

Our Governance Framework enables us to

# operate effectively

and positions us well to continue to deliver sustainable growth for the benefit of all our stakeholders



## Dear Shareholder,

As Chair of AMS, and on behalf of the Board, I am pleased to present this year's Governance Report. Strong governance remains essential as we continue to integrate Peters Surgical and deliver long-term value whilst maintaining the trust of our stakeholders. This year, the Board has continued to provide clear strategic oversight while ensuring that responsible and sustainable practices remain at the heart of our decision making.

We have strengthened our governance framework to support both financial resilience and our broader sustainability ambitions. This includes continued focus on the environmental impact of our operations, the wellbeing and development of our people, and the long-term stewardship of the business. Board effectiveness, succession planning, and maintaining a diverse blend of skills and perspectives remain priorities as we guide AMS through a rapidly evolving landscape.

2025 marked an important step forward in defining the long-term direction of the business. We introduced a refreshed Purpose, Mission and Values, providing a clear and cohesive framework to guide our strategy, culture, and decision making. This renewed focus strengthens

our commitment to long-term sustainable growth and ensures that the Board and wider organisation remain aligned in delivering value for all stakeholders.

Looking ahead, the Board is committed to ensuring that AMS grows responsibly – balancing performance with purpose, and ensuring sustainability considerations are fully integrated into our strategy.

## Changes to the Board

2025 was a period of transition for the Board. I was appointed Chair when Liz Shanahan stepped down on 31 March 2025. At the same time, we were pleased to welcome Susan Searle as a Non-Executive Director and Senior Independent Director. In line with corporate governance best practice, we further strengthened the Board with the appointment of Juliet Thompson, who joined as a Non-Executive Director on 30 June 2025. Juliet brings extensive Board experience, particularly within the healthcare sector, and is an established Audit Committee Chair. Upon joining, she assumed the role of Chair of the Audit and Risk Committee and became a member of both the Nomination and Remuneration Committees.

## Recognition and looking forward

I would like to thank all of those involved in bringing together my fellow Board members, the leadership team, and all colleagues across AMS for their ongoing dedication and contribution.

In the year ahead, while continuing to enhance our corporate governance framework, the Board will also prioritise:

- Progress the implementation of our ESG Strategy, with a focus on implementing the Science Based Targets Initiative ('SBTi') and UN Global Compact.
- Further embed our Purpose, Mission and Values, and refreshed Corporate Identity, to enhance One AMS.
- Continue to drive growth of US LiquiBand® and LIQUIFIX™ in the US.
- Focus on our innovation pipeline as focus moves away from MDR.
- Accelerate Peters Surgical integration, maximising the commercial and operational synergies, and working with our employees to manage our site rationalisation.

### Grahame Cook Chair

1 May 2026

## Corporate Governance Report continued

### Corporate Governance

We choose to comply with the UK Corporate Governance Code ('Code') as far as is practicable and appropriate for a public company of the Group's size. We remain committed to maintaining high standards of corporate governance which is key to generating shareholder value, protecting stakeholder interests and long-term sustainable growth.

A breakdown of our compliance with the Code can be seen on Page 75 and on our website [www.admedsol.com](http://www.admedsol.com). The Code reinforces the need to understand shareholder views and consider these as part of our decision-making.

Details of how we engage with our stakeholders are set out on Pages 61 to 64.

### Corporate Governance Report

The Board is committed to the principles of good corporate governance which encompass leadership, effectiveness, accountability, remuneration and shareholder relations.

Our shares are quoted on the AIM market and are subject to the AIM Admission Rules of the London Stock Exchange.

### Throughout the year

The Board met ten times during the year. All of the meetings were held in the UK. The Directors attended the following meetings in the year ended 31 December 2025:

Board member	Board
Grahame Cook (Chair)	10/10
Eddie Johnson	10/10
Douglas Le Fort	10/10
Chris Meredith	10/10
Liz Shanahan <sup>1</sup>	2/3
Susan Searle <sup>2</sup>	7/7
Juliet Thompson <sup>3</sup>	4/4

- 1 Liz stepped down from the Board on 31 March 2025.
- 2 Susan joined the Board on 31 March 2025.
- 3 Juliet joined the Board on 30 June 2025.

Susan Searle was designated as the Non-Executive Director for Workforce Engagement following her appointment to the Board, and employee engagement remained high, with CEO video conferences with each site. Management have regularly updated the Board on employee engagement throughout the year.

In addition, the Board held employee engagement sessions at two sites in 2025 as part of Board meetings. These were run as breakfast sessions, with the sites selecting the employees who participated from a variety of functions and seniority levels. These were well received and will take place during all site visits by the Board in 2026.

The new Purpose, Mission and Values were also well received, with significant input from employees across the Group in a variety of ways. Please see Page 64 for further details.

Despite not carrying out an employee engagement survey in 2025, which we intend to relaunch to the expanded Group in 2026, we addressed the issues raised from the last survey, as well as from the other employee engagement activities, and this was positively received. We have continued regular communication across the Group to address concerns which have been raised. In 2026 we will be focusing on proactive ways to further increase engagement, supported by the appointment of an Internal Communication Manager.

As in previous years, the implementation of strategy has been an area of focus in our Board meetings. The Executive Directors have provided regular updates, allowing the Board to be informed of our view on the successes and challenges throughout the Group and review future direction through five-year strategic plans.

There has been a particular focus on the integration of Peters Surgical, the synergies which can be achieved, how the Group will operate, and what the Group will look like in the future. Direct engagement with our significant shareholders in recent years on ESG, Remuneration Policy and Board refreshment meant that our plans have been clearly communicated, and will continue to be moving forward.

Details of our principal risks are set out on Pages 35 to 38. The Risk Register and principal risks are regularly assessed by the Board and Audit and Risk Committee and we reviewed and updated our Risk Management process in 2024. Further information regarding the principal matters discussed by the Board during 2025 is set out on Page 74.

**Board activities**



**Role of the Board**

The role of the Board is to establish the Purpose, Mission, Values and Strategy for the Group, to deliver shareholder value and take responsibility for the long-term, sustainable success of the Company.

Individual members of the Board have equal responsibility for the overall stewardship, management and performance of the Group and for the approval of its long-term objectives and strategic plans.

**2026 AGM**

In 2026, we will put forward all Directors for re-election in accordance with Code Provision 18.

Grahame Cook and Susan Searle own shares in the Company as shown on Page 97. These holdings have been highlighted to shareholders and are small and would not be considered to impact independence under Code Provision 10.

The 2026 AGM will be convened at 11.00am on 17 June 2026. Details of the AGM will be outlined in the AGM Notice, on the Company’s website [www.admedsol.com](http://www.admedsol.com) and through RNS announcements to the market.

The AGM results will be announced to the London Stock Exchange and placed on the AMS website [www.admedsol.com](http://www.admedsol.com), in the usual way, as soon as practicable after the conclusion of the AGM.

The Board would like to thank all shareholders for their continued support.

**Relations with Shareholders**

The Strategic Report, which incorporates the Chair’s Statement, Chief Executive’s Q&A, Financial Review, Section 172 Statement, Stakeholder Engagement, Risk Management, Sustainability/ESG and Climate-Related Financial Disclosures (‘CFD’) sections, together with other information in the Annual Report of the Group, provides a detailed review of the business. The views of both institutional and private shareholders are important, and these can be varied and wide-ranging, as is their interest in the Company’s strategy, reputation and performance.

The Executive Directors have overall responsibility for ensuring effective shareholder communication and the Company maintains a regular dialogue with its shareholders, which is described in the Section 172 Statement on Pages 61 to 64.

The Notice for the Annual General Meeting is sent to shareholders at least 20 working days before the meeting.

The AMS website [www.admedsol.com](http://www.admedsol.com) was relaunched in February 2024 with a contemporary design, refreshed content, an enhanced user experience and SEO-ready functionality. It is regularly updated and provides additional information on the Group, including information on the Group's products, technology and work on sustainability/ESG. In March 2026 it was updated to reflect the new Corporate identity.

**Division of Responsibilities**

There is a clear division of responsibilities between the role of the Chair and the Chief Executive Officer of the Company.

The roles are clearly set out in writing. The information below reflects the Board at the time of issuing the Annual Report in May 2026.



**Grahame Cook**

Chair

- Leadership and management of the Board.
- Setting the Board's agenda, style and tone of discussions.
- Ensuring the Board's effectiveness in all aspects of its role.
- Working closely with the Chief Executive Officer on developing the Group's strategy, and providing general advice and support.
- Facilitating active engagement by all members.
- Participating in shareholder communications.
- Promoting high standards of corporate governance.



**Chris Meredith**

Chief Executive Officer

- Managing the Group's business.
- Developing Group strategy for consideration and approval by the Board.
- Leading the Executive Committee in delivering the Group's strategic and day-to-day operational objectives.
- Leading and maintaining communications with all stakeholders.



**Susan Searle**

Senior Independent Director

- Acting as an intermediary for other Directors when necessary.
- Available to meet with shareholders and aid communication of shareholder concerns when normal channels of communication are inappropriate.
- Chairing meetings of Non-Executive Directors, if and when required.
- All responsibilities of a Non-Executive Director as outlined (see right).
- Chairs meetings of the Nomination Committee when it is considering succession to the Chair.
- Provides a sounding board for the Chair and conducts the Chair's annual evaluation.



**Douglas Le Fort**

Non-Executive Director

- Constructively challenging and contributing to the development of strategy.
- Monitoring the integrity of financial information, financial controls and systems of risk management to ensure they are robust.
- Reviewing the performance of Executive Management.
- Formulating Executive Director remuneration.
- Chair Board Committees as required (Douglas - Remuneration Committee, Juliet - Audit & Risk Committee).



**Juliet Thompson**

Non-Executive Director

### The Non-Executive Directors

Each of the Non-Executive Directors is free from any relationship with the Executive Management and from any business or other relationship that could affect or appear to affect the exercise of their independent judgement. The Board considers that all of the Company's Non-Executive Directors are Independent Directors, in both character and judgement, in accordance with the recommendations of the Code.

Both Liz Shanahan, who stepped down as Chair on 31 March 2025, and Grahame Cook, who was appointed as Chair on 31 March 2025, were considered independent upon their appointment.

### The operation of the Board

The Board has the responsibility for ensuring that the Group is appropriately managed and achieves the strategic objectives it sets. To achieve this the Board reserves certain matters for its own determination, including matters relating to Group strategy, approval of interim and annual financial results, dividends, major capital expenditure, budgets, monitoring business and financial performance, treasury policy, corporate governance, risk management, development of Environmental, Social and Governance strategy and the effectiveness of its internal control systems. It has a schedule of matters specifically reserved for its approval. Matters are delegated to the Board Committees, Executive Directors and the Executive Management Team where appropriate, and the Group's delegation of authority policy was reviewed and updated within the year to ensure it continues to align with best practice.

The Board performs its responsibilities through an annual programme of meetings and by continuously monitoring Group performance.

The Board also delegates a number of its responsibilities to Committees and management as described below.

All Directors have access to the advice and services of the Company Secretary. The Non-Executive Directors can contact the Executive Directors, Company Secretary or Senior Managers at any time for information about the Group.

### Board Committees

The Board has delegated responsibilities to the Audit and Risk, Remuneration, and Nomination Committees. Grahame Cook and Douglas Le Fort served as members of all three Committees during the year. Until her resignation on 31 March 2025, Liz Shanahan was a member of the Remuneration and Nomination Committees.

Liz Shanahan stepped down as Chair on 31 March 2025. Following his appointment as Chair on the same date, Grahame Cook continued to serve as Chair of the Audit and Risk Committee until 30 June 2025, when Juliet Thompson joined the Board and assumed that role. Upon her appointment, Juliet joined the Nomination and Remuneration Committees.

Susan Searle was appointed to all three Committees upon her appointment on 31 March 2025 and replaced Grahame as Senior Independent Non-Executive Director. Susan has also been appointed as the Director responsible for Workforce Engagement.

### Board composition

The Board comprises the Non-Executive Chair, two Executive Directors and three Non-Executive Directors. The Directors' profiles on Pages 67 and 68 detail their experience and suitability for leading and managing the Group. Together they bring a valuable range of expertise and experience. No individual or group of individuals dominates the Board's decision-making process. The previous Chairs and new Chair foster a climate of open debate in the boardroom, built on a challenging but supportive relationship with the Chief Executive Officer which sets the tone for Board interaction and discussions.

### Appointment of Non-Executive Directors

Non-Executive Directors are appointed to the Board following a formal, rigorous and transparent process, usually involving an external recruitment agency, to select individuals who have a depth and breadth of relevant experience to ensure that they can make an effective contribution to the Board. Details of how the Nomination Committee managed the process for the Board appointments made in 2025 can be found on Page 80.

### Diversity

We recognise the importance of diversity. The Board has a wide range of skills and experiences from a variety of business backgrounds and a number of nationalities. The female Board representation at 31 December 2025 was 33%. The FTSE Womens Leaders Review target (40%) is being considered during the recruitment process for the new Non-Executive Director and is a key part of the succession planning process.

### Matters considered by the Board in 2025 included:

- Strategic plans.
- Bid defence review.
- Acquisition strategy and targets.
- Acquisition integration and synergies.
- Restructuring of Woundcare.
- Supply chain resilience.
- Environmental, Social, Governance ('ESG').
- Climate-related Financial Disclosures ('CFD').
- Dividend policy.
- Analysis of current market listing.
- Health and safety.
- UK Corporate Governance Code compliance.
- Board refreshment and succession.
- Directors' responsibilities.
- Group delegation of authority policy.
- Risk review.
- Major capital expenditure.
- Finance and operations review.
- Matters reserved for the Board.
- Reports from the Board Committees.
- Annual budget, results, forecast updates.
- Organisation and Senior Management structure.
- Shareholder base and investor engagement.
- Employee incentives.

## Corporate Governance Report continued

The Executive Committee also has diverse experience. It is comprised of several nationalities and female representation is 40%. Our Group Equality, Diversity and Inclusion ('EDI') Policy ensures diversity is considered at all levels and across the Group. Our EDI Committee, launched in 2022, and refreshed in 2025 across the wider Group as AMS Together, has made further progress and reports into the ESG Steering Committee. We continue to take steps to further promote diversity amongst our employees at all levels.

### UK Corporate Governance Code compliance

As a large AIM-quoted company, AMS has chosen to follow the Code and is compliant in the majority of areas.

The Company does not comply with Provision 36 (formal policy for post-employment shareholding), as there is no policy in place at this time and Provision 39 (pension contribution rates for Executive Directors, or payments in lieu, should be aligned with those available to the workforce). The Company does not consider the current contributions of 10% to be excessive and will review this for any new appointments.

We have not provided a formal viability statement and hence do not comply with Provision 31. Please see references to going concern on Pages 76, 83, 103, 116 and 117.

### Terms of appointment and time commitment

All Non-Executive Directors are appointed for an initial term of one year subject to satisfactory performance followed by a rolling contract which is regularly reviewed by the Board.

All Non-Executive Directors are proposed annually to shareholders for reappointment in accordance with best practice. They are expected to devote such time as is necessary for the proper performance of their duties and to attend all Board meetings and Committee meetings of which they are members and any additional meetings as required.

Further details of their terms and conditions are summarised in the Remuneration Report on Pages 95 to 98 and the full terms and conditions of appointment of the Non-Executive Directors are available at the Company's Registered Office.

### Induction and professional development

Each new Director is given a formal induction process covering how the Board and Committees operate, meetings with Senior Management, information on strategy, products and performance and access to policies and other key documents. Further details can be found in the Nomination Committee Report on Page 80.

Training and development needs of Directors are reviewed regularly. The Directors are kept apprised of developments in legal, regulatory and financial matters by the Company Secretary and the Group's external auditors and advisors.

### Professional advice, indemnities and insurance

There is provision for Directors to take independent professional advice relating to the discharge of their responsibilities, with the Company paying for such advice. The Company has arranged Directors' and Officers' liability insurance against certain liabilities and defence costs. However, the Directors' insurance does not provide protection in the event of a Director being found to have acted fraudulently or dishonestly.

### Board and Committee evaluation

The performance evaluation of the Board, its Committees and Directors is undertaken by the respective Committee Chairs annually and more detail on this evaluation is set out in the Report of the Nomination Committee on Pages 77 to 80.

### Audit and Risk, Nomination and Remuneration Committees

The Committee Reports can be found on Pages 81 to 84, 77 to 80 and 85 to 98 respectively.

### Tenure

The Board was comprised of six members throughout 2025. The Board tenure during 2025 is shown below.

	Date of appointment	1	2	3	4	5	6	7	8	9+	Date of election or next re-election
Grahame Cook (appointed Chair in 2025)	1 February 2021				■						17 June 2026
Chris Meredith	11 April 2006									■	17 June 2026
Eddie Johnson	1 January 2019							■			17 June 2026
Douglas Le Fort	2 August 2021				■						17 June 2026
Susan Searle	31 March 2025	■									17 June 2026
Juliet Thompson	30 June 2025	■									17 June 2026
Liz Shanahan (Chair – stepped down in 2025)	1 August 2022			■							N/a

**Going concern**

With regards to the Group's financial position, it had cash and cash equivalents at 31 December 2025 of £18.0 million (£17.0 million) and continues to be profitable with positive operational cash flow.

The Group holds a debt facility which includes £55 million remaining on a term loan facility and a £30 million revolving credit facility, together "the Facility". As at 31 December 2025, £6 million of the revolving credit facility was drawn, with £24 million available if required providing the Group with flexible working capital. Interest on drawn funds is charged at the SONIA interest rate plus a current bank margin of 1.5%. Both the term loan and the revolving credit facility mature in April 2028.

The Group is required to comply with the following financial covenants a) Interest cover in respect of any relevant period shall not be less than 4.0:1.0 and b) Net leverage in respect of each relevant Period shall not exceed 3.0:1.0.

The EBITDA to finance charge ratio of the Group at 31 December 2025 is 11.8 and is expected to increase as the borrowing facilities are repaid. The net debt to EBITDA ratio of the Group at 31 December 2025 is 1.0 and is expected to reduce as the borrowing facilities are repaid.

In carrying out their duties in respect of going concern, the Directors have carried out a review of the Group's financial position and cash flow forecasts for a period of 12 months from the date of signing the account. These have been based on a comprehensive review of revenue, expenditure and cash flows, taking into account specific business risks and the current economic environment.

Sensitivity analysis has been prepared to stress test forecasts and the Directors are confident the business is a going concern given the significant headroom available. The Directors also considered whether any factors exist that might reasonably impact the Group's ability to continue as a going concern beyond the period of 12 months from the date of these Financial Statements, with no factors considered reasonably possible.

The Group operates in markets whose demographics are favourable for AMS products, and consequently market growth is predicted. The Group has a large number of contracts with customers across different geographic regions and also with substantial financial resources, ranging from government agencies through to global healthcare companies. The 2024 acquisition of Peters Surgical expanded AMS's product portfolio, adding additional direct sales capability in key territories, improved manufacturing efficiency and further expanded the Group's specialist development and commercialisation function.

Having taken the above into consideration, the Directors have reached a conclusion that the Group is well placed to manage its business risks in the current economic environment. Accordingly, they continue to adopt the going concern basis.

**Remuneration**

The level of remuneration of the Directors is set out in the Remuneration Report on Pages 85 to 98.