountants in England and Wales in 2001.

Mr McGreevy has a relevant interest in 1,140,000 CDI's and options disclosed in the Remuneration report and Notes to the financial statements.

SRJ Technologies Group Plc

Directors' Report

For the year ended 31 December 2025

Alexander Wood, Non -Executive Director (resigned 2 June 2025)

Mr Wood served as Chief Executive Officer of the Company until 8 November 2024 and subsequently as a Non-Executive Director until his resignation on 2 June 2025. During his tenure, he contributed to the development and execution of the Group's strategy.

Robin Pinchbeck (Non-Executive Chair, resigned 5 November 2024)

Mr Pinchbeck served as Non-Executive Chair during the prior year until his resignation on 5 November 2024. During his tenure, he contributed to the Company's governance and strategic oversight.

Ben Donovan (Company Secretary) Qualifications: B.Comm (Hons), ACG (CS)

Mr Donovan is a member of the Governance Institute of Australia and provides corporate advisory, IPO and consultancy services to a number of companies. Mr Donovan is currently a Director and Company Secretary of several ASX listed and public unlisted companies involved in the resources and technology industries.

He has extensive experience in listing rules compliance and corporate governance, having served as a Senior Adviser at the Australian Securities Exchange (ASX) in Perth for nearly 3 years, including as a member of the ASX JORC Committee.

In addition, Mr Donovan has experience in the capital markets having raised capital and assisted numerous companies in achieving an initial listing on the ASX, as well as for a period of time, as a private client adviser at a boutique stock broking group.

Board meetings held and attended

During the financial year ended 31 December 2025, the following director meetings were held:

Director	Eligible to attend	Attended*
George Gourlay	7	7
Alexander Wood	5	4
Roger Smith	7	7
Giles Bourne	7	7
Stefan McGreevy	5	7**
Jason De Silveira	1	1

*Excludes meetings held by circular resolution

** attended by invitation as CFO

SRJ Technologies Group Plc

Directors' Report

For the year ended 31 December 2025

Unaudited Remuneration Report

The remuneration report details the key management personnel remuneration arrangements for the Company and was prepared using the Corporations Act 2001 and Corporations Regulations 2001 as a guideline, however, not all requirements have been adhered to. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including all directors.

Unaudited Remuneration Report (continued)

The key management personnel of SRJ Technologies Group Plc for the financial year are:

Key Management Personnel	Position	Group entity
George Gourlay	Non-Executive Chair	SRJ Technologies Group Plc
Giles Bourne	Non-Executive Director (NED)	SRJ Technologies Group Plc
Roger Smith	Executive Director & MD Europe and MENA	SRJ Technology Limited
Jason De Silveira	Non-Executive Director (NED)	SRJ Technologies Group Plc
Kurt Reeves	Chief Executive Officer (CEO)	SRJ Limited
Stefan McGreevy	Former Executive Director & current Chief Financial Officer (CFO)	SRJ Limited
Paul Eastwood	Technical Director (resigned)	SRJ Technology Limited
Alexander Wood	Former Chief Executive Officer/ NED (resigned)	SRJ Technologies Group Plc
David Milner	Interim Chief Executive Officer(resigned)	SRJ Tech Australia Pty Limited

The Company's policy for determining the nature and amount of emoluments of key management personnel is set out below;

Key Management Personnel (KMP) Remuneration and Incentive Policies

Following the appointment of George Gourlay as Non-Executive Chair in November 2024, the Remuneration and Nominations Committee (the "Committee") was reinstated and operated during the year ended 31 December 2025. The Committee assists the Board in fulfilling its responsibilities in relation to remuneration governance and Board and executive succession planning.

Remuneration levels for Directors and senior executives are structured to attract and retain appropriately qualified and experienced individuals, having regard to the Company's size, financial position and strategic objectives. The Board may seek independent advice on the appropriateness of remuneration arrangements by reference to comparable companies and prevailing market practice; however, no such advice was obtained during the year.

The remuneration structures are designed to align executive and Director remuneration with the achievement of strategic objectives and the creation of long-term shareholder value. In determining remuneration outcomes, the Board considers:

- the capability, experience and responsibilities of Directors and senior executives;
- the ability of each Director and senior executive to influence and control relevant performance outcomes;
- the performance of the Group; and
- the structure and balance of fixed and incentive-based remuneration.

SRJ Technologies Group Plc

Directors' Report

For the year ended 31 December 2025

Unaudited Remuneration Report (continued)

In order to fulfil its responsibilities, the Board, with the assistance of the Committee, undertakes the following activities:

a) Executive Remuneration Policy

- i. Review and approve the Company's recruitment, retention and termination policies and procedures for senior executives to support the attraction and retention of individuals capable of delivering value for shareholders.
- ii. Review the ongoing appropriateness and relevance of the executive remuneration framework and associated benefit programs.
- iii. Ensure that remuneration policies fairly and responsibly reward executives, having regard to Company performance, individual performance and prevailing market conditions.

b) Executive Directors and Senior Management

- i. Consider and make recommendations to the Board on the remuneration for each executive Director (including base pay, incentive payments, equity awards, retirement rights, service contracts) having regard to the executive remuneration policy.
- ii. Review and approve the proposed remuneration for the direct reports of the CEO (or equivalent) including incentive awards and equity-based awards and oversee an annual performance evaluation of the executive team.

c) Non-Executive Directors

The Board reviews the remuneration of Non-Executive Directors, having regard to the responsibilities of the role, market practice and the financial position of the Company.

d) Executive Incentive Plan

Review and approve the design of any executive incentive plans.

e) Equity Based Plans

- i. Review and approve the introduction of any equity-based plans, having regard to legislative, regulatory and market developments.
- ii. Determine annually whether awards will be made under such plans.
- iii. Review and approve the aggregate level of awards proposed under each plan.
- iv. Review and approve individual awards where required under the rules of the relevant plan.
- v. Review, approve and keep under review performance hurdles to equity-based awards.

Before a determination is made by the Company in a general meeting, the aggregate fees payable to the Non-Executive Directors are capped at A\$500,000 per annum.

SRJ Technologies Group Plc

Directors' Report

For the year ended 31 December 2025

Unaudited Remuneration report (continued)

Details of the remuneration of key management personnel of the Company and of the entities within the Group is set out in the table below.

Key Management Personnel	Position	Commenced	Notes	Short term benefits Employee costs ¹		Post employment benefits Superannuation		Share based Payments		Total	
				2025 £	2024 £	2025 £	2024 £	2025 £	2024 £	2025 £	2024 £
George Gourlay	Non-Executive Chair	06/11/2024	²	48,930	8,414	-	-	50,096	-	99,026	8,414
Giles Bourne	Non-Executive Director	21/08/2024	³	32,530	8,898	3,884	1,023	5,775	-	42,189	9,921
Roger Smith	MD, Europe and MENA	01/10/2019	^{5,9}	93,830	137,961	-	-	10,483	-	104,313	155,037
Jason De Silveira	Non-Executive Director	04/11/2025	⁴	3,911	-	-	-	-	-	3,911	-
Kurt Reeves	Chief Executive Officer	15/05/2025	⁶	164,806	-	-	-	43,548	-	208,354	-
Stefan McGreevy	Chief Financial Officer	01/11/2019	⁵	174,711	174,600	-	-	28,997	20,491	203,708	195,091
David Milner	Former Chief Executive Officer (resigned)	06/11/2024	⁹	56,266	87,763	-	-	20,792	32,264	77,058	120,027
Paul Eastwood	Technical Director(resigned)	01/01/2020		175,691	166,629	9,730	9,730	-	-	185,421	176,359
Alexander Wood	Former Chief Executive Officer (resigned)	01/08/2011	⁷	46,050	142,217	1,044	6,969	-	20,491	47,094	169,677
Robin Pinchbeck	Non-Executive Chair (resigned)	19/11/2019	⁸	-	16,667	-	-	-	-	-	16,667
				796,725	743,149	14,658	17,722	159,691	90,322	971,074	851,193

Notes:

- 1) Employee costs comprise director & management fees/salaries, employer social security/national insurance, private medical cover and commercial vehicle benefit (A. Wood 2024 only). No cash bonuses were paid in 2025 or 2024.
- 2) During the year, Mr Gourlay was granted equity-based remuneration comprising (i) 7,000,000 zero-exercise-price options on appointment as Non-Executive Chair, and (ii) performance-linked options of up to 28,000,000 options across multiple tranches, subject to the achievement of specified financial performance conditions and varying exercise prices. The fair value of these awards was determined at grant date in accordance with FRS 102. The amount disclosed in the remuneration table reflects the portion of the grant-date fair value recognised as an expense during the year.
- 3) During the year, Mr Bourne was issued 3,500,000 zero-exercise-price CDI options. Of these, 2,666,667 options were issued in settlement of deferred director fees that had been previously earned and accrued during 2024 and 2025. The remaining 833,333 options were granted in connection with Mr Bourne's appointment as a Non-Executive Director. The equity-settled portion relating to deferred fees represents settlement of amounts previously recognised as short-term remuneration. The issue of options in settlement of deferred directors' fees is not included in this table as it has been accrued in prior periods. The appointment-related options constitute equity-based remuneration and have been accounted for as share-based payments in accordance with FRS 102. See note 10 within the notes to the financial statements for further detail.
- 4) The term expires at the next annual meeting where the position is up for re-election.
- 5) No fixed term. Mr Smith appointed as a Director to the Company on 15 January 2023 and Mr McGreevy 21 August 2024 (Mr McGreevy resigned as a Director of the Company on 2 June 2025).
- 6) Mr Reeves was appointed as the CEO on 15 May 2025 but was not appointed to the Board. No fixed term. Mr Reeves was granted equity-based remuneration comprising (i) 6,000,000 zero-exercise-price options on appointment as CEO, and (ii) performance-linked options of up to 35,500,000 options across multiple tranches, subject to the achievement of specified financial performance conditions and varying exercise prices. The fair value of these awards was determined at grant date in accordance with FRS 102. The amount disclosed in the remuneration table reflects the portion of the grant-date fair value recognised as an expense during the year.
- 7) Resigned as Chief Executive Officer on 6 November 2024 and continued as a Non-Executive Director until 2 June 2025.
- 8) Resigned on 5 November 2024.
- 9) During the period, Mr Milner and Mr Smith were granted 3,000,000 and 5,300,000 zero-exercise-price CDI options, respectively, in settlement of deferred remuneration for services rendered in 2024 and 2025 that had previously been accrued. The awards have therefore been treated as equity-settled share-based payments and recognised in accordance with Section 26 of FRS 102. The issue of options in settlement of deferred directors' fees is not included in this table as it has been accrued in prior periods.

SRJ Technologies group Plc
Directors' Report
For the year ended 31 December 2025

Unaudited Remuneration Report (continued)

Share-based Compensation

Performance/ Options over Equity instruments issued as Remuneration

Key Management Personnel	Instrument	Number of Securities	Vesting conditions	Expiry
George Gourlay	Zero Priced Options	7,000,000	Service	18-Dec-28
George Gourlay	Options	7,000,000	Performance	18-Dec-29
George Gourlay	Options	9,000,000	Performance	18-Dec-30
George Gourlay	Options	12,000,000	Performance	18-Dec-31
Giles Bourne	Zero Priced Options	3,500,000	Service	18-Dec-28
Roger Smith	Zero Priced Options	5,300,000	Service	18-Dec-28
Kurt Reeves	Zero Priced Options	6,000,000	Service	18-Dec-28
Kurt Reeves	Options	8,000,000	Performance	18-Dec-29
Kurt Reeves	Options	10,000,000	Performance	18-Dec-30
Kurt Reeves	Options	17,500,000	Performance	18-Dec-31
Stefan McGreevy	Zero Priced Options	4,000,000	Service	18-Dec-28
Stefan McGreevy	Options	5,000,000	Performance	18-Dec-29
Stefan McGreevy	Options	6,000,000	Performance	18-Dec-30
Stefan McGreevy	Options	9,000,000	Performance	18-Dec-31
David Milner	Zero Priced Options	3,000,000	Service	18-Dec-28

Note: All granted on 19 December 2025 and the fair value of equity awards granted to Key Management Personnel was determined at grant date in accordance with FRS 102. Further details, including valuation methodology and assumptions, are set out in Note 10 to the financial statements.

Equity instruments granted to Key Management Personnel during the year comprise a combination of service-based and performance-based options, issued under the Company's equity incentive arrangements.

Service-based options, including zero-exercise-price options, relate either to the settlement of deferred remuneration previously earned and accrued, or to remuneration granted in connection with the appointment of an executive or non-executive director. These awards vest on grant and do not include performance hurdles or ongoing service conditions. Where options were issued in settlement of deferred remuneration, the associated expense was recognised as short-term remuneration in the period in which the relevant services were provided, with the subsequent issue of equity representing settlement of amounts previously accrued.

SRJ Technologies group Plc
 Directors' Report
 For the year ended 31 December 2025

Unaudited Remuneration Report (continued)

Performance-based options granted to Key Management Personnel are subject to specified financial performance conditions and varying exercise prices, with performance assessed over multi-year periods. These awards vest only upon the achievement of the relevant performance hurdles. For accounting purposes, options subject to non-market performance conditions are expensed over the relevant vesting period based on management's best estimate of the number of awards expected to vest, with estimates reviewed at each reporting date.

The fair value of all equity instruments was determined at grant date in accordance with FRS 102 using an appropriate valuation methodology. The amounts disclosed in the remuneration summary table represent the accounting expense recognised during the period and do not reflect the total number of options granted or the potential value of those awards.

Additional Disclosures relating to Key Management Personnel Shareholding

The number of shares/CDI's in the Company held during 2025 by each director and other members of key management personnel of the Company, including their personally related parties, is set out in the following table below:

Key Management Personnel	Balance as at 1 January 2025	Additions/ (disposals)	Balance as at 31 December 2025 ³
George Gourlay	- ¹	-	-
Giles Bourne	371,612 ²	-	371,612
Roger Smith	2,212,570	-	2,212,570
Jason De Silveira	205,590	-	205,590
Kurt Reeves	-	-	-
Stefan McGreevy	1,140,000	-	1,140,000
Paul Eastwood	760,000	-	760,000
David Milner	3,295,539	-	3,295,539
Alexander Wood	2,050,336	1,646,667	403,669
Robin Pinchbeck	2,906,366	-	2,906,366

¹ Mr Gourlay was contractually entitled upon commencement of his Chair position to 1 million CDI's at nil cost, subject to shareholder approval but these were waived

² Mr Bourne was contractually entitled upon commencement of his NED position to the equivalent of A\$50,000 CDI's at nil cost, subject to shareholder approval but these were waived. The opening balance reflects securities purchased in one of the equity raises in the prior year.

³ Excludes shares held by AVI Partners Limited, a company which Alexander Woods holds 18% and Stefan McGreevy 5% of the issued share capital.

SRJ Technologies group Plc
 Directors' Report
 For the year ended 31 December 2025

Unaudited Remuneration Report (continued)

Options

The number of options in the Company held during 2025 by each director and other members of key management personnel of the Company, including their personally related parties, is set out in the following table below:

Key Management Personnel	Balance as at 1 January 2025	Additions/ (disposals)	Balance as at 31 December 2025
George Gourlay	-	35,000,000	35,000,000
Giles Bourne	-	3,500,000	3,500,000
Roger Smith	2,500,000	5,300,000	7,800,000
Jason De Silveira	-	-	-
Kurt Reeves	-	41,500,000	41,500,000
Stefan McGreevy	3,000,000	24,000,000	27,000,000
Paul Eastwood	-	-	760,000
David Milner	2,000,000	3,000,000	5,000,000
Alexander Wood	3,000,000	-	3,000,000
Robin Pinchbeck	-	-	-

Note: The opening balances represent options issued in prior year at an exercise price of A\$0.115 that expire on 12 November 2026. 1,000,000 of the options held by Mr Milner are zero-priced-options that expire on 6 November 2026.

Other Transactions with Key Management Personnel and/or their Related Parties

There were no other loans to/from related parties of key management personnel during the financial year.

During the year a wholly owned subsidiary of AVI Partners Limited, rented office space to the Group up to end of June 2025, the charge for the 6 months was £7,500. The office space was then sold but the Group continued to rent off the new owners who are not related parties.

The above concludes the Remuneration Report section of the Directors' Report.

SRJ Technologies group Plc
Directors' Report
For the year ended 31 December 2025

Other information

Indemnification of Officers and Auditors

The Group has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Non-Audit Services

During the year, Grant Thornton Limited (Channel Islands) continued to provide statutory and interim audit services. Details of the amounts paid to the auditor for non-audit services provided during the financial year are outlined in Note 9.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor, is compatible with the general standard of independence for auditors.

This report was approved by the board and signed on its behalf.



George Gourlay
Director

Date: 30 March 2026

SRJ Technologies Group Plc
ASX Additional Information
For the year ended 31 December 2025

Substantial Holders

The names of the substantial shareholders (who hold 5% of more of the issue capital) are listed below:

Ordinary Shares and CDI's Combined

Name	Number of securities	% of issued combined
J P Morgan Nominees Australia Pty Limited*	168,971,930	11.98%
Jindabyne Capital Pty Ltd	157,157,013	11.14%
Citicorp Nominees Pty Limited*	93,104,845	6.60%
Mr Kieran Hope	85,743,572	6.08%
Curraweena Pty Ltd	78,661,618	5.58%

*Information not available to break the nominee holdings down to individual holders

Distribution of Securities

Number of Ordinary Shares and CDI's combined	Number of holders	Number combined	% of securities held
1-1,000	31	16,215	0.00%
1,001-5,000	96	282,110	0.02%
5,001-10,000	73	592,010	0.04%
10,001-100,000	234	10,610,238	0.75%
100,001 and over	393	1,399,381,136	99.18%
Total	827	1,410,881,709	100.00%

Top Twenty securityholders

Ordinary shares and CDI's combined

The names of the twenty largest holders of Ordinary shares and CDI's combined are listed below:

Name	Number of securities	% of issued combined
J P Morgan Nominees Australia Pty Limited*	168,971,930	11.98%
Jindabyne Capital Pty Ltd	157,157,013	11.14%
Citicorp Nominees Pty Limited*	93,104,845	6.60%
Mr Kieran Hope	85,743,572	6.08%
Curraweena Pty Ltd	78,661,618	5.58%
Raleigh Atlantic Ltd	44,051,845	3.12%
Steadygrowth Fund Pty Ltd	28,500,000	2.02%
Konkera Pty Ltd	25,000,000	1.77%
Mr Timothy Stevenson	21,480,637	1.52%
Mr Graham Stronach	21,480,637	1.52%
Ubs Nominees Pty Ltd	19,846,341	1.41%
Mr Shane Michael Gavegan	18,900,000	1.34%
AVI Partners Ltd	17,815,600	1.26%
Solibay Capital Partners Inc	14,836,019	1.05%
BJS Robb Pty Ltd	14,444,445	1.02%
Kingslane Pty Ltd	13,737,375	0.97%
BNP Paribas Noms Pty Ltd	13,061,839	0.93%
Bickham Court Superannuation Pty Ltd	13,005,557	0.92%
Mr Andrew James Kelly	13,000,000	0.92%
Mr Derek Smith	11,812,738	0.84%
Top Twenty Security holders total	874,612,011	61.99%
Remaining Security holders	536,269,698	38.01%
Total	1,410,881,709	100.00%

SRJ Technologies Group Plc

ASX Additional Information

For the year ended 31 December 2025

Restricted Securities

There are no restricted securities at present.

Use Proceeds

In accordance with listing rule 4.10.19 the Company confirms that it has used its cash and assets in a form readily convertible to cash in a way consistent with its business objectives at the time of admission.

Corporate Governance Statement

The Board of SRJ Technologies Group Plc is committed to achieving and demonstrating the highest standards of Corporate Governance. The Board is responsible to its shareholders for the performance of the Company and seeks to communicate extensively with shareholders. The Board believes that sound Corporate Governance practices will assist in the creation of shareholder wealth and provide accountability. In accordance with ASX Listing Rule 4.10.3, the Company has elected to disclose its Corporate Governance policies and its compliance with them on its website, rather than in the Annual Report. Accordingly, information about the Company's Corporate Governance practices is set out on the Company's website at <https://www.srj-technologies.com/corporate>

Voting Rights of Shares

Subject to the Companies (Jersey) Law 1991 and to any rights or restrictions attached to any shares, on a show of hands every Shareholder present in person or by proxy has one vote, and where a proxy has been appointed by more than one Shareholder, such proxy shall have one vote for each Shareholder. On a poll, every Shareholder present in person or by proxy has one vote for every share of which he is a holder. If more than one of the joint holders of a share tenders a vote on the same resolution, whether in person or by proxy, the vote of the joint holder named first in the register of members shall be accepted to the exclusion of the vote(s) of the other joint holders.

Voting Rights of CDI's

Under the ASX Listing Rules and the ASX Settlement Operating Rules, the Company must allow CDI holders to attend any meeting of the holders of Shares unless relevant Jersey law at the time of the meeting prevents CDI holders from attending those meeting. In order to vote holders must nominate Chess Depository Nominees to vote on their behalf.

Marketable securities

There are no holders holding less than a marketable parcel of securities.

SRJ Technologies group Plc
Directors' Report
For the year ended 31 December 2025

Statement of Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the consolidated financial statements in accordance with applicable law and generally accepted accounting practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors acknowledge the independent auditors' right of access at all times to the Group's records and acknowledge that it is an offence for anyone to recklessly or knowingly supply information to the independent auditors which is false or misleading and to fail to promptly provide information requested.

INDEPENDENT AUDITOR'S REPORT

To the members of SRJ Technologies Group Plc

Opinion

We have audited the consolidated financial statements of SRJ Technologies Group Plc (the "Company") and its subsidiaries (together the "Group") for the year ended 31 December 2025 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the consolidated financial statements:

- give a true and fair view of the financial position of the Group as at 31 December 2025, and of its financial performance and its cashflows for the year then ended;
- are in accordance with United Kingdom Generally Accepted Accounting Practice; and
- comply with the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Jersey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty related to going concern

We draw attention to note 2.3 in the financial statements, which indicates that the Group made a loss in the amount of £3,514,975 during the year ended 31 December 2025 and, as of that date, the Group's net current asset position was £76,605. The Directors have prepared detailed cashflow forecasts covering a period of at least twelve months from the date of approval of these financial statements and have performed sensitivity analysis to assess the Group's ability to meet its liabilities as they fall due. These cash flow forecasts include expectations regarding revenue growth and the impact of operational cost reductions, of which the timing and extent cannot be guaranteed. As stated in note 2.3, these events or conditions, along with other matters set forth in note 2.3, indicate that a material uncertainty exists that may cast a significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters, in addition to the matter described in the 'Material uncertainty related to going concern' section are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the group financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
<p>Revenue recognition</p> <p>The Group recognises revenue from a combination of services rendered, product sales and revenue sharing income, and revenue recognition requires judgement in determining the appropriate timing of recognition and the accounting for contract terms, including cut-off and contract modifications.</p> <p>During the year, the Group recorded a reversal of revenue previously recognised in the prior year following a reconfiguration of an order and the partial return of goods, which required judgement in applying FRS 102 to determine when an enforceable obligation arose and how the contract modification should be accounted for. In addition, management performed an assessment of whether a sales returns provision was required at year end.</p> <p>We therefore identified revenue recognition as a key audit matter due to the significance of revenue to users of the financial statements and the level of judgement involved, including the risk of inappropriate recognition or cut-off.</p> <p><i>Refer to the Accounting policies in pages 36, and Note 4, Turnover, to the Financial Statements.</i></p>	<p>In responding to the key audit matter, we performed the following audit procedures:</p> <ul style="list-style-type: none"> • We updated our understanding of the Group's processes, policies and controls relating to revenue recognition and performed tests of design and implementation of key controls; • We evaluated the appropriateness and timing of revenue recognition across product and service streams by selecting samples of revenue transactions and tracing them to supporting evidence such as invoices, dispatch/delivery documents, underlying contracts, purchase orders, project correspondence and, where relevant, subsequent cash receipts; • We assessed the accounting treatment of the reversal of prior year revenue, including inspection of supporting documentation relating to the order reconfiguration and return of goods, and considered whether the accounting treatment adopted by management was consistent with the requirements of FRS 102; and • We considered the appropriateness of the debtors included at year end and agreed, for a sample of items, to supporting invoices and subsequent bank receipts where appropriate.
<p>Impairment assessment of intangible assets</p> <p>The Group's intangible assets primarily comprise patents and capitalised development expenditure, which represent key intellectual property supporting future revenues. Impairment assessment is judgemental because recoverability depends on estimates of future economic benefits, creating a risk that carrying value could exceed recoverable amount.</p> <p>Furthermore, the identification and calculation of any impairment charge or useful economic life of the intangible assets requires</p>	<p>In responding to the key audit matter, we performed the following audit procedures:</p> <ul style="list-style-type: none"> • We assessed the accounting policies for intangible assets to ensure that this was compliant with the requirements of the UK GAAP and reviewed the basis of the carrying value of the intangible assets as at the balance sheet date which has been calculated at cost less impairment and amortised over their estimated remaining useful lives; • We obtained and reviewed management's assessment of the indications of impairment as at year end. We reviewed the assessment and critically evaluated the judgement made by management based on our knowledge of the

The key audit matter	How the matter was addressed in our audit
<p>management to use a number of judgements and estimates.</p> <p>Refer to the Accounting policies in pages 37-38, and Note 12, Intangible fixed assets, to the Financial Statements.</p>	<p>Group's legal and economic environment. Consideration was given to the to the following external and internal indications of impairment;</p> <ul style="list-style-type: none"> ➤ whether the market value of the intangible assets has declined during the year as a result of the passage of time or normal use; ➤ whether significant changes with an adverse effect on the Group have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the Group operates or in the manner in which the asset underlying the intangible asset is expected to be used; and ➤ Any evidence available from internal reporting that indicates that the economic performance of the intangible asset is, or will be, worse than expected. <ul style="list-style-type: none"> • We assessed the reasonableness of the key cash flow assumptions (revenue, margins/costs, capex/working capital, discount rate and terminal assumptions) by reference to internal approvals, historical performance and appropriate external benchmarks; and • We performed sensitivity analysis to evaluate whether reasonably possible changes in assumptions would eliminate headroom and result in impairment.
<p>Accounting for the acquisition of First Avenue</p> <p>During the year, the Group acquired 100% of First Avenue General Contracting – Sole Proprietorship LLC (“First Avenue”) for total consideration of £254,588, including directly attributable acquisition costs.</p> <p>The transaction was non-routine and required significant management judgement in determining the appropriate accounting treatment under FRS 102. In particular, judgement was required in assessing whether the acquired set of activities and assets met the definition of a business under FRS 102 Section 19, or whether the transaction represented the acquisition of assets, and in determining whether any identifiable intangible assets should be recognised separately.</p> <p>The accounting conclusion had a direct impact on profit or loss for the year and on the presentation and disclosure of the transaction in the financial statements. Accordingly, we considered the accounting for the acquisition of First Avenue to be a key audit matter.</p> <p>Refer to Note 5, Acquisition costs, to the Financial Statements.</p>	<p>In responding to the key audit matter, we performed the following audit procedures:</p> <ul style="list-style-type: none"> • We obtained an understanding of the transaction and management's process for identifying and accounting for non-routine transactions; • We inspected the acquisition agreement and supporting documentation to corroborate the consideration paid and acquisition date; • We evaluated whether the acquired set of activities met the definition of a business under FRS 102 Section 19, including assessment of the presence of inputs, substantive processes and outputs; • Where the acquired set of activities did not meet the definition of a business, we assessed whether the trade licence and tendering registration status represented identifiable intangible assets under FRS 102 Section 18 and met the general recognition criteria in Section 2 (probable future economic benefits and reliable measurement). As the evidence did not support recognition of an intangible asset, we evaluated to expense the consideration and directly attributable acquisition costs; and • We assessed the appropriateness of the resulting accounting treatment, journal entries and related disclosures in the financial statements.

The key audit matter	How the matter was addressed in our audit
<p>Impairment assessment of goodwill</p> <p>At 31 December 2025, the Group recognised goodwill of £8.1m arising primarily from the acquisition of Air Control Entech Limited in the prior year.</p> <p>The assessment of whether goodwill is impaired requires significant management judgement, particularly in estimating future cash flows for the relevant cash-generating unit, determining appropriate growth assumptions, and selecting a suitable discount rate. These assumptions are inherently subjective and sensitive to changes in forecast trading performance, contract conversion and market conditions.</p> <p>Given the size of the goodwill balance relative to the Group's net assets and the level of judgement involved in the impairment assessment, we considered the impairment assessment of goodwill to be a key audit matter.</p> <p><i>Refer to the Accounting policies in pages 37-38, and Note 12, Intangible fixed assets, to the Financial Statements.</i></p>	<p>In responding to the key audit matter, we performed the following audit procedures:</p> <ul style="list-style-type: none"> • We obtained an understanding of, and evaluated the design and implementation of the controls around the preparation and review of impairment calculations; • We assessed the Group's impairment testing model and performed a detailed review of management's cash flow forecasts. This included evaluating the reasonableness and accuracy of key assumptions such as forecast sale pipelines probabilities and growth rates, considering historical performance, current business conditions, and external market data; • We tested the integrity and mathematical accuracy of the impairment model and underlying data; • We assessed the appropriateness of the discount rates and long-term growth rates applied and challenged the forecasting methodology to ensure consistency and justification for significant inputs; • We reviewed the sensitivity analysis prepared by management applying a percentage haircut on the probability of the forecasted revenue to assess the impact of changes in key assumptions on the recoverable amount of goodwill. This included assessing the headroom available and evaluating whether reasonably possible changes in assumptions such as reductions in forecast cash flows or increases in discount rates would result in an impairment; and • We reviewed the financial statement disclosures relating to the acquisition and goodwill to ensure they are complete and compliant with FRS 102.

Other information in the Annual Report

The directors are responsible for the other information. The other information comprises the information included in the 'Annual Report & Audited Financial Statements', other than the financial statements and our auditor's report thereon. Our opinion on the Group 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. In connection with our audit of the Group financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the group financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Group; or
- the Group financial statements are not in agreement with the accounting records; or
- we have not received proper returns adequate for our audit from branches not visited by us; or
- we have not obtained all the information and explanations, which to the best of our knowledge and

belief, are necessary for the purposes of our audit.

Responsibilities of the directors for the consolidated financial statements

As explained more fully in the statement of directors' responsibilities set out on page 24, the directors are responsible for the preparation of the consolidated financial statements which give a true and fair view in accordance with UK GAAP, 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 consolidated financial statements, the directors are responsible for assessing the Group'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 to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter

should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Adam Cichocki FCA

For and on behalf of Grant Thornton Limited
Chartered Accountants
St Helier
Jersey

30 March 2026

SRJ Technologies Group Plc

**Consolidated Statement of Comprehensive Income
For the Year Ended 31 December 2025**

	Notes	Year ended 31 December 2025 £	Year ended 31 December 2024 £
Turnover	4	1,835,115	2,065,654
Cost of sales		(725,409)	(576,539)
Gross profit		1,109,706	1,489,115
Administrative expenses		(4,415,088)	(3,012,267)
Acquisition costs	5	(254,588)	-
Other operating income	6	86,192	71,945
Interest received		465	679
Operating loss		(3,473,313)	(1,450,528)
Interest expense	7	(33,815)	(31,548)
Loss before taxation		(3,507,128)	(1,482,076)
Tax on loss	8	(7,847)	(3,034)
Loss for the financial year		(3,514,975)	(1,485,110)
Other comprehensive income:			
Loss on translation of foreign subsidiaries		(4,294)	(26,383)
Total comprehensive loss for the year		(3,519,269)	(1,511,493)
Total comprehensive loss for the year attributable to:			
Ordinary equity holders of the parent		(3,517,438)	(1,511,493)
Non-controlling interest		(1,831)	-
		(3,519,269)	(1,511,493)
<i>Earnings Per Share</i>			
Basic and diluted loss per share for the year attributable to ordinary equity holders of the parent		(0.004)	(0.004)

There were no recognised gains and losses for the year ended 31 December 2025 or year ended 31 December 2024 other than those included in the consolidated statement of comprehensive income.

The notes on pages 35 to 53 form part of these financial statements.

SRJ Technologies Group Plc

**Consolidated Statement of Financial Position
As at 31 December 2025**

	Notes	31 December 2025 £	31 December 2024 £
Fixed assets			
Intangible assets	13	9,164,927	10,231,413
Tangible assets	14	228,429	215,263
		<u>9,393,356</u>	<u>10,446,676</u>
Current assets			
Inventory	15	81,582	84,266
Debtors: amounts falling due within one year	16	635,949	1,006,436
Cash and cash equivalents		610,176	636,986
		<u>1,327,707</u>	<u>1,727,688</u>
Current liabilities			
Creditors: amounts falling due within one year	17	(1,083,225)	(1,027,442)
Loans payable	18	(167,877)	(30,753)
		<u>(1,251,102)</u>	<u>(1,058,195)</u>
Net current assets		<u>76,605</u>	<u>669,493</u>
Total assets less current liabilities		<u>9,469,960</u>	<u>11,116,169</u>
Non-current liabilities			
Creditors: amounts falling due after one year	19	(244,106)	(183,171)
Net assets		<u>9,225,855</u>	<u>10,932,998</u>
Capital and reserves			
Issued share capital	21	124,283	77,943
Share premium account	21	31,492,265	30,031,265
Share based payment reserve	10	396,816	92,030
Translation reserve		(22,207)	(17,913)
Retained earnings attributable to the parent		(22,763,471)	(19,250,327)
Non-controlling interest		(1,831)	-
		<u>9,225,855</u>	<u>10,932,998</u>

The financial statements were approved and authorised for issue by the board on 30 March 2026 and were signed on its behalf by:

George Gourlay
Director

Date: 30 March 2026

The notes on pages 35 to 53 form part of these financial statements.

SRJ Technologies Group Plc

**Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2025**

	Called up share capital £	Share premium £	Share based payment reserve £	Translation reserve £	Retained earnings £	Non- controlling interest £	Total equity £
At 1 January 2024	30,848	18,141,907	-	8,470	(17,765,217)	-	416,008
Total comprehensive loss for the year	-	-	-	(26,383)	(1,485,110)	-	(1,511,493)
CDIs issued during the year, net of transaction costs (note 21)	47,095	11,889,358	-	-	-	-	11,936,453
Issue of share options	-	-	92,030	-	-	-	92,030
At 31 December 2024	<u>77,943</u>	<u>30,031,265</u>	<u>92,030</u>	<u>(17,913)</u>	<u>(19,250,327)</u>	<u>-</u>	<u>10,932,998</u>
Total comprehensive loss for the year	-	-	-	(4,294)	(3,513,144)	(1,831)	(3,519,269)
CDIs issued during the year, net of transaction costs (note 21)	46,340	1,461,000	-	-	-	-	1,507,340
Issue of share options (note 10)	-	-	304,786	-	-	-	304,786
At 31 December 2025	<u><u>124,283</u></u>	<u><u>31,492,265</u></u>	<u><u>396,816</u></u>	<u><u>(22,207)</u></u>	<u><u>(22,763,471)</u></u>	<u><u>(1,831)</u></u>	<u><u>9,225,855</u></u>

The notes on pages 35 to 53 form part of these financial statements.

SRJ Technologies Group Plc

**Consolidated Statement of Cash Flows
For the Year Ended 31 December 2025**

	Notes	Year ended 31 December 2025 £	Year ended 31 December 2024 £
Cash flows used in operating activities			
Loss for the financial year		(3,514,975)	(1,485,110)
Adjustments for:			
Amortisation of intangible assets		1,075,006	463,893
Depreciation of tangible assets		85,775	52,760
Profit on disposal of fixed assets		(29,260)	(11,258)
Acquisition costs	5	254,588	-
Interest paid		33,815	31,548
Interest received		(465)	(679)
Fees settled by issue of CDIs		184,992	-
Share based payments expense		221,333	92,030
Unrealised loss/(gain) on foreign exchange		11,299	(8,200)
Decrease in inventory, net of acquisition		6,639	25,943
Decrease/(increase) in BoltEx® stock inventory		(3,955)	(4,367)
Decrease/(increase) in debtors, net of acquisition		370,487	(308,194)
Increase/(decrease) in creditors, net of acquisition		68,481	(292,171)
Net cash used in operating activities		(1,236,240)	(1,443,805)
Cash flows from investing activities			
Purchase of intangible fixed assets		(8,520)	(74,910)
Purchase of tangible fixed assets		(98,941)	(64,804)
Acquisition of subsidiary, net of cash acquired	5	(254,588)	(4,879,898)
Interest received		465	679
Proceeds from disposal of fixed assets		29,260	38,956
Net cash used in investing activities		(332,324)	(4,979,977)
Cash flows from financing activities			
Issue of ordinary shares/CDIs		1,400,963	7,451,589
Transaction costs re issue of shares/CDIs		(90,875)	(840,753)
New finance leases		100,799	13,860
Repayments towards finance leases		(44,395)	(80,880)
Interest paid		(33,816)	(24,030)
Directors' loans	18	156,124	30,753
New loans		152,268	13,000
Invoice factoring		(35,128)	96,683
Repayment of loans		(31,184)	(2,796)
Repayment of directors' loans	18	(19,000)	(50,000)
Drawdown of convertible loan notes		-	345,630
Net cash provided/(used in) from financing activities		1,555,755	6,953,056
Effect of changes in foreign exchange rate			
Effect of changes in foreign exchange rates on cash and cash equivalents		(11,299)	8,471
Realised foreign exchange gain on conversion/repayment of loan/convertible loan notes		1,591	(2,832)
		(9,708)	5,639
Net (decrease)/increase in cash and cash equivalents from activities		(22,516)	534,913
Unrealised foreign exchange movement		(4,294)	(26,383)
Cash and cash equivalents at beginning of year		636,986	128,456
Cash and cash equivalents at the end of year		610,176	636,986
Cash and cash equivalents at the end of year comprise:			
Cash at bank and in hand		610,176	636,986

The notes on pages 35 to 53 form part of these financial statements.

SRJ Technologies Group Plc

Notes to the Consolidated Financial Statements For the Year Ended 31 December 2025

1. General information

SRJ Technologies Group Plc (the "Company") is a Public company incorporated in Jersey, Channel Islands on 29 April 2014 in accordance with the Companies (Jersey) Law 1991 with registration number 115590.

The registered office of the Company is Le Quai House, Le Quai d'Auvergne, St Helier, Jersey, JE2 3TN.

The principal activity of the Company is the holding of investments in the following subsidiaries:

Subsidiary	Percentage ownership	Country of Incorporation
SRJ Limited	100%	Jersey
SRJ Technology Limited	100%	United Kingdom
SRJ Tech Australia Pty Limited	100%	Australia
Acorn Intellectual Properties Limited	100%	Jersey
Air Control Entech Limited	100%	Scotland
First Avenue General Contracting Sole Proprietorship LLC	100%	United Arab Emirates
Air Control Entech Survey LLC	99%	United Arab Emirates

SRJ Limited, SRJ Technology Limited and SRJ Tech Australia Pty Limited deliver integrated asset integrity maintenance, engineering and technology-enabled services to the energy, industrial and maritime industries. Asset integrity maintenance involves the provision of embedded site-based maintenance, advanced inspection, predictive monitoring and repair solutions designed to prevent asset failures and extend asset life. The services are focused on maintaining and assuring the integrity of critical mechanical and pressure containment systems, supporting safe, reliable and compliant operations across operating facilities. SRJ's asset integrity and maintenance services support asset owners in the development, implementation and execution of long-term lifecycle integrity strategies, including regulatory compliance requirements applicable to critical mechanical and pressure containment systems.

During the prior year the Company acquired 100% of the share capital of Air Control Entech Limited ("ACE UK"), which provides remote inspection services utilising advanced robotics and custom Unmanned Aerial Vehicle (UAV) technologies. By providing advanced robotic and UAV systems, ACE is revolutionising asset inspection by removing people's exposure to high-risk environments and providing accurate and repeatable inspection data. Acorn Intellectual Properties Limited has the primary activity of holding intellectual property.

During the year the Company acquired 100% of First Avenue General Contracting Sole Proprietorship LLC ("First Avenue") a UAE entity registered with a regional NOC that holds pre-qualifications relevant to the Group's business. The acquisition provides a pathway to direct access to NOC tenders and regional client engagement together with a fast-tracked capability to deliver on strategic commercial opportunities in the Middle East.

During the year a new Group company in the UAE, Air Control Entech Survey LLC ("ACE UAE") was incorporated. ACE UK owns 99% of the UAE entity. This development significantly enhances ACE's regional presence in the Middle East and is aligned with its broader strategic expansion plan. The company has been set up as the operating entity through which ACE UK will conduct its business activities in the region.

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102 the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and the Companies (Jersey) Law 1991.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see Note 3).

The following principal accounting policies have been applied.

2.2 Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at 31 December 2025 and the results of all subsidiaries for the year then ended.

The consolidated financial statements present the results of the Company and subsidiary entities controlled by the Company (the "Group") as if they form a single entity. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

**Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025**

2. Summary of significant accounting policies (continued)

2.2 Basis of consolidation (continued)

The consolidated financial statements incorporate the results of business combinations using the purchase method. Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated in full on consolidation. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group. In the Consolidated Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal as appropriate using accounting policies consistent with those of the Parent.

2.3 Going concern

The Group made a loss for the year of £3,514,975 (31 December 2024: £1,485,110) and as at 31 December 2025 was in a net asset position of £9,225,855 (31 December 2024: £10,932,998) and a net current asset position of £76,605 (2024: £669,493). In assessing the appropriateness of preparing the financial statements on a going concern basis, the Directors have prepared detailed cash flow forecasts covering a period of at least twelve months from the date of approval of these financial statements and have performed sensitivity analyses to assess the Group's ability to meet its liabilities as they fall due.

The forecasts are based on a number of key financial assumptions, including expectations regarding revenue growth and the impact of operational cost reductions. The Group has materially reduced its cost base over the past financial year through headcount reductions and organisational restructuring, and the post year end divestment of non-core operations. These measures have significantly lowered the annualised operating expense run rate entering the 2026 financial year.

In addition, the Group's internal forecasts assume a material increase in revenues relative to prior periods, driven by contracted revenues already secured for 2026 and, whilst not contractually committed, a growing pipeline of advanced-stage opportunities, the latter of which are not contractually committed. The Directors have applied conversion assumptions to this pipeline based on historical win-rates and current commercial activity. The Directors also note that certain near-term opportunities have been identified which, if secured, are expected to generate additional revenues and cash inflows in the short term.

Recent developments and disruption across parts of the Middle East have, however, impacted the timing of certain commercial activities and may affect the timing of revenue realisation and cash inflows. The Directors have considered this in their forecasting and sensitivity analysis.

While the timing and extent of these forecast revenues cannot be guaranteed, the Directors consider the assumptions to be reasonable based on evidence available at the date of approval. The Directors have also considered the availability of further mitigating actions, including additional cost reductions and access to external funding, if required, to support working capital requirements. The Directors do not consider that external funding is required in the base case to enable the Group to continue as a going concern but note that such funding may be pursued to support growth opportunities or to mitigate the impact of downside scenarios should they arise.

Notwithstanding the above, achieving the forecast levels of revenue and converting those revenues into cash in line with forecast assumptions remain subject to uncertainty. The restructured cost base does not depend on forecast revenue levels being achieved, and management retains the flexibility to make further overhead adjustments should revenues be delayed or fall short of expectations. Furthermore, there can be no certainty that additional funding, if required, would be available on acceptable terms or at all.

These factors represent a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. However, taking into account the significant cost reductions implemented, the expected increase in revenue from both contracted and pipeline opportunities, together with the availability of mitigating actions as described above, the Directors consider that the Group will have adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

2.4 Foreign currency

Functional and presentation currency

The Company's functional currency is Pound Sterling (£) which is the presentation currency of the group consolidated financial statements. Monetary amounts in these financial statements are rounded to the nearest £.

Foreign translation

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than the £ are translated into £ upon consolidation. The functional currencies of entities within the Group have remained unchanged during the reporting year.

Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025

2. Summary of significant accounting policies (continued)

2.4 Foreign currency translation (continued)

On consolidation, assets and liabilities have been translated into £ at the closing rate at the reporting date. Income and expenses have been translated into £ at the average rate over the reporting year. Exchange differences are charged or credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each year end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income within administration expenses.

2.5 Revenue

Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Where sales are made with a right of return, revenue is recognised to the extent that it is probable the goods will not be returned. A provision is made for expected sales returns based on historical return rates and specific customer circumstances. Revenue is measured as the fair value of the consideration received or receivable, after considering discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from service contracts is recognised by reference to the stage of completion at the reporting date where the outcome of the transaction can be measured reliably. Where contracts are invoiced on completion or on customer acceptance, revenue is recognised when the service has been completed and accepted by the customer. Amounts invoiced or received in advance of the services being provided are recognised as deferred income within creditors and released to revenue as the related services are performed.

The Group participates in a revenue sharing agreement, whereby the Group earns 10% of revenues generated by the customer from the rental by the customer of SRJ BoltEx® products. Revenues due under the agreement are declared to the Group monthly and are recognised as revenue in the period to which the rentals relate. The revenue recognised represents the net amount of revenue earned, which is 10% of the total revenue generated by the customer.

The Group is not significantly affected by seasonality or cyclicity of operations.

Other operating income

Other income includes research and development tax credits granted by the UK and Australian tax authorities for qualifying research and development expenditure alongside other sundry income sources which do not fall under supply of goods or services to the Group's customers. Tax credits are recognised in the period to which the expenditure relates once agreed between the Group and the relevant tax authority. All other revenue items are recognised on an accruals basis.

2.6 Grant income

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025

2. Summary of significant accounting policies (continued)

2.7 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

2.8 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria set out in FRS102 relating to such costs are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives from the date in which the production and sale of the product commenced.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.9 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs such as arrangement and transaction fees are deducted against the financial liability and recognised as a part of finance costs over the term of the instrument.

2.10 Pensions

Defined contribution pension

The Group operates a statutory defined contribution plan for its UK employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.11 Taxation

The tax expense for the year comprises current and deferred income tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised directly in other income or equity - in which case, the tax is also recognised in other income or equity. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Statement of Financial Position date in the countries where the Group operates. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2.12 Share based payments

The Group provides share-based payment arrangements to certain employees, directors and consultants. Equity-settled arrangements are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of the grant. The fair value is expensed on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest.

Where equity-settled arrangements are modified, and are of benefit to the employee, the incremental fair value is recognised over the period from the date of modification to date of vesting. Where a modification is not beneficial to the employee there is no change to the charge for share-based payment. Settlements and cancellations are treated as an acceleration of vesting and the unvested amount is recognised immediately in the Consolidated Statement of Comprehensive Income.

2.13 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025**

2. Summary of significant accounting policies (continued)

2.13 Intangible assets (continued)

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made (which is the case here), the useful life shall not exceed ten years.

See note 13 for further detail.

Goodwill, including costs directly attributable to business combinations

Goodwill arises on the acquisition of a business. On acquisition, fair values are attributed to the identifiable assets and liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill.

Goodwill recognised represents the excess of the fair value of the purchase consideration over the fair value of the assets and liabilities acquired.

Goodwill arising on the acquisition of a business is initially recognised as an asset at cost. After initial recognition, goodwill acquired in a business combination is recognised at cost less accumulated amortisation and accumulated impairment. Goodwill is considered to have a finite useful life of 10 years and is therefore amortised on a 10% straight line basis.

The goodwill useful lives and amortisation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.14 Impairment of assets

Non-financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. In such cases an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

For development costs capitalised but not yet commercially developed for use, these assets are tested annually for impairment per FRS 102 on the same basis as commercially developed products.

2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	20%	Straight line basis
Computer equipment	-	20%-33%	Straight line basis
Plant and machinery	-	20%	Straight line basis
Motor vehicles	-	25%	Straight line basis
Leasehold improvements	-	20%	Straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025

2. Summary of significant accounting policies (continued)

2.16 Inventories

Inventories of parts are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

Inventories include goods held at third party locations under consignment arrangements only where the Company retains the significant risks and rewards of ownership.

2.17 Debtors

Debtors are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.19 Creditors

Financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.20 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets' fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2.21 Equity and reserves

Called up share capital represents the nominal (par) value of shares that have been issued.

Share premium includes any premiums received on the issue of share capital. Directly attributable costs in respect of the raising of capital are offset against the total proceeds of the share issue in the Statement of Financial Position by deducting this from share premium, net of any related income tax benefits.

Other components of equity include the following:

- Share based payment reserve – comprises the pro-rated expense of granted equity-settled share based payments which have met the prerequisite performance criteria. Once the vesting period has expired the value of all eligible awards which comprise the share based payment reserve will be transferred to share capital and share premium.
- Translation reserve – comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities into £.

2.22 Financial instruments

The Group enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans to and from other third parties and to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other receivables and payables, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025

2. Summary of significant accounting policies (continued)

2.23 Convertible debt

A convertible loan note whereby the issuer is obligated to pay principal and interest, but the holder has an option to convert their holding into a fixed number of equity shares of the issuer is classified as a compound financial instrument. From the issuer's perspective such notes contains two elements, a financial liability represented by the obligation to deliver cash payments and an equity element, represented by the obligation to deliver a fixed number of equity shares. For the conversion right to be classified as an equity instrument, it must meet the 'fixed for fixed' criterion. This requires that a fixed amount of cash or other financial asset be exchanged for a fixed number of equity instruments. A convertible loan note that allows for conversion into a variable number of shares has no equity element.

The proceeds received on issue of the Group's convertible debt are allocated between a liability component and an equity component in accordance with the substance of the agreement and FRS 102.

The amount initially attributed to the debt component (other than those with a maturity within one year) equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument without the option to convert. On conversion, the debt element is credited to share capital and share premium as appropriate.

Where applicable, the difference between the net proceeds of the convertible debt and the amount allocated to the debt component is credited directly to equity and is not subsequently remeasured. On conversion, the equity element is credited to share capital and share premium as appropriate.

Transaction costs that relate to the issue of the instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

After initial recognition the equity component is not remeasured, and the liability is measured at amortised cost where it meets the criteria to be accounted for as a basic financial instrument.

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

In preparing the consolidated financial statements management is required to make estimates and assumptions that affect amounts presented therein. These estimates and assumptions are based on past experience or the other factors and are believed to be reasonable in the circumstances.

Impairment of intangible assets

The carrying value of Intellectual Property in the form of patent and development costs (IP), are dependent on the expected future revenue from product sales and services rendered in connection with the IP. The patents and development costs, residual values, useful lives and amortisation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. In assessing if there has been an indication of impairment the Directors considered both external and internal factors dictated by FRS 102 alongside other considerations as to the current position of the Group. During the period, indicators of impairment were identified. As a result, the Directors conducted a full impairment test in accordance with FRS 102, considering both external and internal factors. Based on this assessment, no impairment was identified.

Goodwill was tested for impairment within the context of the cash generating unit (CGU) to which it has been allocated (the business operations of the acquired company). This involved estimating the present value of the future cash flows expected to be generated by the CGU, discounted at 12%, with compound annual cash flow growth rates of 24% (higher rates in earlier years) and a terminal growth rate of 3%.

The cash flow projections were discounted at a pre-tax rate of 12%, which represents the weighted average cost of capital applicable to the CGU. The discount rate reflects the risks associated with operating in the Oil and Gas inspection services sector, including market cyclicity and execution risk, and is consistent with market benchmarks for comparable businesses.

Sensitivity analyses were performed on key assumptions, including revenue growth rates and the discount rate. In all scenarios considered, the recoverable amount of the CGU exceeded its carrying amount. Accordingly, no impairment has been recognised.

Useful life of intangible assets

The basis for estimating the useful life of intangible assets, including goodwill, is disclosed in note 13. The useful lives and amortisation methods for intangible assets are reviewed and adjusted prospectively, if appropriate, or if there is a significant change since the last reporting date

Impairment of debtors

The Group makes an estimate of the recoverable value of trade and other debtors. When assessing the impairment of trade and other debtors, the directors consider factors including current credit rating of the debtor, ageing profile of debtors and historical experience. At 31 December 2025, there were no indicators of impairment to trade and other debtors (2024: £nil).

Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025

3. Judgments in applying accounting policies and key sources of estimation uncertainty (continued)

Revenue and sales returns

Some goods are sold with a right of return. The Group assessed whether a sales-returns provision was required at 31 December 2025 based on historical return rates and specific customer circumstances, including a post-period review of returns. Based on this assessment, no provision was required at 31 December 2025 (2024: £nil). See note 4 for further information.

4. Turnover

Turnover, analysed geographically between markets, was as follows:

	31 December 2025			
	Revenue Sharing Income £	Product sales * £	Services rendered £	Total £
Europe	-	4,695	1,206,370	1,211,065
Americas	-	355,663	149,580	505,243
Middle East & Africa	-	69,999	73,355	143,354
Asia	(1,316)	(79,565)	56,335	(24,547)
	<u>(1,316)</u>	<u>350,792</u>	<u>1,485,639</u>	<u>1,835,115</u>

* Net of sales returns

During the year ended 31 December 2025, the Group reversed revenue amounting to £176,835 previously recognised on a sale to a client in the year ended 31 December 2024 following a reconfiguration of the order and the partial return of goods, which was agreed between the parties in Q2 2025. In accordance with FRS 102, revenue is reversed only when an enforceable obligation to return goods or modify the contract arises, and no such obligation existed at 31 December 2024. As the original sale remained valid and enforceable at the prior year end, no adjustment was required to the 2024 financial statements. The 2025 financial statements therefore reflect the revenue reversal and corresponding inventory adjustment arising from this contract modification. The return was treated as a modification of the existing contract and accounted for prospectively in line with FRS 102.

	31 December 2024			
	Revenue sharing income £	Product sales £	Services rendered £	Total £
Europe	-	156,573	627,481	784,054
Americas	-	260,645	-	260,645
Middle East & Africa	-	36,841	11,148	47,989
Asia	28,725	940,677	3,564	972,966
	<u>28,725</u>	<u>1,394,736</u>	<u>642,193</u>	<u>2,065,654</u>

5. Acquisition costs

	Year ended 31 December 2025 £	Year ended 31 December 2024 £
Acquisition cost, including directly attributable acquisition costs	<u>254,588</u>	-

During the year the Company acquired 100% of First Avenue General Contracting Sole Proprietorship LLC ("First Avenue"), a UAE entity registered with a regional NOC that holds pre-qualifications relevant to the Group's business. The acquisition provides a pathway to direct access to NOC tenders and regional client engagement together with a fast-tracked capability to deliver on strategic commercial opportunities in the Middle East.

The transaction was completed for a cash element of £213,919 (AED 1,055,000). The total value of the acquisition amounted to £254,588 after taking into account directly attributable acquisition costs of £40,669. There is no contingent consideration.

SRJ Technologies Group Plc

**Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025**

6. Other operating income	Year ended 31 December 2025 £	<i>Year ended 31 December 2024 £</i>
R&D tax credits	72,592	67,870
Grant income	4,000	4,075
Car park rental	9,600	-
	<u>86,192</u>	<u>71,945</u>

The above income, other than grant income which is usually received for specific projects or support, is recurring. The R&D credits relate to claims made in the current year for R&D credits for the current and/or prior year.

7. Interest payable	Year ended 31 December 2025 £	<i>Year ended 31 December 2024 £</i>
Finance lease interest	18,477	7,624
Interest on conversion/early repayment of convertible loan notes	-	7,518
PAYE interest and penalties	3,293	7,152
General interest expense	12,045	9,254
	<u>33,815</u>	<u>31,548</u>

8. Taxation	Year ended 31 December 2025 £	<i>Year ended 31 December 2024 £</i>
Current tax	7,847	3,034

Taxation is calculated at the rates prevailing in the respective jurisdictions of each group company. With the availability of tax losses, the tax charge for 2025 is expected to be £nil (effective tax rate 0%). The only charge to tax was in relation to ACE and tax payable on the R&D Expenditure Credit (RDEC) calculation, at a rate of 25%.

9. Auditor remuneration	Year ended 31 December 2025 £	<i>Year ended 31 December 2024 £</i>
Annual audit	72,000	62,500
Annual audit - under accrued previous year	20,095	91
Interim review	20,725	17,950
	<u>112,820</u>	<u>80,541</u>

Audit and non-audit services (including interim review) are provided by Grant Thornton Limited (Channel Islands).

10. Share based payments

Mr George Gourlay became contractually entitled upon commencement of his Chair position to 1 million CDI's at nil cost, subject to shareholder approval. Mr Giles Bourne was contractually entitled upon commencement of his Non-Executive director position to the equivalent of A\$50,000 CDI's at nil cost, subject to shareholder approval. Mr Kurt Reeves became contractually entitled upon commencement of his Chief Executive Officer position to 1 million CDIs at nil cost and a further 2.5 million share options at an exercise price of A\$0.055 to be linked to a series of specific deliverables in FY25. These individuals all rescinded their disclosed entitlements during the year. The awards had not been shareholder approved prior to their rescindment and so had not been issued. As a result no share-based expense had been reflected in the accounts in accordance with FRS 102. New options were granted for these individuals, as covered below.

SRJ Technologies Group Plc

**Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025**

10. Share based payments (continued)

During the year the following share options were issued to Key Management and approved by shareholders where required. These Share-based payment arrangements are disclosed separately in aggregate.

- 28,800,000 zero priced options were issued to Key Management Personnel as either commencement awards, for settlement of deferred remuneration or to retain key personnel. The fair value of each option awarded was \$0.014 and they expire 3 years post grant date of 19 December 2025. There are no further vesting conditions beyond the grant date.

- 83,500,000 options were issued to Key Management Personnel reflecting equity incentives granted to retain key staff and align with long-term growth objectives. The exercise price of these options ranges from A\$0.02 and A\$0.04 per option. The fair value of each option awarded was \$0.014 and they expire between 3 and 5 years post grant date of 19 December 2025. These awards are subject to non-market performance conditions linked to the achievement of revenue growth and EBITDA targets over the 2026, 2027 and 2028 financial years. Vesting of these awards is dependent on the extent to which the performance conditions are satisfied over the performance period. These non-market performance conditions are not reflected in the grant date fair value of the awards and are instead taken into account when estimating the number of options expected to vest.

During the year, 990,000 options were awarded to employees of ACE, as disclosed in the Company's 'Unaudited Interim Consolidated Financial Statements 30 June 2025'. During the period these options were cancelled and new options granted, being 1,490,000 options with an exercise price of A\$0.004 per option. The fair value for each option was A\$0.014 The options will vest 6 months after the issue date of 18th December 2025 and are subject to continuity of employment with the Group for the period from award until the vesting date. The options will expire 5 years from the award date. One option is equivalent to one ordinary share/CDI. It should be noted that the original awards were not yet granted under FRS102 and therefore there was no share based payment expense to recognise in relation to the original award.

Valuation Inputs for Share Options Granted

	Key Management Tranche 1	Key Management Tranche 2	Employees Tranche 1 *	Total Year Ended 31 December 2025 £
Options Awarded	28,800,000	83,500,000	1,490,000	
Share based payment expense	154,872	4,819	-	159,691
Vesting Date	19 December 2025	Performance dependent	19 June 2026	
Share price at grant date	A\$0.014	A\$0.014	A\$0.014	
Exercise price	A\$0.000	A\$0.02-0.05	A\$0.004	
Expected volatility	246%	246%	246%	
Risk-free interest rate	4.5%	4.5%	4.5%	
Expected life of option	3 years	3-5 years	5 years	
Dividend yield	0%	0%	0%	
Fair value per option	A\$0.014	A\$0.014	A\$0.014	

Grant date for all options 19 December 2025.

* £Nil charge in the year as the amount is immaterial.

The following options over shares were issued under the 'SRJ Technologies Employees Equity Incentive Plan' and/or the 'SRJ Technologies Equity Incentive Plan' during 2024 to the deal team members that was conditional on the successful completion of the ACE acquisition and linked capital raise. Both the acquisition and capital raise were successfully completed. The awards to Directors were approved at the EGM on 13 August 2024. The exercise price for the options is A\$0.115 per option. One option is equivalent to one ordinary share/CDI. The options will lapse on 12 November 2026. If exercised before this date the ordinary shares/CDI's issued will remain in escrow until 12 November 2026.

SRJ Technologies Group Plc

**Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025**

10. Share based payments (continued)

	<i>Year ended 31 December 2024</i>		
	<i>Fair value per option</i>	<i>Options awarded</i>	<i>Year ended 31 December 2024</i>
	A\$		£
<i>Key Management Personnel</i>	0.013	9,500,000	<u>64,888</u>

A further 250,000 options were awarded in 2024 to non-Key Management Personnel under same terms. As part of his appointment to the interim Chief Executive Officer position, David Milner also received 1 million options with a nil exercise price, valued at a share price of A\$0.05/£0.025434 (amounting to £25,434), for shares in the Company which will expire on 6 November 2026. There were no vesting conditions for each of these options.

The total expense recognised in the statement of comprehensive income for the year was £221,333 (2024: £92,030). The carrying amount at the end of the year in the share based payment reserve from share based payment transactions was £396,816 (2024: £92,030).

11. Share options relating to convertible loan note

On 15 February 2023, the Company signed an agreement for a convertible loan facility with Mercer Street Global Opportunity Fund LLC ("Mercer"). In the same year, the Company settled all remaining convertible loan notes issued. However, as part of the facility, the Company issued 10,400,238 Options to Mercer. The exercise price of each Option is A\$0.168 and will equate to one Ordinary share/CDI in the Company. The expiry date is March 2026. Management considered the fair value of the Options with reference to the current Company share price and concluded it would not be appropriate to allocate any expense in relation to the Options in this period's Statement of Comprehensive Income. Management will undertake a similar assessment at the end of each reporting period.

The Company also previously issued 9,270,949 options to other parties as approved in the Company AGM in December 2022. The exercise price of each Option is A\$0.25 and will equate to one Ordinary share/CDI in the Company. The expiry date is October 2025. Management also considered the fair value of these options with reference to the current Company share price and concluded it would not be appropriate to allocate any expense in relation to the options in this period's Statement of Comprehensive Income. Management will undertake a similar assessment at the end of each reporting period.

12. Remuneration of key management personnel and employees

	Note	Year ended 31 December 2025	<i>Year ended 31 December 2024</i>
		£	£
Directors			
Salaries and fees		787,634	731,010
Pension and superannuation costs		14,658	17,722
Health insurance		9,091	12,139
Share based payment awards	10	159,691	90,322
		<u>971,074</u>	<u>851,193</u>
		Year ended 31 December 2025	<i>Year ended 31 December 2024</i>
		£	£
Employees and consultants			
Wages and salaries		1,167,004	714,144
Pension and superannuation costs		47,287	50,854
Health insurance		21,042	11,064
Share based payment awards	10	61,642	1,708
		<u>1,296,975</u>	<u>777,770</u>

Key management personnel are considered to be all directors of the Company, the Chief Executive Officer(s), the Chief Financial Officer and Technical Director.

The average number of directors and employees of the Group during the year was 21 (2024: 15).

The cost of employees delivering consultancy services and engineering/operational support in delivering products is charged to cost of sales in accordance with their hourly rate and time spent in delivering the service contract. In the year, wages and salaries of £399,922 (2024: £113,580) was charged to cost of sales.

SRJ Technologies Group Plc

**Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025**

13. Intangible fixed assets

	Goodwill £	Patents £	Development expenditure £	Total £
Cost				
At 1 January 2025	9,408,074	578,791	1,388,957	11,375,822
Additions	-	1,680	6,840	8,520
At 31 December 2025	<u>9,408,074</u>	<u>580,471</u>	<u>1,395,797</u>	<u>11,384,342</u>
Amortisation				
At 1 January 2025	342,815	323,897	477,697	1,144,409
Charge for the year	940,807	51,586	82,613	1,075,006
At 31 December 2025	<u>1,283,622</u>	<u>375,483</u>	<u>560,310</u>	<u>2,219,415</u>
Net book value				
At 31 December 2025	<u>8,124,452</u>	<u>204,988</u>	<u>835,487</u>	<u>9,164,927</u>
At 31 December 2024	<u>9,065,259</u>	<u>254,894</u>	<u>911,260</u>	<u>10,231,413</u>

The patents and development costs relating to SRJ Limited and development costs relating to SRJ Technology Limited (the latter of which will be transferred to SRJ Limited at net book value ahead of the divestment of SRJ Technology Limited in early 2026), which first became available for use in 2017 when production and sale of the product commenced, are being amortised annually on a straight line basis up to 20 October 2029, which is the maximum duration the main patent application can be extended to.

The development costs owned by SRJ Technology Limited will be transferred to SRJ Limited at net book value ahead of the divestment of SRJ Technology Limited in February 2026. Transferring the development costs to SRJ Limited will not trigger any impairment or revaluation.

The development costs relating to Air Control Entech Limited are amortised on a 20% straight line basis once commercially developed and complete so as to write off the cost or valuation of the assets less their residual values over their estimated useful lives of 5 years. The MAG Drone was brought into use by ACE from June 2023 (i.e. pre acquisition) so the associated development costs of £71,915 (being fair value to the Group at acquisition) are being amortised over the remaining estimated useful life of 3.75 years (so that the asset is fully amortised over its estimated useful life of 5 years overall). The remaining development costs of ACE of £537,865 (December 2024: £531,026) have not yet been commercialised and therefore have yet to be amortised. Once commercially developed and complete, amortisation will be recognised so as to write off the cost less residual value over the useful life.

The patents and development costs residual values, useful lives and amortisation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

The goodwill, patents and development costs residual values, useful lives and amortisation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. In assessing if there was an indication of impairment, the Directors considered both external and internal factors dictated by FRS 102 alongside other considerations as to the current position of the Company. During the period, indicators of impairment were identified. As a result, the Directors conducted a full impairment test in accordance with FRS 102, considering both external and internal factors. This involved estimating the present value of the future cash flows expected to be generated by two cash-generating units (CGUs), discounted at 12%, with compound annual cash flow growth rates of 24% (higher rates in earlier years) and a terminal growth rate of 3%. The assumptions for each CGU are the same. For the ACE CGU, the recoverable amount exceeds the carrying value by £16.2m. For the SRJ CGU, the recoverable amount exceeds the carrying value by £10.7m. Sensitivity analysis was performed on the key assumptions. The Directors consider the discount rate to be one of the most sensitive assumptions. A 1% increase in the discount rate would reduce the ACE CGU headroom by approximately £2.9m and the SRJ CGU headroom by approximately £1.3m. The Directors concluded that no reasonable possible change in key assumptions would cause the carrying amount to exceed the recoverable amount.

The remaining amortisation period of the goodwill for Air Control Entech Limited is 8 years and 7 months.

It should be noted that amortisation costs are included within administrative expenses within the Consolidated Statement of Comprehensive Income.

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**Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025**

14. Tangible fixed assets

	Motor vehicles £	Leasehold improvements £	Plant and machinery £	Office equipment £	Computer equipment £	Total £
Cost						
At 1 January 2025	19,469	34,458	207,872	15,968	40,248	318,015
Additions	-	-	91,411	1,370	6,160	98,941
Disposals	(5,533)	-	(300)	-	(252)	(6,085)
At 31 December 2025	<u>13,936</u>	<u>34,458</u>	<u>298,983</u>	<u>17,338</u>	<u>46,155</u>	<u>410,871</u>
Depreciation						
At 1 January 2025	7,069	3,378	48,702	11,974	31,629	102,752
Charge for the year	6,200	9,362	64,780	1,867	3,566	85,775
Written back on disposals	(5,533)	-	(300)	-	(252)	(6,085)
At 31 December 2025	<u>7,736</u>	<u>12,740</u>	<u>113,182</u>	<u>13,841</u>	<u>34,943</u>	<u>182,442</u>
At 31 December 2025	<u>6,200</u>	<u>21,718</u>	<u>185,801</u>	<u>3,498</u>	<u>11,212</u>	<u>228,429</u>
<i>At 31 December 2024</i>	<u>12,400</u>	<u>31,080</u>	<u>159,170</u>	<u>3,994</u>	<u>8,619</u>	<u>215,263</u>

No indicators of impairment were noted during the year hence no impairment expense was recognised (2024: £nil).

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**Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025**

15. Inventory	31 December 2025	<i>31 December 2024</i>
	£	£
BoltEx [®] stock	68,006	<i>64,051</i>
Inventory of parts - at cost	13,576	<i>20,215</i>
	<u>81,582</u>	<i><u>84,266</u></i>

Management undertook an assessment of the value of parts alongside a Senior Engineer from SRJ. Obsolete stock of £5,665 (2024: £24,872) has been written off to administration expenses in the year. For remaining stock, due to the mark up achievable on the finished products, the conclusion was made that the NRV was not lower than the cost.

No value is included in inventory above for consignment stock (2024: £nil) as none of the risks and rewards of ownership of the consignment stock have been transferred to the Company.

16. Debtors	31 December 2025	<i>31 December 2024</i>
	£	£
Trade debtors	418,587	<i>727,851</i>
Other debtors	124,975	<i>53,195</i>
Prepayments and accrued income	92,387	<i>225,390</i>
	<u>635,949</u>	<i><u>1,006,436</u></i>

17. Creditors: Amounts falling due within one year	Note	31 December 2025	<i>31 December 2024</i>
		£	£
Hire purchase and finance leases payable	20	49,975	<i>32,585</i>
Trade creditors		538,705	<i>464,815</i>
Deferred income		40,177	<i>16,000</i>
Invoice financing		61,555	<i>96,683</i>
Loans payable	19	11,950	<i>6,910</i>
Accruals and other payables		380,863	<i>410,449</i>
		<u>1,083,225</u>	<i><u>1,027,442</u></i>

Invoice financing arrangement

The Group maintains a recourse factoring facility with eCapital Commercial Finance (North) Limited. Under the arrangement, certain trade receivables are assigned to the factor, and the Group receives advances of up to 70% of the invoice value, subject to a facility limit of £100,000. As the facility is with recourse, the Group retains the credit risk on factored debts. Receivables subject to the arrangement at year end totalled £97,404, which continue to be recognised as the Group retains substantially all risks and rewards. The related liability due to the factor was £61,555, presented within current liabilities. Key terms of the facility include: discount charge at 3% above the nominated bank base rate, monthly minimum charge of £925, and a recourse/refactoring period of four months after invoice date. The assigned receivables serve as security for the amounts advanced.

18. Loans payable	31 December 2025	<i>31 December 2024</i>
	£	£
Directors' loans	<u>167,877</u>	<i><u>30,753</u></i>

At 31 December 2025, £156,637 (31 December 2024: £30,753) was owed by the Group to one of the former directors of ACE, the subsidiary company, in respect of net loans advanced and wages payable. The loan was partially written off in early 2026 by way of a settlement agreement. Note 25 sets out the financial effect.

- During the year loans were received from directors Air Control Entech ("ACE"), Blair Nichols and Marc Whitton, totalling £30,240. During the year, £19,000 was repaid, with the remainder agreed with the parties to be settled in 2026. The loans are interest free and unsecured. Interest was to be charged originally but an addendum to the agreement dated 17 April 2025 amended the terms such that no interest shall be payable by the Company on the loan and the loan shall be interest free for the entire duration until repayment.

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**Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025**

19. Creditors: Amounts falling due after one year	Note	31 December 2025	<i>31 December 2024</i>
		£	£
Hire purchase and finance lease payable	20	70,239	<i>31,225</i>
Loans payable		173,867	<i>151,946</i>
		244,106	<i>183,171</i>

The loans payable in notes 17 and 19 (amounting to £185,817 in total) comprise the following.

- The Santander bank loan outstanding of £26,152 (2024: £31,450) is supported by the Bounce Back Loan Scheme, with £5,915 due within one year and £20,237 due after one year. The loan is unsecured. The interest rate charged on the loan is fixed at 2.5%pa and the loan is repayable over 60 consecutive monthly instalments commencing in June 2021, with a maturity date of May 2030.
- The loan outstanding from Net Zero Technology Centre for £148,573 (all due after one year) (2024: £120,360) is unsecured and interest free and has a maturity date of August 2027.
- The loan outstanding from the Energy Saving Trust of £6,052 (2024: £7,046) (£995 due within one year and £5,057 due outside one year) is unsecured and interest free, and repayable over 96 monthly instalments commencing February 2024, with a maturity date of June 2031.
- During the year a loan of £5,040 was received from one of the managers of Air Control Entech Limited ("ACE"), Murray Stewart. This will be settled in 2026. The loan is interest free and unsecured. Interest was to be charged originally but an addendum to the agreement dated 17 April 2025 amended the terms such that no interest shall be payable by the Company on the loan and the loan shall be interest free for the entire duration until repayment.

There are no covenants associated with any of these loans.

20. Hire purchase and finance lease obligations	31 December 2025	<i>31 December 2024</i>
	£	£
Future minimum lease payments due under hire purchase and finance leases:		
Not later than one year	49,975	<i>32,585</i>
Later than one year and not later than five years	70,239	<i>31,225</i>
Later than five years	-	<i>-</i>
	120,214	<i>63,810</i>

The hire purchase and finance leases are secured over the assets to which they relate.

21. Issued capital	31 December 2025	<i>31 December 2024</i>
	£	£
Allotted, called up and fully paid		
1,410,881,709 (2024: 623,542,578) Ordinary shares of £0.0000588 (2024: £0.000125 each)	124,283	<i>77,943</i>

In order to avoid exceeding the current authorised number of CDIs under the Company's Articles of Association, and to have the flexibility to raise additional capital or make acquisitions in the future, a resolution was passed at the Company's EGM on 25 July 2025 to increase the authorised share capital from £100,000 divided into 800,000,000 shares of £0.000125 each to £100,000 divided into 1,700,000,000 shares of £0.0000588 each.

Movements in share capital during the year are reconciled as below;

	31 December 2025		
	Shares in issue	Share capital £	Share premium £
Allotted, called up and fully paid			
Brought forward	623,542,578	77,943	30,031,265
Issued to investors, net of transaction costs (i)	787,339,131	46,340	1,461,000
At 31 December 2025	1,410,881,709	124,283	31,492,265

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**Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2025**

21. Issued capital (continued)

(i) During the year an additional 787,339,131 shares were issued for total consideration of £1,598,214. Transaction costs relating to the share issues of £90,875 have been written off against the share premium arising in the issue.

	31 December 2024		
	Shares in issue	Share capital £	Share premium £
Allotted, called up and fully paid			
At 31 December 2024	<u>623,542,578</u>	<u>77,943</u>	<u>30,031,265</u>

The ASX uses an electronic system called CHESSE for the clearance and settlement of trades. The Company is a Jersey Company incorporated under the Companies (Jersey) Law 1991, which does not recognise the CHESSE system of holding securities. Accordingly, to enable the securities to be cleared and settled electronically through CHESSE, depositary instruments called CDIs are issued. CDIs represent the beneficial interest in the underlying shares in a foreign company listed on the ASX and are traded in a manner similar to shares of listed Australian companies. Each CDI represents an interest in one share of SRJ.

22. Related party transactions

AVI Partners Limited (AVI) is a related party by virtue of having a common shareholder with a significant shareholding in the Company. A wholly owned subsidiary of AVI leased office space to the Company until June 2025, the charge in the year was £7,500 (31 December 2024: £15,000), equivalent to £1,250 per month. The balance owing to AVI at the year end was £nil (2024: £nil).

The Company has a Strategic Management Services consultancy agreement with Devi5e Pty, a Company owned by David Milner who is a director of SRJ Tech Australia Pty Ltd. The expense in the year was £56,266 (2024: £87,751). The balance owing to Devi5e Pty at the year end was £5,456 (2024: £10,872).

Jindabyne Capital Pty Ltd, a related party by virtue of having a significant shareholding in the Company, charged consultancy fees of £Nil to the Company during the year (2024: £189,170). The balance owing to Jindabyne Capital Pty Ltd at the year end was £nil (2024: £nil).

During the year, the Company received short-term funding of AUD \$250,000 from BJS Robb Pty Limited, a company controlled by multiple existing shareholders. The funding was provided on 27 June 2025 on a non-documented, good-faith basis to support immediate working capital requirements and was intended to be secured against specified customer invoices. The parties agreed that repayment terms and/or a potential equity-linked conversion mechanism would be considered following further discussions. During the year, \$200,000 was converted into CDIs (CHESSE Depositary Interests) in the Company, with the balance, including a \$12,500 establishment fee, settled thereafter in cash. At the reporting date, no amounts were outstanding in respect of this arrangement. Subsequent to the reporting date, the Company entered into a loan agreement with BJS Robb Pty Limited. Further details of this transaction are set out in note 25.

During the year key management personnel (defined as all directors of the Company, the Chief Executive Officer(s), the Chief Financial Officer and Technical Director) of the Group received total compensation of £811,383 (31 December 2024: £760,871) of employment and post-employment benefits and £159,691 awards of share based payments (31 December 2024: £90,322). See note 12 for further analysis of directors' remuneration.

The balances owing to key management personnel in respect of unpaid and deferred salaries at the year end were as follows:

George Gourlay	£22,354 (2024: £5,462)
David Milner	Owed to Devi5e Pty, as disclosed above.
Giles Bourne	£3,241 (2024: £2,059)
Alexander Wood	£6,101 (2024: £11,192)
Roger Smith	£3,624 (2024: £13,189)
Stefan McGreevy	£20,018 (2024: £18,442)
Paul Eastwood	£13,394 (2024: £nil)
Robin Pinchbeck	£nil (2024: £nil)
Kurt Reeves	£21,833 (2024: £nil)
Jason De Silveira	£2,067 (2024: £nil)

The interests of the Key Management Personnel in the capital of the Company at the year end date are set out in the table below:

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**Notes to the Consolidated Financial Statements
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22. Related party transactions (continued)

Key Management Personnel	Securities
George Gourlay	Nil Ordinary shares/CDIs (see directors' report and note 10 for further detail)
David Milner	3,295,539 Ordinary shares/CDIs
Giles Bourne	371,612 Ordinary shares/CDIs (see directors' report and note 10 for further detail)
Alexander Wood	403,669 Ordinary shares/CDIs
Roger Smith	2,212,570 Ordinary shares/CDIs
Stefan McGreevy	1,140,000 Ordinary shares/CDIs
Paul Eastwood	760,000 Ordinary shares/CDIs
Robin Pinchbeck	2,906,366 Ordinary shares/CDIs
Kurt Reeves	Nil Ordinary shares/CDIs (see directors' report and note 10 for further detail)
Jason De Silveira	205,590 Ordinary shares/CDIs

Further to the Ordinary Shares held directly by Alexander Wood and Stefan McGreevy there are 17,815,600 Ordinary Shares held by AVI Partners Limited, a company in which Alexander Wood holds 18.0% and Stefan McGreevy 5% of the issued shares. AVI Partners has a shareholding of 1.26% of the undiluted shares in issue of the Group.

23. Leases for premises

The informal agreement between SRJ Limited and AVI Partners Limited for the premises "Le Quai House" ended on 30 June 2025. Monthly rentals of £1,250 were paid to AVI Partners Limited from December 2023. The same monthly amount has continued to be paid to the new owners of the premises, with no formal agreement in place.

SRJ Technology Limited, rents offices for £11,400 per annum under a lease that was signed on 17 February 2025, the terms being for a 6 year lease with a break clause after 2 years. The address is Brokers' Office A.2.1, Huntsman Road, Hamble Point Marina, Southampton. The Lessor has accepted an early break whereby the lease will cease on 17 August 2026. The Company remains liable to settle the lease payments up to this date with the new owner of SRJ Technology Limited following its divestment in February 2026.

SRJ Tech Australia Pty Ltd rented offices for A\$1,850 per month on a rolling three-month lease until August 2025.

Air Control Entech Limited leases offices at Murcar House, Denmore Road, Aberdeen at an annual rental of £22,500 per annum until 31 December 2028. The company also leases Units 12 and 13, Murcar Commercial Park, Aberdeen at an annual rental of £23,000 per annum until 30 November 2028.

As at 31 December 2025, the company had the following lease commitments:

	At 31 December 2025	<i>At 31 December 2024</i>
	£	<i>£</i>
Within one year	50,250	<i>59,643</i>
Between two and five years	89,083	<i>145,983</i>
	<u>139,333</u>	<i><u>205,626</u></i>

24. Analysis of changes in net debt

	At 1 January 2025	Cash flows	Acquisition of subsidiary (net cash outflow)	Other non- cash changes	At 31 December 2025
	£	£	£	£	£
Cash and cash equivalents					
Cash at bank and in hand	636,986	232,072	(254,588)	(4,294)	610,176
Borrowings					
Finance lease	(63,810)	(56,404)	-	-	(120,214)
Other loans	(158,856)	(26,961)	-	-	(185,817)
Invoice financing	(96,683)	35,128	-	-	(61,555)
Directors' loans	(30,753)	(137,124)	-	-	(167,877)
Loan financing	-	94,123	-	(94,123)	-
Borrowings total	<u>(350,102)</u>	<u>(91,238)</u>	<u>-</u>	<u>(94,123)</u>	<u>(535,463)</u>
Net debt	<u>286,884</u>	<u>140,834</u>	<u>(254,588)</u>	<u>(98,417)</u>	<u>74,713</u>

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**Notes to the Consolidated Financial Statements
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24. Analysis of changes in net debt (continued)

	At 1 January 2024	Cash flows	Acquisition of subsidiary (net cash outflow)	Other non- cash changes	At 31 December 2024
	£	£	£	£	£
Cash and cash equivalents					
Cash at bank and in hand	128,456	5,414,811	(4,879,898)	(26,383)	636,986
Borrowings					
Finance lease	(36,838)	67,020	(93,992)	-	(63,810)
Other loans	-	6,040	(164,896)	-	(158,856)
Invoice financing	-	(96,683)	-	-	(96,683)
Directors' loans	(50,000)	19,247	-	-	(30,753)
Convertible loan notes	-	(342,797)	-	342,797	-
Borrowings total	<u>(86,838)</u>	<u>(347,173)</u>	<u>(258,888)</u>	<u>342,797</u>	<u>(350,102)</u>
Net debt	<u>511,948</u>	<u>5,067,638</u>	<u>(5,138,786)</u>	<u>316,414</u>	<u>286,884</u>

Comparative information has been restated to include directors' loans within net debt.

Net cash (outflow)/inflow on acquisition of subsidiary comprises:

	2025 £	2024 £
Cash element for acquisition	(213,919)	(4,500,000)
Acquisition costs	(40,669)	(449,517)
Cash acquired on acquisition	-	69,619
	<u>(254,588)</u>	<u>(4,879,898)</u>

Non-cash changes relate to:

Cash at bank and in hand - relates to the (loss)/gain on translation of the foreign subsidiaries.

Loan financing - relates to the conversion of A\$200,000 into 50,000,000 CDIs valued at £95,714 (see note 22 for details) and a realised foreign exchange loss of £1,591.

Convertible loan notes (2024 comparatives) - relates to the conversion of 662,500 notes (12,309,637 shares) valued at £342,797.

There are no restrictions over the use of the cash and cash equivalents balances which comprises of cash at bank and in hand.

25. Post balance sheet events

Subsequent events have been evaluated up to the date that the financial statements were approved and authorised for issue by the Board of Directors. There have been no material events requiring adjustment or disclosure in these financial statements outside of the events outlined below.

- The Company's wholly owned subsidiary, First Avenue General Contracting – Sole Proprietorship LLC (“First Avenue”), has secured a purchase order with CAPSA Engineering & Contracting L.L.C. (“CAPSA”). The purchase order for asset integrity services, covers the management and supply of a major controls upgrade to be retrofitted to existing equipment, owned and operated by a regional NOC. The upgrade and modernisation of plant control systems is a key factor in maintaining integrity, safety and profitability of operational assets. The purchase order value of US\$879k (A\$1,312k) is expected to be completed within 18-36 months with staged payments in alignment with delivery and installation of the upgrade control systems.

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25. Post balance sheet events (continued)

- The Company has entered into a Share Sale Agreement with Roger Smith to dispose of its 100% interest in SRJ Technology Limited ("SRJ UK"), a UK incorporated subsidiary, for a nominal consideration of £1. This is a non-adjusting event (and no adjustment has been made at the reporting date). SRJ UK operated a consulting and engineering function within the Group. The business unit has not contributed materially to overall group revenue averaged over the last 3 years and all via non-recurring opportunities and operated at a net loss. SRJ UK holds no material assets and is not considered core to the Company's ongoing strategic objectives. The disposal forms part of the Company's previously announced initiatives to streamline its corporate structure and reduce overheads associated with non-core activities. To ensure continuity of technical capability where required, the Company will enter into a Consulting and Engineering Support Agreement with the purchaser, enabling access to specialist services without fixed cost commitments. Completion is expected to occur on or around 25 February 2026, subject to standard administrative requirements. SRJ UK had net liabilities at 31 December 2025 of £3.9m, including a £3.9m inter company loan that will be written off prior to disposal. The expected loss on disposal, after writing off the inter-company loan, will be immaterial. The Company will continue to settle the lease for SRJ UK until August 2026 (when lease expires), which will cost £10,468. Discontinued operations presentation disclosure is not required in these financial statements. SRJ UK is not a separate major line/geography and is immaterial.

- Subsequent to the year end, the Group entered into a settlement agreement with a former director of a subsidiary undertaking under which liabilities of £156,637 were settled for £49,500, payable over 18 months.

- Subsequent to the year end, on 25 February 2026, the Company entered into an unsecured loan agreement with an existing shareholder, BJS Robb Pty Ltd for USD\$200,000 (or AUD equivalent), bearing interest at 10% per annum and subject to a 6% establishment fee. The loan is not repayable on demand and is repayable only upon completion of a qualifying capital raising of not less than USD\$500,000 (or AUD equivalent), with repayment due within 10 business days of such event. The facility may, by mutual agreement, be converted into equity at a future date. As the agreement was entered into after the reporting date, it represents a non-adjusting event under FRS 102 Section 32 and has not been recognised in the financial statements.

- Subsequent to the year end, geopolitical developments in the Middle East have continued to evolve. The Group has ongoing operations and has secured asset integrity projects in the region. Management is closely monitoring the situation and assessing any potential impacts on personnel, operations, project execution and customer activity.

At the date of authorisation of these financial statements, the Group's operations and contractual activities in the region continue largely as planned, although the evolving situation may result in changes to project scheduling or timing of contract execution and revenue recognition. Given the ongoing nature of regional developments, the potential financial impact, if any, cannot yet be reliably estimated. The financial statements have not been adjusted in respect of this matter.

26. Ultimate controlling party

In the opinion of the Directors there is no one ultimate controlling party of the Company due to no one investor having sufficient voting rights to direct the operations of the company.