

Creating a
|
**surgical
powerhouse**

What's inside



p07-19

Creating a surgical powerhouse



p12-13

marketing through our expanding footprint



Strong execution in 2025 delivered robust growth and continued progress integrating our expanded Group”

Chris Meredith

Q&A with the Chief Executive Officer

p20-21

For more info visit:
[https://admedsol.com/
investor-relations/](https://admedsol.com/investor-relations/)



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Chris Meredith
Chief Executive Officer

Uniting Expertise, Unlocking Efficiencies

Throughout 2025 one of our key priorities has been to unite our business across our sites, bringing clarity, direction and renewed energy. We enter 2026 with a unified purpose and mission and a bold new corporate identity to represent where we are heading. In a world where the needs of patients and partners continue to evolve, our renewed identity captures the impact we strive to make every day and reflects our ambitions -
Confident. Unified. Future Focused.

Our purpose

We unite expertise to improve patients' lives

Our mission

We are dedicated to delivering high-quality, innovative solutions at exceptional value.

Our success is powered by our people, our commitment to partnership, and our global scale.

Underpinned by our values

Be ambitious

Keep it simple

Own it

Work together

For more information see [Page 64](#)

Highlights

The Group achieved strong 2025 financial results, driven by growth in Surgical, Woundcare, and a full-year contribution from Peters Surgical. With ongoing efficiencies and upcoming product approvals, the Board expects continued growth through to 2028.

Total Group revenue

£228.9m

+29% (2024: £177.5m) (Change at constant currency² +29%)

ADJUSTED MEASURES

Adjusted³ EBITDA

£49.9m

+ 24% (2024: £40.2m)

Adjusted³ EBITDA margin

21.8%

−0.8pp (2024: 22.6%)

Adjusted³ profit before tax

£33.9m

+15% (2024: £29.4m)

Adjusted³ profit before tax margin

14.8%

−1.8pp (2024: 16.6%)

Adjusted⁴ diluted earnings per share

11.74p

+12% (2024: 10.45p)

REPORTED MEASURES

Profit before tax

£17.8m

+81% (2024: £9.8m)

Profit before tax margin

7.8%

+2.3pp (2024: 5.5%)

Diluted earnings per share

4.52p

+39% (2024: 3.25p)

Net operating cash flow

£32.6m

+67% (2024: £19.5m)

Net debt/(Net cash⁵)

£50.5m

−10% (2024: £55.8m)

Proposed full year dividend per share

2.86p

+10% (2024: 2.60p)

Operational Highlights

- **Group revenue rose 29% to £228.9m** (2024: £177.5m), driven by the full year impact of the July 2024 Peters Surgical acquisition and continued growth in key product categories. Performance was in line with expectations, with the existing AMS business (excluding Peters) delivering 10% constant currency growth, led by Adhesives, Biosurgical and a strong Woundcare recovery.⁶
- **Surgical Business Unit revenue increased to £183.5m** (2024: £135.8m), up 35% and 36% at constant currency, with:
 - Global LiquiBand® revenue up 10% to £47.8m (2024: £43.4m) and 12% at constant currency, supported by strong US and Rest of World growth and cardiovascular commercial synergies.
 - **Biosurgical Devices revenue up 23% to £27.8m** (2024: £22.6m) and 22% at constant currency, driven by demand for antibiotic-loaded collagen and dental devices.
 - **Suture, Clips and VTO revenue up 64%** at both constant and reported currency to £82.7m (2024: £50.4m).
- **Advanced Woundcare revenue increased 9% at both constant and reported currency to £45.4m** (2024: £41.8m), supported by strong customer-branded and bulk materials demand and growing partner product adoption.
- Post-acquisition integration of Peters Surgical and Syntacoll is progressing well. Commercial synergies are already contributing to growth, including traction for **LiquiBand®XL**, UK direct sales transition for **IFABOND®**, and French direct sales transition for **LiquiBandFix8®**. AMS legacy products also expanded into Austria, Poland, Czechia and India.

Financial Highlights

- **Adjusted EBITDA rose 24% to £49.9m** (2024: £40.2m) and **reported PBT increased 81% to £17.8m** (2024: £9.8m), reflecting organic AMS growth and the first full year of Peters Surgical.
- **Net debt reduced to £50.5m** (2024: £55.8m). Transformational investment, including manufacturing restructuring, plus capex and inventory build, moderated the pace of deleveraging.
- The Board proposes an **increased final dividend of 2.01p** (2024: 1.83p), bringing the total dividend to **2.86p**, up **10%** (2024: 2.60p).

Surgical Business Unit revenue

£183.5m

Reported change¹ +35% (2024: £135.8m)
Change at constant currency 36%²

Advanced Woundcare Business Unit revenue

£45.4m

Reported change¹ +9% (2024: £41.7m)
Change at constant currency 9%²

Outlook

- AMS delivered **record 2025 results** and has strong commercial momentum in 2026, an improved operating platform, and a robust innovative pipeline supporting multi year growth.
- Record Group revenue of **£228.9m**, up **29%**, reflected strong organic growth and the first full year of contribution from Peters Surgical. Surgical remained the primary growth driver (+36% constant currency), while Woundcare returned to growth following its restructuring.
- Peters Surgical integration remains on track, with commercial synergies already contributing to growth and operational synergies expected from 2027. Multiple product approvals are anticipated from 2026 across adhesives, sutures, and biosurgical product categories.
- Continued strong growth is expected in Surgical and modest growth in Woundcare as long-term supply agreements take effect. Strong cash generation and disciplined capital allocation will support further deleveraging alongside continued investment in innovation and manufacturing optimisation. A key milestone will be delivery of the Thai operation scale up.
- Current global conditions are a concern for all international manufacturing businesses but AMS has minimal exposure to the Middle East, with limited footprint, low sales and margin contribution, and trading conditions are currently stable. However the group is materially dependant on the US where we are reliant on a number of key partners.

1. Reported change is calculated using amounts rounded to the nearest £'000.

2. Constant currency removes the effect of currency movements by re-translating the current year's performance at the previous year's exchange rates as reconciled on Page 157.

3. Reconciled in the Financial Review. Adjusted EBITDA excludes the impact of exceptional items, depreciation, amortisation, finance costs and taxation. Adjusted profit before tax excludes the impact of exceptional items, amortisation of acquired intangibles and movement in long-term acquisition liabilities (Note 13.) Exceptional items are detailed in the Financial Review.

4. Reconciled in Note 12 of the Financial Statements. Adjusted diluted earnings per share exclude the impact of exceptional items, amortisation of acquired intangibles, movement in long-term acquisition liabilities and the tax impact of adjusted items.

5. Reconciled in Note 17 of the Financial Statements. Net debt is calculated as cash and cash equivalents less borrowings.

6. Organic AMS Group revenues excluding Peters Surgical are reconciled on Page 157.

At a Glance

Headquartered in the UK, we are a global leader in tissue-healing technologies, supported by a workforce of more than **1,800 employees worldwide.**

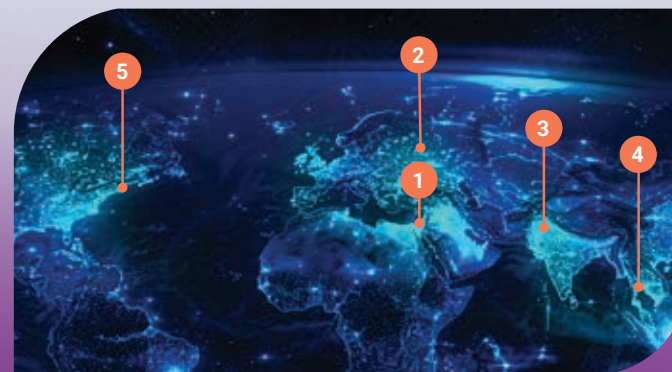
European Operations

1 Winsford, UK HQ	▲	■	●	10 Domalain, France	▲	■	●
2 Plymouth, UK	▲	■	●	11 Warsaw, Poland	▲	■	●
3 Stafford, UK	▲	■	●	12 Weiswampach, Luxembourg	▲	■	●
4 Etten Leur, Netherlands	▲	■	●	13 Nuremberg, Germany	▲	■	●
5 Nantes, France	▲	■	●	14 Domazlice, Czech Republic	▲	■	●
6 Teesdorf, Austria	▲	■	●	15 Neustadt, Germany	▲	■	●
7 Dublin, Ireland	▲	■	●	16 Markneukirchen, Germany	▲	■	●
8 Saal an Der Donau, Germany	▲	■	●	17 Wachsenburg, Germany	▲	■	●
9 Boulogne-Billancourt, France HQ	▲	■	●				

Sites expected to close in March 2027:

Key for Map:

▲ R&D ■ Manufacturing ● Sales



Rest of world operations

1 Haifa, Israel	▲	■	●	3 Gurugram, India	▲	■	●
2 Moscow, Russia ¹	▲	■	●	4 Bangkok, Thailand	▲	■	●
				5 Plymouth, Massachusetts, US	▲	■	●

1. Small legacy sales office contributing less than 1% of operating profit.

Manufacturing
Sites

16

R&D
Centres

11

Countries
distributed to

>100

Chair's Statement

growth

Driving consistent long-term growth



The strong results delivered in 2025 reflect both the effectiveness of the leadership team and the commitment of our people, while progress integrating Peters positions the Group well for future growth."

Grahame Cook
Chair of the Board

**Dear Shareholder,**

I am pleased to report another strong set of results in 2025. It has been a year of intensive and impressive work by the leadership team who have delivered a 29% increase in revenue and a 81% increase in profit before tax. The Group delivered impressive growth across all Surgical product categories and the Woundcare business was put back onto a growth track after facing headwinds in 2024.

The integration of Peters has been a key focus for the leadership team in 2025 and continues to be on schedule to deliver the significant anticipated cost and revenue synergies in 2026 and beyond. In 2025 we saw AMS products already being successfully marketed through Peters' distribution channels into new sales territories.

AMS's unbroken profitability and cashflow generation have again not been reflected in satisfactory share price progression, partly due to our sector being depressed and partly due to the difficulties of AIM, particularly redemptions in IHT funds following the Government's changes to IHT. This structural issue is a problem for many companies on AIM, creating an artificially high cost of capital and increased vulnerability to takeover, and we are disappointed in the lack of Government support for this important growth segment.

We made further progress during the year in nurturing an engaging, inclusive and high-performing culture. I would like to thank each of our c.1,800 employees for their contribution and efforts in 2025.

We welcomed a new Non-Executive Director in June, Juliet Thompson, following a thorough search process. Juliet brings over 30 years of international finance, banking and board experience with significant focus in the healthcare sector and is a valuable addition to the Board. She replaced me as Chair of the Audit & Risk Committee and joined the Remuneration and Nomination Committees.

Looking ahead, the future for AMS is exciting with the anticipated delivery of Peters' synergies and multiple launches expected from the new product pipeline.

We look forward with enthusiasm to delivering for all stakeholders in 2026 as we make further substantial progress.

Grahame Cook
Chair

1 May 2026

Business Model

06

AMS develops, manufactures and distributes innovative tissue-healing medical devices that match or surpass market leaders – clinically, technically, and commercially – designed to improve clinical outcomes while providing overall cost savings in surgery, emergency rooms and other healthcare settings.

What we do

Innovative product portfolio

Continued investment in our specialist R&D centres and strategic acquisitions, has enabled us to establish a comprehensive portfolio of tissue-healing medical devices. Our strength lies in combining advanced material science with applicator device design, in collaboration with surgeons and Key Opinion Leaders, creating differentiated devices that improve patient outcomes. Our expertise and investment in regulatory infrastructure ensures a smooth transition of new products into the market even as global regulatory demands increase.

Manufacturing excellence

Quality remains a central focus of all our operations. Almost all of our products are manufactured across 16 specialist, multi-national facilities, enabling consistent standards, operational resilience and scalability.

Global distribution

Our distribution strategy is tailored to each product and region, with our network now reaching more than 100 countries. Through increasing use of direct sales forces, specialist distributors and OEM partnerships, we deliver a focused and effective route-to-market. Direct sales now account for 43% of Surgical revenue, enabling specialist selling, cross-portfolio bundling and deeper surgeon engagement, consistently outperforming distributor-led channels.

Strong financials

A scalable, capital-light business model with strong gross margins and disciplined capital allocation. Reinvestment of internally generated cash flow sustains strong organic growth while enabling targeted acquisitions that strengthen our market position, underpinned by a track record of progressive dividend increases.

Value created for our stakeholders



Investors



Clinicians



Patients



Employees



Regulators



Supply chain



Partners



Communities

For more on stakeholder value / s172 see Pages 61 to 64

Underpinned by our values

Be ambitious

Keep it simple

Own it

Work together

For more information see Page 64

Our Strategy

07

Overview

Strategic Report

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Driving long-term, sustainable growth by delivering better patient outcomes for tissue healing

portfolio

Expanding a streamlined medical device portfolio

Through organic growth, targeted product innovation, and strategic acquisitions, product revenues have doubled over the past four years. Increased diversity has reduced dependence on any single technology, creating a more balanced and resilient business.

Progress in 2025

Group revenues rose 29% in 2025, while expansion of the key surgical categories and growing market adoption of recently launched products, has materially enhanced the breadth and balance of the portfolio.

Future focus

A promising pipeline of new products is expected to deliver regulatory approvals over the next five years to support continued portfolio expansion and create significant opportunities for sustained long-term growth.

KPIs

% of sales from new products launched in the previous five years.

6.5%

(2024: 9.8%)

Risks (see Pages 35 to 38)

1 3 6 9

footprint

Marketed through an increased geographic footprint and direct sales function

Greater focus on more direct access to markets supports stronger revenue growth and improved profitability, while increased engagement with surgeons and Key Opinion Leaders enhances the organisation's ability to drive future innovation.

Progress in 2025

Following the integration of the AMS and Peters Surgical marketing teams, cross-selling of product between direct sales teams and distribution partners is already generating commercial synergies.

Future focus

As full cross-selling of the portfolio becomes embedded, the Board remains confident that the commercial synergies from the Peters acquisition can deliver £5-£10 million in additional annual revenue from mid-2029.

KPIs

% of Surgical sales generated through a direct sales force.

43%

(2024: proforma*: 40%)

Risks (see Pages 35 to 38)

1 7 10

expertise

Manufactured with excellence and efficiency through AMS's own specialist facilities

Quality and specialist expertise remain fundamental to AMS's strategy, ensuring its products continue to be innovative, competitive, and capable of delivering improved outcomes for both patients and clinicians.

Progress in 2025

Following the acquisitions of Syntacoll and Peters Surgical, AMS has made substantial progress in rationalising its product portfolio, and preparations are now underway to streamline and optimise its manufacturing footprint.

Future focus

AMS remains on track to implement its operational rationalisation plans in 2026, targeting £10 million in annualised synergies from 2027. Ongoing efficiency programmes and benefits of scale are also expected to support further improvements in gross margins.

KPIs

Customer Service (OTIF) %

92%

(2024: 90%)

Risks (see Pages 35 to 38)

2 4 6 10

People and culture —



For more information
see Pages 16 to 17

Sustainability



For more information
see Pages 18 to 19

*Proforma % of Surgical sales generated through a direct sales force includes data for Peters Surgical for the period of 1 January 2024 - 30 June 2024, which is prior to acquisition.

focus

Key surgical markets where our products can improve clinical outcomes

AMS operates within expanding, tissue-healing technology markets, supported by demographic trends such as ageing populations and innovative technology. Our focus remains on key surgical markets where our products can improve clinical outcomes while delivering meaningful cost efficiencies across a range of healthcare settings.

Adhesives and Sealants

Advanced Closure

AMS holds a leading position in the \$300 million global topical tissue adhesives market through our **LiquiBand®** and **LiquiBand®XL** range. We expect continued momentum to be driven by:

- Ongoing adoption of less invasive adhesive technologies as alternatives to sutures and staples.
- Enhanced commercial incentives for our US partners under newly structured distribution agreements.
- Increased penetration of LiquiBand®XL within the fast-growing \$70 million long-wound segment.
- Continued expansion in the EU, LATAM and APAC regions.

Internal Fixation

The market opportunity for **LiquiBandFix8®/LIQUIFIX™** in hernia-mesh fixation is estimated at approximately \$400 million and growth is expected to be driven by:

- Conversion from traditional invasive tacks and staples to the less invasive LiquiBandFix8®/ LIQUIFIX™ adhesive-based solutions.
- Expansion into the US market with LIQUIFIX™, following its full commercial launch in 2024, and approval from the three largest Group Purchasing Organisations.
- Continued growth in European markets as adoption increases and clinical awareness strengthens.

Further penetration is anticipated through **IFABOND®** which complements LiquiBandFix8® and broadens AMS's adhesive internal-fixation offering across a wider range of surgical indications.



For more information
see Pages 10,15 & 25

Sutures

AMS's RESORBA® and Peters Surgical

portfolios have established strong positions as regional and specialist brands within the global suture market. The integration and streamlining of these two portfolios is expected to strengthen our competitive position and drive deeper market penetration through:

- A consolidated specialist sutures portfolio with particular strength in cardiovascular surgery, offering high-quality, competitively priced alternatives to established market leaders.
- Expanded cross-selling opportunities supported by a broader distributor network, established surgeon relationships and enhanced direct marketing capabilities.
- Phased US market entry, with initial product ranges already cleared with a final specialist cardiovascular portfolio expected to complete regulatory clearance in 2027.



For more information
see Pages 10,15 & 25

Biosurgical

Growth across AMS's RESORBA® collagen devices and bone substitutes portfolio, including our antibiotic-delivery technology, is expected to be supported by:

- Rising global demand for biological and reconstructive solutions.
- New European approvals for antibiotic-loaded collagen surgical dressings.
- Anticipated US approvals of first collagen products in 2026 - 2027.
- Approvals of FDBS (Freeze Dried Bone Substitute) product.



For more information
see Pages 11,15 & 26

Strategy in Action

AMS has established and continues to expand a diverse mix of products with exposure to a range of surgical markets, specialising in tissue-healing technology

The portfolio is divided into four product divisions:



Surgical Adhesives and Sealants

AMS has established itself as a leading global specialist in the topical and internal tissue adhesives market.



Biosurgical Devices

A fast-growing portfolio including collagen haemostatic devices for use in surgical and dental reconstructive applications together with a range of synthetic bone substitutes for use in orthopaedic surgery.



Suture | Clips | VTO

Its recently expanded range of specialist and generalist devices has positioned AMS as a major player in the global sutures, clips and vascular temporary occlusion ('VTO') market.

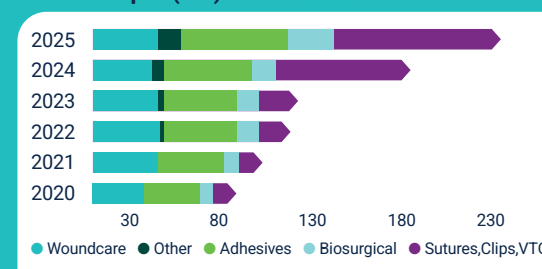


Woundcare

A multi-product portfolio of advanced woundcare dressings sold under partners' brands and AMS's own ActivHeal® label, with a range of specialist medical bulk materials.

A key factor of AMS's ability to penetrate markets is the strength of its product portfolio, which consistently matches or exceeds competitor performance while delivering meaningful cost benefits for healthcare systems. Innovation, supported by a robust pipeline of new products, remains essential to maintaining competitive strength and driving sustainable long-term growth.

Revenue split (£m)



portfolio

Expanding a streamlined and strengthened medical device portfolio

Expanding a streamlined and strengthened medical device portfolio



Case study



Supporting Critical Care in a Conflict Zone

A young child in a Ukrainian conflict area sustained a serious arm injury and required a second surgery after initial treatment failed to relieve her pain. During this procedure, clinicians used several of our products, including haemostatic support materials and sutures, to help stabilise and close the wound.

Although this is just one patient, it highlights the real impact our work can have—reaching even the most challenging environments and helping improve outcomes for those who need it most. Stories like this remind us that behind every product and process lies a person whose life we may touch.

Surgical Adhesives and Sealants portfolio

Delivered strong growth across all major regions, supported by targeted strategic initiatives and continued product innovation.



Topical Adhesives and Sealants

LiquiBand® continued to perform strongly in the United States, reflecting the successful execution of the revised channel strategy introduced in 2023, which has improved efficiency and sharpened commercial focus. **LiquiBand®XL**, the long-wound closure device, further enhances AMS's competitive position and is gaining momentum through the Peters Surgical legacy network, particularly among cardiac surgeons for sternotomy closure.

Internal Fixation

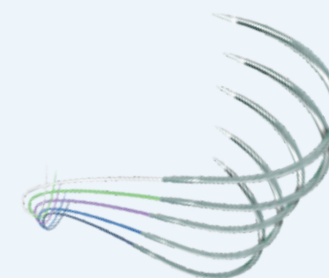
US shipments of **LIQUIFIX™**, the hernia mesh fixation device, increased significantly in Q4 2025 following the sell down of initial 2024 inventory. The establishment of AMS's dedicated Hernia Clinical team, supporting partner TelaBio, has already contributed to stronger sales performance. Activity in Q4 demonstrates accelerating adoption, new user onboarding and deeper market penetration.

R&D Pipeline

- **IFABOND®** – Line extensions, including a new indication, remain on track for a European launch in 2027.
- **SEAL-G®** – The second-generation tissue sealant device is progressing toward anticipated European approval in H1 2028, featuring a simplified design that eliminates the need for an external gas supply. Follow-up data from the initial 167-patient clinical study demonstrates a leakage rate of 1.3% in the SEAL-G® treatment group compared with 5.7% in controls, with KOLs reporting reduced requirements for post-operative stoma formation – delivering substantial patient and health economic benefits. The Group is in the late stages of a grant approval process for a large pivotal, randomised controlled trial to evaluate the efficacy of SEAL-G®, providing important independent validation of the platform and supporting its path towards becoming a future standard of care in gastrointestinal surgery.

Sutures, Clips and VTO

Consolidated portfolio of specialist and generalist sutures poised for growth with US roll out set for 2027.



OUS sutures

The consolidation of the Peters Surgical and RESORBA® suture portfolios progressed significantly during 2025, with the Group streamlining its product range and aligning commercial operations under a unified structure. Revenues were temporarily impacted in H1 by the normalisation of distributor inventory positions following the acquisition, but recovered in H2, with stronger growth anticipated from mid-2026 as this process completes.

R&D Pipeline

- US approvals – FDA approvals for a complete cardiovascular range expected in 2027.
- US specific winding card technology in near term pipeline.
- Various other incremental new products in R&D pipeline.

Surgical Business Unit

£183.5m

2024: £135.8m (+36%)

Sutures, Clips and VTO

£82.7m

2024: £50.4m (+64%)

Expanding a streamlined and strengthened medical device portfolio

Biosurgical Devices

Delivered strong growth in Europe and APAC with pending FDA approvals set to initiate penetration of the US.



The Biosurgical division delivered a strong performance in 2025, driven by increasing demand for RESORBA® antibiotic collagens, growth in dental devices and new product approvals across APAC and LATAM. Enhanced manufacturing efficiency further supported this momentum. The successful integration of the Syntacoll facility and its specialist expertise—alongside the smooth transition of Syntacoll supply contracts—has been instrumental in strengthening operational capability and underpinning the division's performance.

R&D Pipeline

- **US Collagen approvals** – FDA approvals of the collagen-based products remain on track for 2026 and 2027, with submissions for antibiotic-loaded product anticipated further down the line.
- **Freeze-Dried Bone Substitute ('FDBS')** – a novel formulation of bone substitute with the ability to improve bone regrowth through its highly differentiated cohesiveness, mouldability and capacity to mix with biological fluids and antibiotics. Initial approvals in the US and Europe are anticipated in 2027, with a drug-eluting version expected at a later date.

Woundcare

A multi-product portfolio of advanced woundcare dressings sold under partners' brands and AMS's own **ActivHeal®** label, with a range of specialist medical bulk materials.

Restructuring of the **Woundcare** business has achieved the targeted cost savings while the new focus on higher-margin OEM dressings and bulk materials partnerships have strengthened the overall mix and profitability. Successful negotiation for a number of major, long-term supply agreements have contributed significantly to annual growth and improved forward revenue visibility, with other discussions nearing completion. The Board expects the refocused business to deliver sustained, profitable growth with an improved margin profile.

R&D Pipeline

- The completion of a number of woundcare projects have been central to the recently signed supply agreement, with other discussions nearing completion.



Product pipeline

Product approval/launch	Region	Category	2025	2026	2027	2028	2029	2030
RESORBA® collagen dental cone	USA	BD						
RESORBA® non-antibiotic surgical collagens	USA	BD						
Topical Adhesives	China	AS						
Peters Surgical sutures range completion	USA	S						
Freeze Dried Bone Substitute ('FDBS')	EU and USA	BD						
IFABOND® line extensions	EU	AS						
SEAL-G® approval of second-generation device	EU	AS						
Antibiotic FDBS substitute	EU and USA	BD						
Antibiotic collagen	USA	BD						

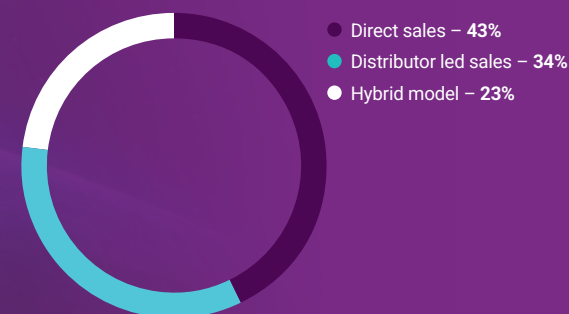
BD – Biosurgical Devices AS – Adhesives and Sealants S – Sutures

Strategy in Action

AMS continues to expand its direct sales capability – now accounting for 43% of Surgical revenue – delivering stronger margins through capturing full commercial value, faster market penetration through specialist selling, and deeper customer relationships through tailored engagement with surgeons and Key Opinion Leaders. Enhanced cross-selling between the legacy Peters Surgical business and the AMS distribution network is delivering meaningful commercial synergies, which are expected to reach £5–10 million within five years of the acquisition. Increasing penetration in priority markets, including the US and the Far East, remains a central strategic focus for the Group.

Commercial synergies
£5-10m
 Synergy-driven revenue
 expected by mid-2029

Surgical revenues FY2025 –
 Routes to market (£183.5m)



footprint

Marketing through an increased geographic footprint and direct sales function

Marketing through an increased geographic footprint and direct sales function

Direct sales Europe and India



Direct sales teams target surgeons and hospitals in key markets, including:

- UK
- Germany
- Austria
- Czech Republic
- France
- Poland
- Benelux
- India

Following the integration of the Peters Surgical sales teams, cross-selling across the combined AMS and Peters Surgical portfolios began to generate commercial synergies in 2025. During the year, LiquiBand®XL gained momentum among specialist cardiovascular surgeons for sternotomy closure, GENTA-Coll® was introduced through Peters Surgical's distribution channels, and several legacy AMS products accessed new direct sales territories for the first time.

KOLs are central to AMS's commercial strategy, deepening clinical credibility, accelerating product adoption in specialist surgical disciplines and unlocking cross-portfolio synergies. By leveraging existing KOL relationships in one product area, AMS can introduce complementary products into established surgical workflows, driving broader portfolio adoption.

The Board remains confident that these initiatives, together with the broader commercial integration, can deliver incremental annual revenue of £5–10 million by mid-2029.

Distributor led sales Europe, APAC and Canada



A network of specialist distributors addresses key global regions, including:

- Italy
- Australia/NZ
- South Korea
- Japan
- LATAM
- China
- Southeast Asia
- Middle East
- Africa
- Canada

The integration of Peters Surgical's established distributor network has expanded the Group's presence across key international markets, including Southeast Asia, the Middle East and China.

Leveraging these channels for the roll out of core AMS products – such as RESORBA® collagens and LiquiBand® – is already underway and expected to deliver a meaningful contribution toward the Group's commercial synergy objectives.

Hybrid model USA



A network of specialist distributors addresses distribution through key specialist partners supported by locally based AMS marketing teams throughout the USA.

- USA

AMS continues to pursue a hybrid commercial model in the United States, reflecting both the scale of the market and its strategic importance to the Group. This approach combines AMS's technical and clinical expertise with the reach, local insight and established infrastructure of its distribution partners.

During 2023, the Group refined its US distribution strategy for LiquiBand®, introducing enhanced incentives and more distinctive branding. These changes have already supported improved market penetration. As the national roll out of LIQUIFIX™ progresses, the establishment of AMS's dedicated Hernia Clinical team in 2025 has strengthened collaboration with its partner, TelaBio, contributing to increased end-market demand.

With additional products—including sutures and collagens—scheduled for introduction in the US, AMS intends to maintain and optimise this hybrid model, ensuring each product benefits from the most effective route to market.

Strategy in Action

Nearly all of AMS's products are manufactured across 16 specialist manufacturing sites.

The Group's strategy is underpinned by a commitment to superior quality, disciplined operational execution and capital efficient manufacturing, all of which support the delivery of strong gross margins. Following the acquisitions of Syntacoll and Peters Surgical, the Group is streamlining its manufacturing footprint and rationalising its product range – consolidating approximately 11,000 SKUs to around 5,000 under a unified brand architecture. These initiatives are expected to deliver operational synergies to generate an annual profit uplift of approximately £10 million from 2027.

Number of manufacturing sites

16

Number of R&D centres

11

Product manufacture case study

LiquiBandFix8® Laparoscopic®
(LIQUIFIX™ in US)

is designed for laparoscopic hernia surgery allowing for the precise and controlled delivery of 40+ liquid anchors.

LiquiBandFix8® Open

Designed for open hernia surgery with precise placement of >45 liquid anchors.



expertise

Manufacturing with excellence and efficiency through AMS's own specialist facilities

Manufacturing with excellence and efficiency through AMS's own specialist facilities

Adhesives and Sealants



Following the recent expansion of its Plymouth, UK facility, AMS has significantly increased manufacturing capacity within its Adhesives business unit. This enhanced capability is now sufficient to meet rising global demand for the LiquiBand® franchise as the Group advances its ambition to grow market share.

Biosurgical Devices



The state-of-the-art manufacturing facility and specialist expertise gained through the Syntacoll acquisition in March 2024 have been instrumental in optimising production processes, increasing throughput and sustaining above-target OTIF performance, while also preparing for MDR implementation in 2026. The manufacture of collagen-based devices with drug-eluting technologies is a highly specialised capability given the need to process biological material, and the Biosurgical business unit is now positioned at the forefront of this field, enabling it to meet growing global demand. Planned operational efficiencies are expected to deliver further margin enhancement, decreasing costs as volumes continue to rise.

Sutures



Manufacturing synergies arising from the integration of the Peters Surgical and RESORBA® facilities are expected to be delivered from 2027.

Investment in the technologically advanced facility in Thailand continued throughout 2025 as preparations were made to scale production capacity.

people + culture



The launch of a new Purpose, Mission and Values, together with the launch of our new corporate identity, is reinforcing integration, helping to unify expertise to make innovative products and groundbreaking solutions across every need.

Cathy Tomlinson
Chief People Officer



Strategy in Action – 2025 Challenges:

- Hiring Quality roles at our sites in Thailand and Saal.
- Planning business restructures with associated retention and communication strategies.
- Common platforms or tools to manage communications across the Group.
- Development of Group compliance policies.
- Moved focus from pay and performance to focus on development.
- Challenges of People and Culture in higher risk countries, India and Thailand.



people + culture

Achievements in 2025:

- Embedded a unified Group-wide Purpose, Mission and Values, strengthening alignment and culture across all regions.
- Expanded global management development programmes, enhancing leadership capability at all levels.
- Introduced a global Employee Assistance Programme ("EAP"), offering 24/7 wellbeing support for all colleagues.
- Launched a Group-wide Learning Management System ("LMS") providing on-demand access to learning resources.
- Introduced online career coaching, giving colleagues access to personalised career development support.
- Established a new Group-wide Diversity Group (Together AMS), supporting inclusion, improving cultural awareness, and helping shape our EDI roadmap.
- Enhanced participation in the annual Share Award Programme, extending eligibility to newly acquired businesses.
- Progressed operational restructuring, which will consolidate sutures operations from six sites to two, and collagen operations from two sites to one, improving efficiency and sustainability.
- Implemented a Group-wide recruitment platform, enhancing internal mobility and improving the external candidate experience.
- Restructured the Woundcare division, returning the business to a sustainable profit generating model.
- Increased adoption of HR self service tools, streamlining processes and improving employee experience.
- Successful recruitment campaign for Head of Communications role.



Plans for 2026:

- Strengthen leadership and talent capability through enhanced management development, targeted coaching and strengthened succession planning.
- Embed a unified Group culture by reinforcing our purpose, mission and values across all sites and teams.
- Advance diversity, equity and inclusion through the newly established Group Diversity Network and inclusive leadership initiatives.
- Expand learning and skills development, including new curated pathways on the global LMS and increased access to online career coaching.
- Enhance the employee experience by further expanding HR self service tools and improving the quality and consistency of internal communication.
- Support colleague wellbeing and safety through continued investment in our global Employee Assistance Programme, mental health resources and safety engagement across operations.
- Enable organisational effectiveness by supporting ongoing integration, restructuring and workforce planning to ensure the right skills and structures for future growth.



**Talent Acquisition and
Workforce Planning**



**Employee Communication
Experience and
Engagement**



**Leadership Development
and Succession Planning**



**Compliance and Risk
Management**



**Develop Global Reward and
Recognition Strategy**



**Equality Diversity
and Inclusion**

sustainability



Our dedicated Sustainability Team is strengthening a Sustainability culture as we continue to embed the Principles and Commitments outlined in our ESG Pillars: Planet, People, Product, Policy.

Eddie Johnson
Chief Financial Officer and ESG Lead



Strategy in Action – 2025 Challenges:

The UN Global Compact is how we act responsibly; the SDGs are what the world aims to achieve.



United Nations
Global Compact



HUMAN RIGHTS



LABOUR



ENVIRONMENT



ANTI-CORRUPTION



Sponsoring local sports teams and working to increase our engagement in our communities:

Northop Hall Girls U13s - local girls team in Cheshire, UK with a new kit in our new corporate identity

A ADVANCING SUSTAINABILITY
M MINIMISING ENVIRONMENTAL IMPACT
S SOCIALLY RESPONSIBLE

sustainability

Achievements in 2025:

- Embedded a Sustainability Team.
- Enrolled in the UN Global Compact, a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals.
- Engaged with a consultant on the Corporate Sustainability Reporting Directive ('CSRD'), working through double materiality and risk assessment to develop KPI's for the Group.
- Worked through our first full year of Net Zero Data Collection as an enlarged Group.
- Launched EHSEn (Energy Reps) across all sites to target energy reduction with monthly meetings to exchange best practice.
- AMS Equality, Diversity and Inclusion Committee ('Together AMS') relaunched across the Group.
- Carbon-related Financial Disclosures ('CFD') process engaged sites across the Group, assessing Physical and Transitional Risk workshops and Board Climate Training.
- Improved our MSCI rating to AAA, the highest rating available.
- Peters Surgical, part of AMS, achieved an A+ rating in the CAHPP Indice Vert 2025 CSR assessment (benchmarking healthcare providers on environmental and social practices), which guides sustainable procurement in France.
- Achieved a Bronze Medal for EcoVadis, a market-leading supplier assessment.
- eIFU (Electronic Instructions for Use) expansion, reducing paper-based IFUs.
- Successfully completed SMETA audits requested by a key customer.
- Accident rate (IFR) on target in 2025.
- Three Steering Committee meetings held in 2025.



Plans for 2026:

- Work to communicate and embed the Ten Principles of the UN Global Compact to ensure all employees understand how we can progress.
- Complete work on CSRD and prepare draft report for internal guidance.
- Launch Project Freedom, a sustainability initiative where the orders our customers make lead to the planting of trees in our AMS Forest.

Key Strategic Priority

- Apply for and follow the Science Based Targets initiative ('SBTi') in order to help to lead the way to a Net-Zero economy, boost innovation and drive sustainable growth by setting ambitious, science-based emissions reduction targets.



- Focus on implementation of energy reduction projects using external consultant.
- Sustainability Ambassadors to be relaunched with new leadership and resources to engage on all sites.
- Aim to improve ESG/Sustainability internal and external communications in 2026. Guidance will be sought from new Internal Communications Advisor.
- Audit work highlighted need to engage Supply Chain. Plan is to commence work in 2026.
- Embed Code of Conduct across the Group, supported by refreshed Corporate policies and training.
- Build on projects being developed between R&D and Sustainability.

Q&A with the Chief Executive Officer

well positioned

to continue building momentum



Guided by our new purpose, our strategy is delivering through an expanded portfolio, improving efficiencies and growing global presence, as we enter 2026 well positioned to continue building momentum.

Chris Meredith
Chief Executive Officer



AMS reported strong revenue growth of 29% for 2025, reaching £228.9 million. What were the major contributors to this performance?

Our growth in 2025 was primarily driven by the full year impact of the July 2024 acquisition of Peters Surgical and continued growth across key product categories. A solid recovery in Woundcare also played a positive role in the Group's overall results. This recovery helped balance headwinds from Peters Surgical partner destocking and underscores the effectiveness of our restructuring efforts in this category.

How is the integration of Peters Surgical and Syntacoll progressing, and are operational synergies emerging?

The integration programme, which aims to deliver £10 million of annual operational synergies, remains firmly on track, and is expected to begin contributing meaningfully from 2027 onward.

During the year, our dedicated integration team — supported by external specialists and the oversight and expertise of the Board — progressed to the next phase of the integration plan. This phase required several difficult but necessary decisions to ensure we create a streamlined, scalable, and future-ready manufacturing footprint.

As a result, potential site closures were announced internally in January 2026, with provisional closure dates for the affected sites expected to be in 2027.

These changes will simplify our operational footprint, enhance efficiency, and ensure we are optimally positioned to support the Group's long-term growth ambitions.

Revenue

£228.9m

2024: £177.5m

Adjusted profit before tax

£33.9m

2024: £29.4m

Q&A with the Chief Executive Officer

How has the acquisition of Peters Surgical supported commercial synergies?

The acquisitions have significantly expanded our global footprint, enhancing distribution channels and supporting our direct to market strategy. This expanded presence aligns with our long-term growth ambitions in high-value surgical markets.

Commercial synergies are already contributing to growth within the enlarged Group, for example: LiquiBand®XL has gained traction among specialist cardiovascular surgeons for sternotomy closure; GENTA-Coll has been introduced through Peters' distribution channels; and AMS legacy products are now able to access new direct sales territories.

The Board remains confident in the £5–10 million incremental revenue target for commercial synergies within five years of the acquisition.

AMS has signalled confidence in achieving another strong performance in 2026. What drives this optimism?

We have a strong pipeline of commercial opportunities, supported by our expanded portfolio, growing global footprint and early commercial synergies across the Group. Our newly aligned Purpose, Mission and Values are helping sharpen our strategic focus and strengthen alignment across the business. Integration continues to progress well, and we remain on track to deliver the expected margin improvements next year. Overall, we are well positioned to drive sustained growth, margin expansion and long-term value creation.

How does AMS ensure ethical and resilient supply chain practices across its expanding footprint?

One enlarged Group ESG team has been in place since 2024 and exists to optimise advancements in this area. We embed sustainability and ethics across procurement systems and partner engagement. This includes rigorous oversight of material sourcing, supplier conduct, and environmental standards to ensure consistency across all geographies.

Our ESG strategy specifically addresses environmentally responsible manufacturing, lifecycle impacts of products, and long-term sustainability of materials. Metrics and commitments are detailed in the ESG section of the Annual Report on Pages 39 to 47.

This year the Group undertook a comprehensive refresh of its Purpose, Mission and Values. What prompted this exercise, and how will the updated framework support AMS's long term strategic goals?

Our decision to refresh our Purpose, Mission and Values reflects the significant evolution of AMS in recent years. As we have expanded our portfolio, integrated new businesses and grown our global footprint, it became essential to align the entire organisation behind a clearer, more forward-looking strategic framework.

The updated framework sharpens our focus, strengthens cultural alignment across our expanded teams, and ensures that our growth ambitions, investment decisions and innovation priorities are all guided by a common purpose. Ultimately, it positions us to execute more effectively, integrate more efficiently and deliver sustained long term value for our shareholders.



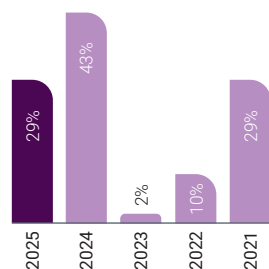
Key Performance Indicators

The Group has a range of Key Performance Indicators ('KPIs') which are used to monitor Group performance and measure progress against our strategy.

Financial KPIs

Revenue movement at constant currency %

29%



Definition

Net revenue (% movement) adjusted for constant currency¹.

Strategic linkage

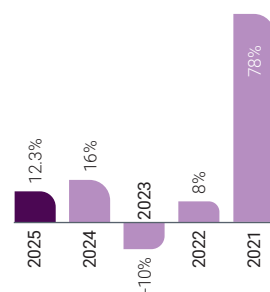
Revenue growth is a key factor in providing long-term value for our shareholders and demonstrates the successful execution of the Group's strategy.

Progress made in the year

Group revenue increased by 29% at constant currency to £228.9 million (2024: £177.5 million), driven by the full year impact of the July 2024 acquisition of Peters Surgical and continued growth across key product categories.

Adjusted² diluted earnings per share ('EPS') movement %

12.3%



Definition

Movement in adjusted² diluted EPS achieved in the year.

Strategic linkage

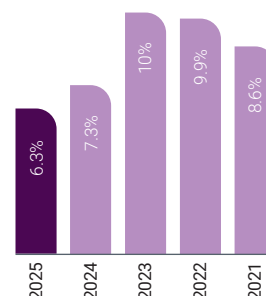
EPS growth is a measure of financial progress and an important factor in our aim of providing value for our shareholders.

Progress made in the year

Adjusted diluted earnings per share increased by 12.3% to 11.74p (2024: 10.45p).

% of revenue spend on R&D and Innovation

6.3%



Definition

Spend on R&D, Innovation & Regulatory Affairs as a % of sales in the financial year.

Strategic linkage

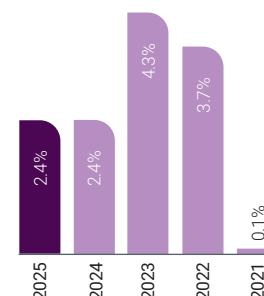
As a developer of innovative and technologically advanced products, investing resources in this area is critical to fulfilling the strategic goals of the business.

Progress made in the year

The Group incurred £14.5 million of gross R&D spend in 2025 (2024: £12.9 million). This increase in gross R&D spend represented 6.3% of sales (2024: 7.3%), maintaining investment in innovation and in meeting the increasing regulatory standards.

Year-over-year change in our average standard cost %

2.4%



Definition

Measures the change in standard cost base³ against prior year.

Strategic linkage

Controlling our product standard costs is important for the sustainability of the Group and demonstrates the successful execution of our strategy.

Progress made in the year

The standard cost base increased by 2.4% in 2025 (2024: 2.4%) due to ongoing inflationary factors. Whilst energy and raw material inflation have generally reduced, the Group continues to invest in its employees through increased inflation-related remuneration.

Strategic pillars:

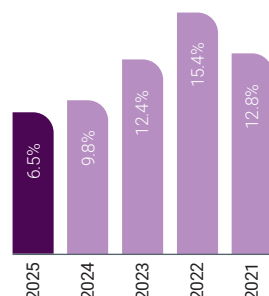
-  Portfolio
-  Footprint
-  Expertise
-  People and Culture
-  Sustainability

1. Constant currency removes the effect of currency movements by re-translating the current year's performance at the previous year's exchange rates.
2. Reconciled in Note 12 of the Financial Information.

Financial KPIs

% of sales from new products launched in the previous five years

6.5%



Definition

This is a measure of the % of sales the Group is generating from products launched in the five years prior to that year.

Strategic linkage

Development and commercialisation of new products to address unmet patient needs and grow the business is a fundamental part of our strategy.

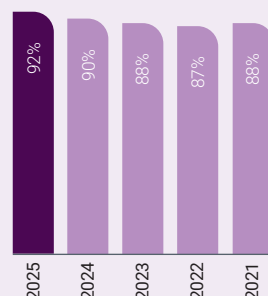
Progress made in the year

In recent years, it has been necessary to invest significant R&D resource in order to meet Medical Device Regulation (MDR) requirements. This has resulted in a reduction in new product sales in the previous five years to 6.5% (2024: 9.8%). As we approach the end of the MDR investment period, we expect this trend to reverse in the coming years.

Non-Financial KPIs

Customer service (OTIF) %

92%



Definition

On-Time-In-Full ('OTIF') is a measure of whether we delivered on our commitment to provide excellent service to our customers.

Strategic linkage

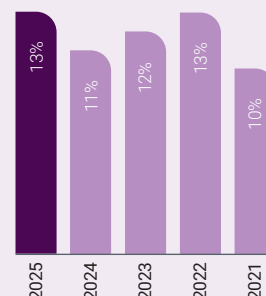
High OTIF ensures that patients have access to our products and enable us to retain customers, meet contractual commitments and protect growth.

Progress made in the year

OTIF improvements were delivered predominately across Traditional Closure and Biosurgicals with Syntacoll's collagen expertise helping to address quality and capacity issues at the Nuremberg facility, resulting in an improvement to 92% (2024: 90%).

Employee attrition %

13%



Definition

The % of employees who have left the Group during the year (gross number of leavers).

Strategic linkage

Reasonable levels of employee turnover are important for the future success of the business and to help to embed its culture. It can be considered beneficial, supporting new ideas and to introduce best practices from outside the Group.

Progress made in the year

AMS continues to attract quality talent and attrition increased to 13% (2024: 11%), reflecting slightly higher attrition at some sites acquired in 2024. Employee engagement, communication, growth and career development opportunities created by recent acquisitions, are expected to keep attrition at manageable levels.

Strategic pillars:



Portfolio



Footprint



Expertise



People and Culture



Sustainability

1. Constant currency removes the effect of currency movements by re-translating the current year's performance at the previous year's exchange rates.
2. Reconciled in Note 12 of the Financial Information.

strong momentum

supported by a robust pipeline that supports multi-year growth



A strong year supported by growth across both the Surgical and Woundcare businesses, as well as a full-year contribution from Peters Surgical, positions the Group well for continued growth as efficiencies and product approvals progress.

Ross McDonald
Chief Commercial Officer



Summary

The Group delivered a strong financial performance for the 12 months to 31 December 2025, supported by continued growth across the Surgical and Woundcare businesses and, for the first time, a full year of contribution from Peters Surgical. As further commercial and operational efficiencies are realised, and as key new product approvals are granted, the Board anticipates continued growth across the business in both 2027 and 2028.

Surgical Business Unit

Revenue increased to £183.5 million (2024: £135.8 million) during the Period, an increase of 36% on a constant currency and 35% on a reported basis.

	2025 £ million	2024 £ million	Reported Growth	Change at constant currency
Surgical Business Unit				
Advanced Closure	47.8	43.4	10%	12%
Internal Fixation and Sealants	8.3	8.0	4%	3%
Sutures, Clips and VTO	82.7	50.4	64%	64%
Biosurgical Devices	27.8	22.6	23%	22%
Other Distributed	16.9	11.4	48%	48%
Total	183.5	135.8	35%	36%

Advanced Closure

	2025 £ million	2024 £ million	Reported Growth	Change at constant currency
Advanced Closure				
Americas	29.4	26.9	10%	13%
Rest of World	18.4	16.5	11%	11%
Total	47.8	43.4	10%	12%

Operating Review continued



LiquiBand® revenues increased by 12% in the year to £47.8 million (2024: £43.4 million) on a constant currency basis and 10% on a reported currency basis, driven by continued global growth.

LiquiBand® continued to perform strongly in the United States, growing by 10% to £29.4 million (2024: £26.9 million) and with constant currency growth of 13%. This reflects the ongoing successful commercial execution by our channel partners and their ongoing focus on these key strategic products. LiquiBand®XL, the long-wound closure device, further enhances AMS's competitive position in the US, and our increasing pipeline of new evaluations and market wins gives us confidence that we will continue to take share in this large wound closure market segment.

As previously guided, the first half of 2025 benefited from additional partner orders linked to changes in their distribution footprint and hence represents a strong comparator for H1 2026.

Outside the US, revenues were up 11% at reported and constant currency to £18.4 million (2024: £16.5 million). In the APAC region, market share gains were achieved as LiquiBand® continued to displace the market leader across the region and was launched into India via the local sales force that came with the Peters Surgical acquisition. We also launched LiquiBand®XL into Australia and South Korea. In Europe, commercial synergies supported overall LiquiBand® growth, including notable success in Peters' legacy network of cardiac surgeons helping to build LiquiBand®XL momentum in sternotomy closures.

Internal Fixation and Sealants

As previously reported, partner sell-down of the launch inventory of US LIQUIFIX® impacted recorded revenue for the year. However, shipments did significantly increase in Q4 2025 with multiple months of record end-user sales revenue. The establishment of AMS's dedicated Hernia Clinical team, with partner TelaBio, has already contributed to stronger end sales performance. Activity in Q4, supported by approvals from three of the largest Group Purchasing Organisations, demonstrated accelerating adoption, new user onboarding and deeper market penetration. IFABOND® line extensions remain on track for an initial European launch in 2027.

Clinical adoption of the SEAL-G® device continues to progress, with early users gaining confidence and experience in this innovative intestinal sealant technology. Initial revenues, while starting from a modest base, are beginning to show very positive momentum.

Encouraging clinical evidence continues to emerge from multiple sources including:

- A retrospective follow-up of the 2021, 167 patient, initial clinical study demonstrated improved efficacy with the SEAL-G® treatment group (n=79) with a leakage rate of 1.3% compared with 5.7% in the control group (n=88).
- Certain KOLs are no longer routinely resorting to stoma formation in bowel surgery, given their increasing confidence in the patient and economic benefit arising from their use of SEAL-G®.
- Encouraging early results arising from the ongoing pancreatic clinical study, currently at 45 patients.

Building on this positive clinical momentum, AMS is in the late stages of a grant approval process for a large, pivotal, randomised controlled trial to evaluate the efficacy of SEAL-G® in preventing or reducing anastomotic leaks in patients undergoing colorectal surgery. Such a study would be critical in establishing the technology as a future standard of care in gastrointestinal surgical resection.

Good progress has been made in the development of the second-generation SEAL-G® device, which has reached an important milestone with engineering efforts successfully delivering a simplified design that no longer requires an external gas supply or regulator. As this optimisation phase nears completion, AMS remains confident that this new version is on track for a European filing in 2027. As at 31 December 2025, the amortised carrying value of the capitalised development costs was £5.0 million.

Sutures, Clips and VTO

Revenues grew strongly during the year, increasing by 64% at constant and reported currency to £82.7 million (2024: £50.4 million). Proforma revenues, which consider performance on the basis of a full-year of revenue from Peters Surgical in the prior year, were flat during the year, as continued end-user sales growth was offset by the normalisation of distributor inventory levels following the acquisition of Peters Surgical, which is not expected to fully unwind until mid-2026.

Significant advances were made in the project to harmonise RESORBA® and Peters' suture operations during the year through supply chain simplification and product portfolio optimisation. This will improve the efficiency of the business and strengthen the foundation for long-term growth. Regulatory, Quality, and R&D teams have been successfully merged into unified functional structures across all manufacturing sites, further enhancing synergy and alignment.

End-user sales growth was supported by successful cross-portfolio launches, with cross-selling between marketing teams. B2B performance during the year was impacted by some partners reducing their inventory from the unusually high levels held at the time of the Peters acquisition. Inventory levels are expected to have normalised by the middle of 2026.

In the US, the majority of our suture product ranges have now secured regulatory clearance, and commercial momentum is beginning to build. However, the approval process for a specialised portfolio of cardiovascular sutures is still ongoing, with authorisation now expected in 2027. AMS's sutures positioning is anchored in our specialist cardiovascular range and our ability to offer a high-quality alternative at competitive price points. Early US commercial momentum in approved product lines provides a platform for accelerated growth as the full range gains clearance.

Operating Review continued

Biosurgical Devices

Revenues increased by 23% to £27.8 million at reported currency (2024: £22.6 million) and 22% at constant currency.

This strong performance was supported by increasing demand for RESORBA® antibiotic collagens and new product approvals across APAC and LATAM. The smooth transition of Syntacoll supply contracts also contributed positively. Enhanced manufacturing efficiency further supported this momentum, with Syntacoll's specialist expertise significantly improving operational capability and supporting the business's ability to meet increased demand.

The Group continues to make strong progress in preparing its collagen portfolio for entry into the US market, which represents a significant long-term growth opportunity. The Company's first US collagen approval, for a dental cone, was secured in 2025, with a further approval expected in 2026 that will drive commercial revenues. Additional US submissions for a broader range of non-antibiotic, surgical collagen products remain on track, with approvals anticipated from 2027 onwards.

The next generation Freeze Dried Bone Substitute ('FDBS') also represents a substantial opportunity for the Biosurgical business in the US and Europe. Its highly differentiated cohesiveness, mouldability and capacity to mix with various biological fluids reinforce its position to deliver meaningful improvements in bone regeneration. Initial evaluation studies are underway, and EU and US regulatory approval of the non-drug loaded version of this technology is anticipated in 2027.

Other Distributed Products

Revenues increased to £16.9 million during the year (2024: £11.4 million), growth of 48% at reported and constant currency, driven by the annualisation of Peters Surgical during the year.

Innovation

Product innovation remains a key focus for the Group, with a number of key product approvals anticipated in 2026 and 2027 as summarised in the table on Page 11.

Integration and Synergies

Following the successful integration of key function teams from AMS and Peters Surgical in 2024, the enlarged Group is working well under its unified structure. The acquisition of Peters Surgical on 1 July 2024 contributed revenue of £74 million to the AMS Group during the year.

The programme to deliver commercial synergies is progressing well as established direct sales teams benefit from larger product portfolios, driving the potential to deliver incremental annual revenues towards the upper end of our target range of £5 million to £10 million from mid-2029. Building on some initial successes with increased direct selling, we are evaluating opportunities for further transitions in certain key markets, which could include some one-off costs.

The integration programme to deliver £10 million of annual operational synergies from 2027 is progressing to plan. Potential site closures were announced internally in January 2026, with four sites in Germany and one site in Czechia expected to close in March 2027. The financial impact of site closures is subject to variations and is being assessed on an ongoing basis.

Woundcare Business Unit

Woundcare Business Unit	2025 £ million	2024 £ million	Reported Growth	Change at constant currency
Infection and Exudate Management	42.1	36.9	14%	15%
Other Woundcare	3.3	4.9	-31%	-30%
Total	45.4	41.8	9%	9%

Revenues increased by 9% to £45.4 million (2024: £41.7 million) on a reported and constant currency basis as OEM dressings and bulk materials projects delivered growth.

The restructuring of the Woundcare business in Q1 2025 successfully achieved the targeted cost savings, while the new focus on higher-margin business has strengthened the overall mix and profitability. The successful negotiation of a number of major, long-term supply agreements has contributed significantly to annual growth, with other discussions nearing completion.

Infection and Exudate Management revenue increased by 14% at reported currency and 15% at constant currency to £42.1 million (2024: £36.9 million), as we implemented our strategy to focus on more profitable product categories.

Other Woundcare declined to £3.3 million (2024: £4.8 million) due to the declining Organogenesis royalty.

Ross McDonald
Chief Commercial Officer

record revenue + EBITDA

with strong organic growth across core categories



Record Group revenue and EBITDA with strong organic growth across core categories, strong cash generation and disciplined capital allocation are expected to support further deleveraging while maintaining investment in innovation and manufacturing optimisation.

Eddie Johnson
Chief Financial Officer



Summary

IFRS reporting

To provide the clearest possible insight into our performance, the Group uses alternative performance measures. These measures are not defined in International Financial Reporting Standards ('IFRS') and are, therefore, considered to be non-GAAP (Generally Accepted Accounting Principles) measures. Accordingly, the relevant IFRS measures are also presented where appropriate. AMS uses such measures consistently at the half-year and full-year. The measures used in this statement include constant currency revenue growth, adjusted operating profit, adjusted profit before tax, adjusted EBITDA and adjusted earnings per share, allowing the impact of exchange rate volatility, exceptional items, unwind of inventory fair value accounting, amortisation, and the movement in long-term acquisition liabilities to be separately identified. Net debt/cash are an additional non-GAAP measure used to provide a useful overview of the Group's financial position. A comprehensive list of non-GAAP measures can be found on Page 156 alongside additional information including the reconciliation of non-GAAP measures to statutory measures.

Overview

Revenue increased by 29% at constant and reported currency to £228.9 million (2024: £177.5 million).

Adjusted gross margin was slightly higher at 53.4% against prior year adjusted gross margin of 53.1%, driven by increased volumes and operational improvements. This margin growth is despite the dilutive impact of acquisitions, which have a slightly lower gross margin than the Group's average, as well as the reduced Organogenesis royalty. Adjusted gross margin in the prior year excludes the impact of the IFRS 3 fair value accounting following the acquisition of Peters Surgical which increased inventory valuation and resulted in higher cost of goods sold in the second half of the year and was treated as an adjusted item (2024 reported gross margin: 52.2%).

Administration expenses before exceptional items increased to £90.5 million (2024: £69.0 million) due to the addition of Peters Surgical which incurred approximately £33 million of administration expenses (2024: £16 million). Included within administration expenses is £10.3 million (2024: £7.8 million) of amortisation of acquired intangible assets which grew due to the annualisation of the acquisition of Peters Surgical in July 2024.

The remaining increase in administration expenses in the year relates to increased distribution costs following the implementation of tariffs in the US, increased sales and marketing activity and expenditure in Research, Development, Regulatory and Clinical as the Group continues to invest in growth opportunities and increased amortisation of development costs which is increasing as the Group achieves additional levels of MDR certification.

Financial Review continued

Exceptional items

	2025 £'000	2024 £'000
Integration-related	5,145	1,927
Restructuring	660	
Peters acquisition-related	–	5,090
Risk management	–	2,017
Syntacoll	–	1,890
Total exceptional items	5,805	10,924

Exceptional items of £5.8 million were incurred in the year in relation to the Group's transformation projects following the prior year acquisition of Peters Surgical and Syntacoll. These projects have been deemed exceptional in nature and have resulted in significant costs being incurred whilst the related benefits will only be yielded in future periods and as a result the Group's performance has been summarised including and excluding these costs to give additional information to the users of the financial statements. Integration-related costs predominately relate to consultancy services to lead the integration project as well as the costs of an internal dedicated integration team and other relevant integration activities. Restructuring costs relate to costs incurred reorganising certain operations and are primarily employee-related.

In the prior year, £10.9 million of exceptional costs were incurred. Syntacoll exceptional costs related to legal fees, staff termination costs, an initial idle period when no manufacturing was undertaken, and some integration-related costs. Risk management exceptional costs related to foreign currency risk management costs to protect against adverse movements in the Euro rate whilst the Group awaited FDI approval to complete the acquisition of Peters Surgical. Risk and warranty insurance was also obtained. Acquisition-related costs included costs for advisory services, legal, financial, tax, HR and operational due diligence services, as well as legal services relating to the share purchase agreement and related banking facility required as part of the acquisition funding.

The Group incurred £14.5 million of gross R&D spend in the year (2024: £12.9 million), representing 6.3% of Revenue (2024: 7.3%), maintaining investment in innovation and in meeting the increasing regulatory standards. As shown in the table below, part of this cost is capitalised and amortised over the following five to ten years, with the amount capitalised being consistent as lower MDR capitalised spend is offset by increased capitalisation relating to the development of FDBS.

R&D, Regulatory and Clinical expenditure

	2025 £'000	2024 £'000
Total investment in R&D Regulatory and Clinical	14,480	12,922
Of which:		
Charged to the profit and loss account	10,349	8,807
Capitalised, to be amortised over 5 – 10 years	4,131	4,115

Other operating income reduced to £0.7 million (2024: £0.9 million) and relates to R&D claims in the UK and Ireland.

In the year, finance income declined to £0.2 million (2024: £2.2 million), as the majority of funds held on deposit in the first half of 2024 were used to fund the acquisition of Peters Surgical. Finance costs increased to £5.1 million (2024: £3.6 million) as a result of the full year impact of the Group's borrowing facility following the prior year acquisition of Peters Surgical.

A finance cost of £nil was recorded in relation to movements in long-term acquisition liabilities (2024: credit of £0.9 million recorded in finance income).

Adjusted EBITDA which consists of earnings before finance costs, tax, depreciation and amortisation as well as excluding exceptional items and the unwind of inventory fair value accounting increased by 24% to £49.9 million (2024: £40.2 million) reflecting the growing profitability and operating performance of the Group.

Reconciliation of profit before tax to adjusted EBITDA

	2025 £'000	2024 £'000
Profit before tax	17,783	9,823
Finance income and costs	4,879	1,396
Amortisation	13,361	9,849
Depreciation	8,036	6,453
Exceptional items	5,805	10,924
Unwind of inventory fair value accounting	–	1,726
Adjusted EBITDA	49,864	40,171

Financial Review continued

Adjusted profit before tax which excludes amortisation of acquired intangibles, exceptional items, the unwinding of inventory fair value accounting and movements in long-term liabilities recognised on acquisition, increased by 15% to £33.9 million (2024: £29.4 million) whilst the adjusted PBT margin decreased by 170 bps to 14.8% (2024: 16.5%) as a result of the dilutive impact of the Peters Surgical acquisition and associated borrowing costs.

Reported profit before tax increased by 81% to £17.8 million (2024: £9.8 million) as a result of significant acquisition-related exceptional items in the prior year, as well as the full-year impact of the Peters Surgical acquisition.

Reconciliation of profit before tax to adjusted profit before tax

	2025 £'000	2024 £'000
Profit before tax	17,783	9,823
Amortisation of acquired intangibles	10,313	7,804
Exceptional items	5,805	10,924
Movement in long-term acquisition liabilities	42	(868)
Unwind of inventory fair value accounting	–	1,726
Adjusted profit before tax	33,943	29,409

The Group's adjusted effective income tax rate, reflecting the blended tax rates in the countries where we operate and including UK patent box relief, increased to 24% (2024: 22%) due to the impact of certain loss-making entities within the Peters Surgical group. Reported income tax increased to 43% (2024: 27%) due to the movement in deferred tax on acquired intangible assets.

Adjusted diluted earnings per share increased by 12% to 11.74p (2024: 10.45p) and diluted earnings per share increased by 39% to 4.52p (2024: 3.25p), reflecting the Group's increased earnings.

Reflecting its confidence in the Group's prospects, the Board is proposing a final dividend of 2.01p per share (2024 final dividend: 1.83p), to be paid on 26 June 2026 to shareholders on the register at the close of business on 29 May 2026. This follows the interim dividend of 0.85p per share (2024 interim dividend: 0.77p) paid on 24 October 2025 and would, if approved, make a total dividend for the year of 2.86p per share (2024: 2.60p), an increase of 10%.

Operating result by business segment

	Surgical £'000	Woundcare £'000
Year ended 31 December 2025		
Revenue	183,451	45,485
Segment operating profit	26,530	2,912
Amortisation of acquired intangibles	9,373	940
Adjusted segment operating profit ¹	35,903	3,852
Adjusted operating margin ¹	19.6%	8.5%
Adjusted EBITDA	44,671	6,168
Adjusted EBITDA margin ²	24.4%	13.6%
Year ended 31 December 2024		
Revenue	135,768	41,753
Segment operating profit	23,268	1,664
Amortisation of acquired intangibles	6,864	940
Adjusted segment operating profit ¹	30,132	2,604
Adjusted operating margin ¹	22.2%	6.2%
Adjusted EBITDA	36,466	4,768
Adjusted EBITDA margin ²	26.9%	11.4%

1 Adjusted for amortisation of acquired intangible assets and excludes exceptional items and the unwind of inventory fair value accounting.

2 Reconciled on page 156 and excludes the impact of exceptional items, depreciation, amortisation, interest and taxation.

The above table is reconciled to statutory information in Note 3 of the financial information.

Surgical

Surgical revenues increased by 35% to £183.5 million (2024: £135.8 million) at reported currency and by 36% at constant currency. Adjusted operating margin decreased by 260 bps to 19.6% (2024: 22.2%) due to the dilutive impact of Peters Surgical at an operating margin level. The annualisation of the low-margin Syntacoll business is also impacting adjusted operating margin.

Woundcare

Woundcare revenues increased by 9% to £45.4 million (2024: £41.8 million) at reported currency and constant currency. Adjusted operating margin increased by 230 bps to 8.5% (2024: 6.2%) due to the factors noted in the Operating Review.

Financial Review continued

US tariffs

The Group continues to monitor US tariff rates. Under current tariff conditions, the previously estimated impact of US tariffs of £1–2 million is not expected to significantly change.

Currency

The Group hedges significant currency transaction exposure by using forward contracts and aims to hedge approximately 80% of its estimated transactional exposure for the next 18 months. In the financial year, approximately one half of sales were invoiced in Euros and approximately one quarter were invoiced in US Dollars. Following the acquisition of Peters Surgical, the Group also has an increased manufacturing presence in Thailand, increasing exposure to Thai Baht.

The Group estimates that a 10% movement in the £:US\$ or £:€ exchange rate will impact Sterling revenues by approximately 2.5% and 4.8% respectively and, in the absence of any hedging, this would have an impact on the Group operating margin of 1.6 and 0.2 percentage points respectively. In the absence of any hedging movements in the Pound Sterling to Thai Baht exchange rate, a 10% movement in the exchange rate will impact Group operating margin by 0.5 percentage points.

Cash flow

Net cash inflow from operating activities in the year was £32.6 million, an increase on the prior year (2024: £19.5 million) due to increasing operational performance and as a result of the acquisition of Peters Surgical.

Working capital increased during the year. Inventory cover increased to 7.4 months of supply (2024: 6.0 months) which is driven by supply chain planning to manage the transition plan as part of the Group's transformation project. Receivables in the prior year were higher than typical levels and have reduced this year despite increased sales. As a result, debtor days have decreased to 45 days (2024: 53 days). Creditor days were in line with prior year at 35 days (2024: 35 days).

Net cash used in investing activities in the year was £13.3 million (2024: £67.1 million), a significant decrease on the prior year which included the acquisition of Peters Surgical. The current year investing activity largely relates to capital investment in equipment, R&D and regulatory costs of £12.6 million (2024: £8.7 million) as a result of the full year impact of Peters Surgical and investment in the Group's transformation project.

£1.1 million of cash outflows relating to payment of contingent consideration occurred and relates to the achievement of the final EBITDA milestone for AFS triggering a £0.4 million payment, as well as £0.7 million relating to the Peters Surgical acquisition following partial achievement of the gross margin and inventory conditions. The US regulatory approvals or tax conditions were not achieved within the required time resulting in £nil fair value being required at 31 December 2025 (2024: £5.5 million).

Cash outflow relating to taxation remained consistent at £5.3 million (2024: £5.1 million). Net cash outflow from financing activities in the year was £19.0 million (2024: received £5.5 million) as net repayments of borrowings were £5.6 million (2024: net inflow of £17.3 million).

The Group paid the final dividend for the year ended 31 December 2024 of £4.0 million in July 2025 (for the year ending 31 December 2023, £3.6 million in June 2024), and the interim dividend for the six months ended 30 June 2025 of £1.8 million in October 2025 (for the six months ended 30 June 2024: £1.6 million in October 2024).

At the end of the year, 31 December 2025, as a result of the above movements, the Group had net debt of £50.5 million (31 December 2024: net debt of £55.8 million). Further reductions in net debt were restricted by exceptional items and investment in integration activities to drive long-term synergies following our transformational acquisition which includes capital and inventory investment in the year.



Non-Financial Reporting Statement

This Annual Report contains the information required to comply with the Companies, Partnerships and Groups (and Non-Financial Reporting) Regulations 2016, as contained in sections 414CA and 414CB of the Companies Act 2006. The table below provides key references to information that, taken together, comprises the Non-Financial Reporting Statement for 2025.

Reporting requirement	Group Policies that guide our approach	Information and risk management, with page references
Environmental matters	- Environmental Policy - Ethical Sourcing Policy - ESG Policy	Reporting environmental impact/SECR disclosures – Page 59
Employees and social matters	- Code of Conduct - Equality, Diversity and Inclusion Policy - Community Support - Health & Safety Policy - Environmental Policy - Ethical Sourcing Policy	Reporting on our environmental impact – Pages 59 to 60 Our Business Model – Page 06 Risk Management – Pages 32 to 38 Stakeholder Engagement – Pages 61 to 64 Our Strategy – Pages 7 to 19
Respect for human rights	- Anti-Slavery Policy - Ethical Sourcing Policy - Modern Slavery Act Policy - Whistleblowing Policy	Corporate Governance Report – Pages 65 to 98

Reporting requirement	Group Policies that guide our approach	Information and risk management, with page references
Anti-corruption and anti-bribery matters	- Anti-Bribery & Fraud Policy - Anti-Money Laundering Policy - Anti-Facilitation of Tax Evasion Policy - Gifts & Hospitality Policy - Sanctions Policy - Whistleblowing Policy - Ethical Sourcing Policy - Human Rights Policy - Whistleblowing Policy	Audit Committee Report – Pages 81 to 84 Risk Management – Pages 32 to 38
Description of the business model		Our Business Model – Pages 06
Description of the principal risks in relation to the above matters, including business relationships, products and services likely to affect those areas of risk, and how we manage the risks		Risk Management – Pages 32 to 38
Climate-Related Financial Disclosures (CFD)		CFD – Pages 48 to 60
Non-financial key performance indicators		Key Performance Indicators – Pages 22 to 23

managing our risks

To deliver our strategy and realise our Purpose

Understanding and managing our risks maximises potential opportunities to deliver our strategy and realise our Purpose. AMS's risk strategy recognises that trust is built by proactively identifying and managing the risks that exist as a natural consequence of doing business. We aim to further nurture a positive risk culture, with business processes, training and communications to ensure all team members understand their role when it comes to managing risk.

In 2025 the Board embedded a process which comprehensively reviews risks and mitigation plans based on independent views from senior managers to assess our risk landscape. As the integration process further accelerates, risk management must continue to adapt to the needs of the business.



Risk and uncertainty are an inherent part of doing business which could impact our business, brands, assets, revenue, profits, liquidity and capital resources. To meet our strategic objectives, build shareholder value and promote our stakeholders' interests, we must manage risk.

An effective and successful risk management process balances risk and reward and is dependent on the judgement of the likelihood and impact of the risk involved. The Board, through the Audit and Risk Committee, has overall responsibility for ensuring there is an effective risk management framework, which underpins our business model.

In 2025, the Board introduced a structured, senior-led risk review process, which will continue to evolve as integration accelerates and business needs change.

The risk review process involves each senior manager assessing risks in their own area which are formally documented in a long-list of risks which are categorised into a smaller list of significant risks which forms the Risk Register which is formally reviewed by the ExecCo and Audit and Risk Committee. This process is carried out at least twice annually. The plans and actions assigned to the Executive Directors, ExecCo and senior managers are reviewed to ensure progress is being made with risk actions and mitigation plans.

We believe that the policies, procedures and monitoring systems that are in place are sufficient to effectively manage the risks faced by our business.

The Board has applied principles 28 and 29 of the 2024 UK Corporate Governance Code ('Code') by establishing a continuous process for identifying, evaluating and managing the significant risks the Group faces, as outlined on Page 33 and for determining the nature and extent of the significant risks it is willing to take in achieving our strategic objectives.



Risk Management continued

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A robust, in-depth process is used to identify significant risks across the Group. This is a continuous process carried out in accordance with the relevant provisions set out in the UK Corporate Governance Code.

Emerging risks

Emerging risks are developing risks that cannot yet be fully assessed but that could, in the future, affect the viability of our strategy. We identify these risks by encouraging the reporting of potential risks up the organisation and discussing them openly in specific Executive Committee ('ExecCo') and Senior Leadership Team ('SLT') Risk Reviews. We discuss whether critical assumptions underlying the strategy are becoming, or have become, invalid. Risks are then either managed within the organisation or elevated to the Risk Register for further discussion by the Audit and Risk Committee.

Identifying risks

A robust methodology is used to identify key risks across the Group; in categories, operations and during projects. This is an ongoing process in accordance with the Code.

Analysing risks

Once identified, risks will be evaluated to establish root causes, financial and non-financial impacts and likelihood. We use a scoring system to assess the likelihood of a risk materialising and the potential financial impact. The risks are prioritised in terms of severity and a mitigation plan is prepared to reduce each risk. Once controls and mitigating factors are considered, the risk is reassessed and rescored (mitigated score) to ascertain the net exposure.

Managing risk

The ExecCo, SLT and Audit and Risk Committee review the Risk Register formally at least twice a year, assessing whether the long-list of risks are still the most significant facing the Group and whether new risks have arisen or been identified. Effectiveness, adequacy of controls and mitigating actions are assessed, and if additional controls or actions are required, these are identified and actions assigned. The Risk Register puts these risks into a smaller number of categories and documents this.

Monitoring and reporting risk

The ExecCo is responsible for monitoring progress to mitigate key risks. The risk management process is continuous; key risks and risk mitigation plans and progress are reported to and reviewed by the Audit and Risk Committee, following the ExecCo and SLT's review.

Internal Audit

Additionally, the Audit and Risk Committee is supported by a programme of Internal Audits. Internal Audit reports to the Audit and Risk Committee on the progress of controls or process improvements following Internal Audit recommendations.



An integrated top-down and bottom-up risk management process to assess our risk landscape is carried out in accordance with the relevant provisions set out in the UK Corporate Governance Code.

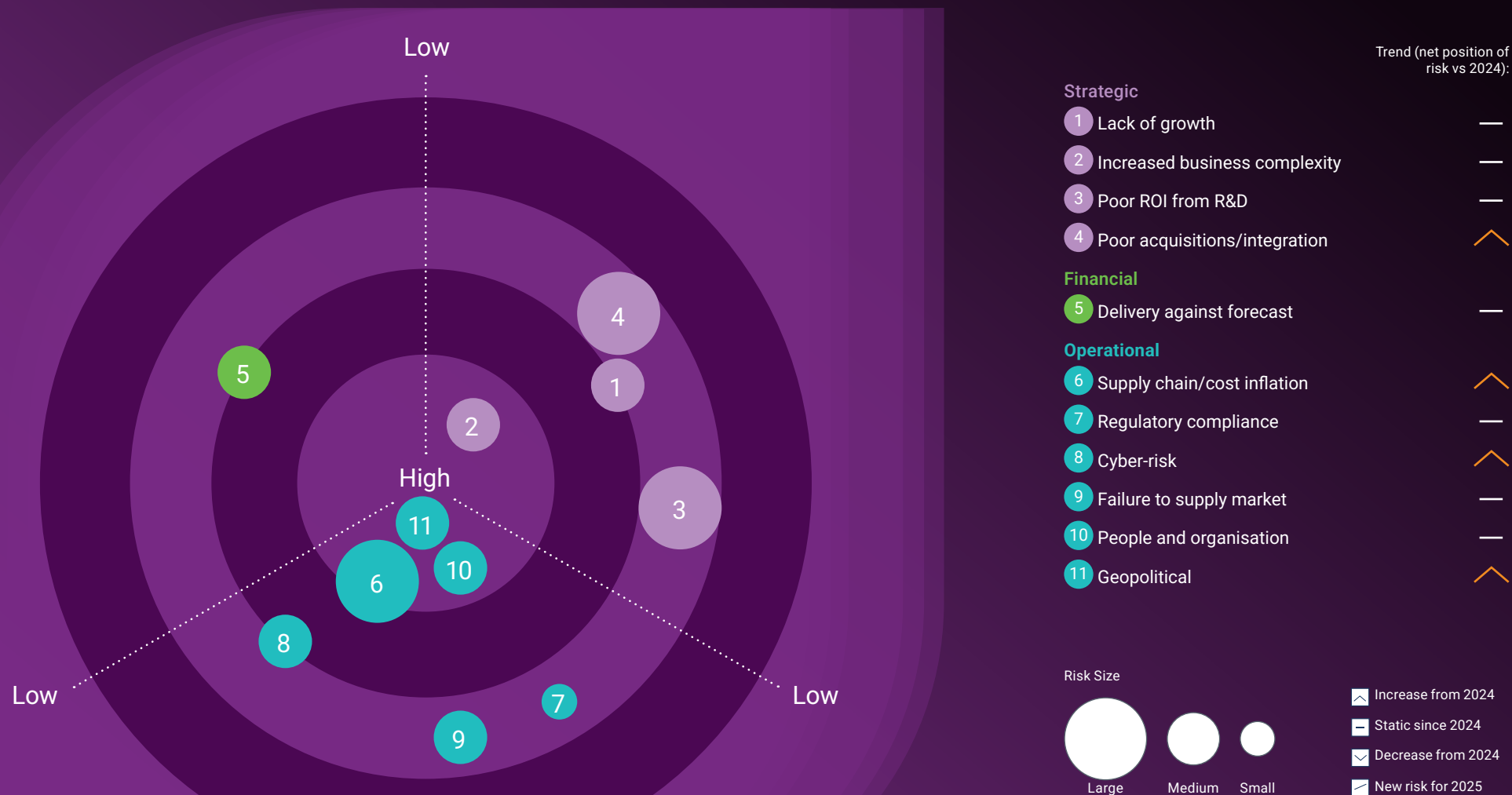


Risk Management continued

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Risk heat map – Principal risks

While we continue to monitor and manage a wider range of risks, the risk heat map summarises those risks considered to have the greatest potential impact if they were to materialise.



Risk Management continued

Strategic risks

Risk	Potential impact	Key controls and mitigating factors	Trend
1 Lack of growth 	- Income shortfall. - Market capitalisation impacted. - Reduced profit. - Loss of competitive advantage. - Loss of key partners. - Cost increase.	- Significant growth potential from Peters Surgical commercial synergies. - Significant growth potential from Syntacoll's suite of US approvals. - Growing internal development pipeline strengthened by recent acquisitions. - Diversified approach reduces the impact on any one project, partner or product. - Contract minima allow agreements to be renegotiated or terminated for poor performance. - Evaluation of opportunities to broaden reach into new markets or adjacent sectors. - Strong return to growth for Woundcare following restructuring.	
2 Increased business complexity 	- Organisational complexity resulting in lack of focus. - Operational complexity re enlarged suture portfolio.	- Reorganisation completed late 2024 created four focused global Business Units in 2025 based on product category. - Suture branding and SKU rationalisation to be implemented as part of the Peters Surgical integration project. - Corporate identity, together with Purpose, Mission and Values and refreshed Corporate Policies, accelerating integration. - Site rationalisation will allow focus and resources on key, strategic sites.	
3 Poor return on investment from R&D 	- Income shortfall. - Market capitalisation impacted. - Loss of competitive advantage. - Loss of key partners. - Loss of market share. - Misidentification of new, competitive technologies. - Commercial value of products not maximised. - Impairment of assets.	- Growing internal development pipeline strengthened by recent acquisition. - Growing development resource available for innovation as MDR workload continues to dissipate. - Focusing on unmet needs and large market opportunities. - Pipeline of new products/technologies identified to provide growth and differentiation. - Marketing strategy to support partners and products. - Investment in clinical research, personnel, symposia, and Key Opinion Leaders to foster new approaches. - Project team established to further embed sustainability in R&D projects.	
4 Poor execution and/or poor integration of acquisitions 	- Impact on Group performance and market capitalisation. - Reputational loss.	- Dedicated Peters Surgical integration team to deliver key synergies relating to branding, product portfolio, manufacturing and supply chain of sutures. - New category structure embedded, further enabling maximisation of commercial synergies globally. - Separate dedicated Syntacoll integration team to optimise collagen operations and accelerate US approvals. - Site rationalisation moving into critical implementation phase. - Commercial integration and synergies progressing.	

Strategic linkage to risks

 Portfolio

 Footprint

 Expertise

 People and Culture

 Sustainability

Risk Management continued

Risk	Potential impact	Key controls and mitigating factors	Trend
5 Delivering against forecast 	• Loss of income. • Increased costs. • Shortfall in profit. • Market expectations missed. • Market capitalisation impacted.	• Regular dialogue with investors, advisors and analysts. • Robust annual budget process, ExecCo and Board reviews and monthly pragmatic bottom-up reforecasting. • Monthly demand review and SOP process evolved to ensure cross-functional alignment, content and process. • Ongoing cost inflation and other macroeconomic impacts (tariffs, E'er NI etc) make it increasingly challenging.	
6 Supply chain/ cost inflation 	• Inability to supply product. • Loss of income. • Shortfall in profit. • Market expectations missed.	• Proactive management of supply chain. • Improved forecasting and forward planning. • Regular communication and forward ordering with suppliers. • Contractual rights enforced with customers to minimise impact. • Recovery of cost inflation from customers during annual contract negotiations. • Geopolitical factors assessed regularly to plan for supply chain challenges.	
7 Regulatory compliance 	• Inability to supply product. • Product approvals and launches delayed. • Loss of product claims. • Loss of reputation.	• Stringent regulatory regime with an experienced team. • Regulatory strategy and additional resource to manage MDR assigned and ringfenced. • Strong regulatory pathway to gain approvals. • Work with partners and distributors to utilise local expertise. • Strictly controlled Quality Management System.	
8 Cyber-risk 	• Systems and data compromised. • Financial loss. • Business interruption. • Loss of reputation.	• Implementation of audit and testing recommendations. • IT administrator access levels tightened. • Increased segregation of duties. • Cyber Security training for all employees. • Extensive schedule of upgrades and threat analysis. • Dedicated Cyber Security resource implemented. • Established Cyber Security Council to oversee.	

Strategic linkage to risks

 Portfolio

 Footprint

 Expertise

 People and Culture

 Sustainability

Risk Management continued

Risk	Potential impact	Key controls and mitigating factors	Trend
9 Failure to supply the market 	• Inability to supply specific products. • Increased cost of supply and exposure to cost increases.	• Dual source key components wherever possible. • Strong Vendor Risk Assessment process. • Forward ordering and holding inventory prevent operational issues. • Business Interruption Insurance in place. • Working closely with suppliers and increasing audits. • Focus on minimising back-order. • Inventory build planning to minimise risks of site rationalisation.	
10 People and organisation 	• Loss of key staff. • Insufficient talent pool for succession planning. • Market conditions result in difficulty filling open roles.	• New Purpose, Mission and Values launched for the enlarged Group in 2025. • Implementing refined share award programme to be more in line with competitors to aid long-term retention of employees. • Senior leadership team (ExecCo) that has served for a long time and has considerable depth of knowledge. Chief Operating Officer is new to role and ExecCo.	
11 Geopolitical 	• Inability to supply product. • Loss of income. • Shortfall in profit. • Market expectations missed.	• Open lines of communication. • Further flexible working implemented. • Continuous monitoring of impact on site and ability to manufacture. • Ongoing review of alternative manufacturing options. • Management of US tariffs ongoing to minimise impact. • Monitoring impact of the Conflict in the Middle East (Emerging risk – see below).	

Strategic linkage to risks

 Portfolio
  Footprint
  Expertise
  People and Culture
  Sustainability

Emerging Risk – Conflict in the Middle East

As with all global businesses we are closely monitoring the potential impact of the conflict in the Middle East. It is unclear how long the conflict will last for, and what the short and longer-term impacts will be on energy supply and costs, as well as any impact on supply chains, customers and travel. We have contracts in place to cover significant amounts of our energy, with a focus on sustainable sourcing, and our customer base is diverse in terms of geography. We will continue to monitor the situation and make regular assessments of the potential impact on the business.

The Strategic Report has been prepared solely to provide information for shareholders to assess how the Directors have performed their duty to promote the success of the Group and contains forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such information. The Group Strategic Report, which encompasses Pages 05 to 64 was approved by the Board of Directors and signed on its behalf by:

Eddie Johnson
 Chief Financial Officer
 1 May 2026

reinforcing

a sustainable and ethical approach in everything we do



All sustainability activities have been optimised and managed by a single team across AMS. We believe this will help to drive further ESG activities to support AMS's long-term sustainable growth.

Eddie Johnson
Chief Financial Officer



Message from the Board

As we continue to deliver results for our stakeholders, we are committed to undertaking our business responsibly and devoting significant time and resource to our ESG strategy.

Building an innovative, sustainable and resilient business is more important than ever in today's world. By focusing on the most important issues facing the business, while integrating sustainable business practices into our core processes, we will continue to generate value for our stakeholders in the long-term.

We monitor our progress through carefully selected metrics which reflect the values of the Group, developed by focusing on sustainability over a number of years and assessing outputs from key projects, including our Carbon Reduction Plan, Carbon-related Financial Disclosures and ongoing work on Corporate Sustainability Reporting Directive ('CSRD').

The development of our Purpose, Mission and Values in 2025 further reinforces our ESG Strategy.

Eddie Johnson
Chief Financial Officer & ESG Lead
1 May 2026

MSCI rating increased to

AAA

in 2025

MSCI 

Carbon target 2045

Net Zero

+ implementing the
Science -Based Targets Initiative
(SBTi) in 2026



A ADVANCING SUSTAINABILITY
M MINIMISING ENVIRONMENTAL IMPACT
S SOCIALLY RESPONSIBLE



United Nations
Global Compact

Our approach

ESG Principles



ESG Model

Our Purpose helps us to improve patients' lives by aligning and enabling ESG-related initiatives that support responsible decision-making and long-term value creation for our stakeholders.



ESG Mission

Underpinned by our Values (Be Ambitious, Keep it simple, Own it, Work together), our ESG mission is to drive progress towards our Purpose: We unite expertise to improve patients' lives. Our Purpose allows us to align and enable ESG-related initiatives for the benefit of our stakeholders.

ESG Pillars



Planet

We are committed to minimising any negative impact on the environment and upholding the highest standards of corporate responsibility.



People

We are committed to having a positive impact on the local communities in which we operate and offering our employees a safe, supportive working environment with a positive culture.



Product

We are committed to contributing to society by developing products to improve patient outcomes.



Policy

We are committed to operating in an ethical and responsible manner, upholding the highest standards of corporate governance and to building and developing an ESG reporting framework with meaningful targets.

ESG Framework

Prioritising our Planet, People, Product and Policy Pillars

Our Approach

We are committed to operating our business in a responsible way, minimising our negative impacts and maximising our positive contribution while promoting the sustainability of our business.

Our ESG Framework

Our ESG Framework is what makes us unique and identifies the key areas of focus to drive action on the most impactful areas to assure the future of our business for the longer term.



planet

Principles

- Minimise any negative impact on the environment.
- Uphold the highest standards of corporate responsibility.

Stakeholder engagement

- Communities and Environment.
- Supply Chain.
- Investors.

Commitments

We are committed to minimising any negative impact on the environment and upholding the highest standards of corporate responsibility.

Link to SDGs



people

Principles

- Having a positive impact on the local communities in which we operate.
- Offer our employees a safe, supportive working environment with a positive culture.

Stakeholder engagement

- Patients, Partners, Clinicians.
- Employees.

Commitments

We are committed to having a positive impact on the local communities in which we operate and offering our employees a safe, supportive working environment with a positive culture.

Link to SDGs



product

Principles

- Operate in an ethical and responsible manner.
- Contribute to society by developing products to improve patient outcomes.

Stakeholder engagement

- Regulators.
- Supply Chain.

Commitments

We are committed to contributing to society by developing products to improve patient outcomes.

Link to SDGs



policy

Principles

- Uphold the highest standards of corporate governance.
- Build and develop an ESG reporting framework with meaningful targets.

Stakeholder engagement

- Investors.
- Partners.
- Employees.

Commitments

We are committed to operating in an ethical and responsible manner, upholding the highest standards of corporate governance and to building and developing an ESG reporting framework with meaningful targets.

Link to SDGs



ESG Focus Areas

ESG pillar	ESG focus areas	Our ambition	KPIs	2025
 planet	 Climate change and emissions	Reducing our impact on the environment. - Net Zero by 2045. - Reduce energy use at our sites. - Increase use of renewable energy.	1. Total Scope 1 and 2 emissions (tCO ₂ e)** 2. Total electricity consumption (kWh)** 3. Percentage of electricity from renewable sources**	7,774 (2024: 7,654) 14,339,960 (2024: 14,976,820) 5% (2024: 18%)
	 Circular economy	Make the most efficient use of material resources across our business. - Minimise waste to landfill and increase recycled waste. - Reduce water use at our sites. - Operate at or work towards Environmental Management Standards ISO 14001.	1. Total waste (tonnes)** 2. Waste to landfill (%) 3. Water usage (m ³)**	1,432.9 (2024: 910.8) N/A (2026 metric) 100,627 (2024: 56,600)
	 Social and community engagement	Engage our wider community to achieve sustainable outcomes.	1. Establish an approximate KPI for community engagement 2. Amount donated to charitable causes or sponsorship	N/A (2026 metric) £52,371 (2024: £93,563)

Key:

* Legacy AMS (sites prior to the acquisition of Peters Surgical in 2024).

** No comparator data is available for Peters Surgical for 2023. Due to this, prior year comparators have not been included for the targets as it does not reflect in year performance.

ESG pillar	ESG focus areas	Our ambition	KPIs	2025
 people	 Health and safety	Working to be injury free.	1. H&S: IFR (Injury Frequency Rate – Number of injuries per 1,000,000 hours worked)* 2. Fatalities**	41.14 (2024: 42.29) Target: 40.17 0 (2024: 0)
	 Talent and workforce development	Where employees feel valued, invested in and want to recommend AMS as a great place to work.	1. Employee Engagement Score* (positive or neutral responses based on external benchmark) based on the external benchmark of our Engagement Score 2. Total employees turnover* 3. Number of training hours per employee	N/A (2024: N/A. 2024: 83%) 13% (2024: 11%) N/A (2026 metric)
	 Equality, Diversity and Inclusion	Equality, Diversity and Inclusion are key aspects of integration and sustainable growth.	1. Gender diversity**	Male: 45% Female: 55% (2024: Male : 46%, Female: 54%)
	 Ethical conduct and integrity	Operate with integrity and respect to regulation and laws in all dealings.	1. Proportion of eligible employees who received Business Ethics training 2. Total number of investigated breaches of Code of Conduct 3. Reported incidents of discrimination*	N/A (2026 metric) N/A (2026 metric) 0 (2024: 2)

ESG Focus Areas

ESG pillar	ESG focus areas	Our ambition	KPIs	2025
 product	 Innovative and efficient products	Drive growth through high-quality, sustainable products.	1. Number of new product launches* 2. Proportion of revenue from products launched in the last five years**	1 (2024: 2) 6.5% (2024*: 9.8%)
	 Product quality and safety	Design, manufacture and/or supply high-quality and safe products.	1. Establish an approximate KPI for product quality and safety	N/A (2026 metric)
	 Supply chain management	Ensure our supply chain operates in line with our ESG standards by applying our new supply chain policy.	1. Monitor the number of suppliers that conform to the Group Supply Chain Policy 2. Key materials suppliers met with, visited and/or audited in the past year (%)	N/A (2026 metric) N/A (2026 metric)

ESG pillar	ESG focus areas	Our ambition	KPIs	2025
 policy	 Compliance	Meet or exceed all compliance requirements.	1. Reported incidents of human rights violations in our supply chain** 2. Fines or sanctions from non-compliance with environmental laws and/or regulations** 3. ESG Steering Committee Meetings held during 2025*	0 (2024: 0) 0 (2024: 0) 3 (2024: 3)
	 Employee behaviours	Ethical and responsible behaviour.	1. Incidents of bribery or corruption** 2. Whistleblowing reports** 3. Spend on political campaigns, lobbying or think tanks**	0 (2024: 0) 4 (2024: 0) £0 (2024: £0)

Key:

* Legacy AMS.

** Enlarged Group (Legacy AMS sites and sites post acquisition of Peters Surgical in 2024). No comparator data is available for Peters Surgical for 2023.

Installation and monitoring

of technology to support sustainability



Installation of Circuit Level Monitoring

ISO Certification (50001)

We engaged an external provider to support us with installing Circuit Level Monitoring ('CLM'), a critical part of energy management, at two of our key sites (Winsford and Plymouth). ClearVue's system allows the centralised management and assessment of energy data from all sites, supported by a dedicated Energy Manager.

Moving forward with energy reduction

CLM will identify where energy use can be reduced, leading to monthly savings, managing energy spikes and assessing where equipment may fail (therefore helping to prevent downtime).

We will roll out CLM initially at our other ISO Certified site (Nantes), followed by other key sites once details of the site rationalisation are finalised.

ESG Case Study

UN Sustainability Development Goals

The SDGs which we consider to be most relevant to AMS are:

UN Goal	How AMS contributes	
 3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote wellbeing for all at all ages	Improve patient outcomes. Focus on employees (mental, wellbeing, Employee Assistance Programme, flexible working).
 5 GENDER EQUALITY	Ensure gender equality and empower all women and girls	Ensure equal opportunities during recruitment and promotion. Equality, Diversity and Inclusion programme.
 8 DECENT WORK AND ECONOMIC GROWTH	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Work closely with clinicians and partners investing in industry-leading training and education.
 10 REDUCED INEQUALITIES	Promote innovative and sustainable economic growth, full and productive employment and decent work for all	Ensure employees are engaged, skilled and motivated. Pay living wage and support lower earners.
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption and production patterns	Ensure all products meet highest standards of quality, safety and efficiency, and are ethically sourced.
 13 CLIMATE ACTION	Take urgent action to combat climate change and its impacts	Committed to reduce our carbon footprint, reduce waste and utilise renewable energy, where possible.
 17 PARTNERSHIPS FOR THE GOALS	Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development	Engage and invest in projects in developing countries where we operate.

Other key ESG activities

Modern Slavery Act

AMS takes its responsibility to protect human rights very seriously. We do not tolerate slavery or human trafficking either internally or in our supply chain. We will never knowingly deal with any organisation which is connected to slavery or human trafficking.

Our full compliance statement can be found on the Company website www.admedsol.com

Gender Pay Gap Reporting – Ensuring Opportunities for All

AMS believes in being an inclusive and diverse employer.

We remain confident that employees are paid equally for doing equivalent jobs, and have opportunities for development and advancement.

Our latest report under the Gender Pay Gap Regulations is available on the Company website www.admedsol.com

Strategic Priorities



planet

"We are committed to minimising any negative impact on the environment and upholding the highest standards of corporate responsibility."

Eddie Johnson
Chief Financial Officer and ESG Lead

2025 achievements

- Worked through our first full year of Net Zero Data Collection as an enlarged Group.
- Launched EHSEn (Energy Reps) across all sites to target energy reduction with monthly meetings to exchange best practices.
- Focused on implementation of energy reduction projects using external consultant.
- Circuit-level monitoring installed at Winsford and Plymouth sites to help reduce energy, use, identify spikes and potential downtime issues. Key activity ahead of the ISO 50001 audits at Winsford and Plymouth.
- ESOS (Energy Saving Opportunity Scheme) Phase 3 Progress update filed, outlining progress made.

2026 goals

- Apply for Science Based Targets initiative ('SBTi') to lead to a Net-Zero economy, boost innovation and drive sustainable growth through science-based emissions reduction targets.
- Launch Project Freedom, a sustainability initiative where customer orders lead to the planting of trees in our AMS Forest.
- Net Zero Projects Committee to launch to focus on capex, energy reduction monitoring.
- Further circuit-level monitoring across the Group to allow monitoring and actions plans with help from an external Energy Manager.
- Global Car Policy (encouraging EV and Hybrid) to be launched across the Group.



people

"We are committed to having a positive impact on the local communities in which we operate and offering our employees a safe, supportive working environment with a positive culture."

Cathy Tomlinson
Chief People Officer

2025 achievements

- Further embedded the Sustainability Team and increased profile of Sustainability as a key aspect of the Group strategy.
- AMS Equality, Diversity and Inclusion Committee ('Together AMS') relaunched across the Group.
- Accident rate (IFR) on target in 2025, driven by focused activities and investment in integrated software covering all areas of EHS.
- ESG/CSR activities (European Mobility Week, World Environment Day, Pink October, World Mental Health Day).
- First Code of Conduct for expanded AMS Group approved for launch.

2026 goals

- Work to communicate and embed the Ten Principles of the UN Global Compact to ensure all employees understand how they can support progress.
- Sustainability Ambassadors to be relaunched with new leadership and resources to engage on all sites.
- Aim to improve ESG/Sustainability internal and external communications in 2026. Guidance will be sought from new Internal Communications Advisor.
- Site specific charitable provision and financial support for Sustainability activities.
- Hold first Group-wide activity (walking/steps across all sites).

Strategic Priorities



product

“We are committed to contributing to society by developing products to improve patient outcomes.”

Ross McDonald
Chief Commercial Officer

2025 achievements

- Peters Surgical achieved A+ rating in the CAHPP Indice Vert 2025 CSR assessment (benchmarking healthcare providers on environmental and social practices), which guides sustainable procurement in France.
- eIFU (Electronic Instructions for Use) expansion, reducing paper-based IFUs.
- Cross site R&D project looking at new packaging and other environmental benefits.
- Work progressing internally on how best to manage expectations and benefits of Life Cycle Analysis.

2026 goals

- Build on projects being developed between R&D and Sustainability.
- Further develop our Life Cycle Analysis (LCA) project.
- Integration of ESG items into Product Development Process continuing to ensure sustainability is incorporated across all development phases.
- Audit work highlighted need to engage Supply Chain. Plan is to commence work in 2026.
- Supplier Code of Conduct being developed based on best practice of what we received.



policy

“We are committed to operating in an ethical and responsible manner, upholding the highest standards of corporate governance and to building and developing an ESG reporting framework with meaningful targets.”

Owen Bromley
Company Secretary

2025 achievements

- Enrolled in UN Global Compact, a voluntary initiative based on commitments to implement universal sustainability principles.
- Engaged with a consultant on the Corporate Sustainability Reporting Directive ('CSRD'), working through double materiality and risk assessment to develop KPI's for the Group
- Improved our MSCI rating to AAA, the highest rating available.
- Achieved a Bronze Medal for EcoVadis, a market-leading supplier assessment.
- Carbon-related Financial Disclosures (CFD) process engaged sites across the Group, assessing Physical and Transitional workshops and Board Climate Training.

2026 goals

- Complete work on CSRD and prepare draft report for internal guidance.
- Train and embed Code of Conduct across the Group, supported by refreshed Corporate policies and training.
- Focus on audit reports from MSCI, EcoVadis and SMETA to improve audit performance and key aspects of sustainability across the Group.
- Update and train out all Group policies to underpin Code of Conduct.

Climate-Related Financial Disclosures

Compliance statement

Mitigating the impact of climate change

Advanced Medical Solutions ('the Group' or 'AMS') continued to integrate the management of climate-related risks and opportunities into the Group's short- and long-term strategy in 2025 for the third year.

In accordance with the UK Government's Companies (Strategic Report) Climate-related Financial Disclosure Regulations 2022 ('CFD'), AMS has met all mandatory requirements (Board Governance, Management Role, Risk/Opportunity Identification, Business Impact, Resilience Analysis, Risk Identification and Management Integration, Metrics & Targets).

As an AIM-listed company with more than 500 employees, AMS falls within the scope of these regulations and produced a CFD statement in line with the framework. AMS has prepared this disclosure to comply with the mandatory CFD recommendations.

Figure 1: AMS risk management approach.



Governance

AMS is committed to maintaining a strong governance structure (see Page 42) for effective management and increasing the business's climate resilience, as shown in Table 1.

Table 1: AMS climate governance structure

Board level consideration of ESG and climate matters	Climate responsibility: Overall governance of climate-related matters. Frequency: Updated four times a year on climate change by the Chief Financial Officer ('CFO') and the Group Company Secretary. This includes updates on decarbonisation initiatives and climate risk mitigations.
ESG Steering Committee	Climate responsibility: Climate strategy guidance, disclosure and compliance. Identifies climate-related risks and opportunities with Inspired ESG annually. Assesses, manages and monitors climate-related risks and opportunities annually. Frequency: Meets three times a year to discuss the management of climate-related risks.
ESG & Sustainability Team	Climate responsibility: Responsible for implementing the ESG Steering Committee actions. Supports the ESG Steering Committee to identify climate-related risks. Frequency: The Chief Sustainability and Regulatory Officer and the Group Company Secretary meet on a weekly basis to ensure the Group remains on track with implementation. The Group Corporate Social Responsibility ('CSR') Project Manager works closely on a daily basis with the Chief Sustainability and Regulatory Officer.
Department Working Groups (Includes Operations, Supply Chain, Sales, Marketing)	Executes climate initiatives within departments and reports progress to the ESG Steering Committee and Sustainability Team.
Environment, Health and Safety and Energy ('EHSEN') Representatives	Climate responsibility: Review the potential for additional energy efficiency measures to be installed and track progress on those already in place. Frequency: Meets monthly and reports to the ESG Steering Committee at all meetings.
ESG Representatives	Climate responsibility: Will be established in 2026 to drive initiatives at site level. Frequency: Meet every two months and will report to the ESG & Sustainability Team after all meetings.

Climate-Related Financial Disclosures continued

Board level oversight of climate-related risks and opportunities

The AMS Board of Directors ('the Board') retains overall responsibility for climate matters, such as material climate-related risks and opportunities. The Board meets eight times a year, with ad hoc meetings being scheduled when needed. Climate change is discussed in at least four of these meetings, including the climate-related risks identified in 2025, which are material to the Group, the potential impact and any regulation changes. In 2025, the Group's budget was formalised to include compliance costs and decarbonisation actions. Throughout the financial year, the Board continued to approve key climate-mitigation plans and provide strategic oversight of the Group's climate initiatives and financial planning. For example, the implementation of circuit-level monitoring at four sites, which was completed in November 2025 at two sites, with the remaining installs set to occur in 2026. The Group is working with a third-party consultancy to identify further energy-saving initiatives, with a budget allocated annually. Further updates will be provided in the 2026 CFD report. There is also budget available for 2026 to install solar panels at the Group site in India, if suitable.

In 2025, two Non-Executive Directors were appointed to the Board, both of whom have knowledge in sustainability and experience in climate risk management through their roles and training with other companies. To support the Board in fulfilling their duties, our third-party consultants, Inspired ESG, provided a capacity-building session in December 2025, with an overview of CFD, climate change and the climate-related risks and opportunities identified for the business in 2025.

In 2025, executive remuneration was not linked to wider Environmental, Social and Governance targets. However, this will be reviewed again in 2026.

ESG Steering Committee ('Committee')

The ESG Steering Committee, supported by the ESG & Sustainability Team, has been delegated the responsibility for identifying, assessing and managing climate risks and opportunities annually. The Group Company Secretary is the Committee Deputy Chair and attends all Board meetings to share key climate-related information with the Board on a quarterly basis formally, and ad hoc when required. To further assist this flow of information, the Group Chief Financial Officer ('CFO') is the Committee Chairperson and also a member of the Board. The Committee discusses the need for additional climate mitigation measures and decarbonisation actions, with approval submitted to the Board when required. To support this, in 2025 Committee members attended climate risk workshops held by Inspired ESG to provide input on the potential impact of climate risks and mitigation measures in place to assess the risks. See Table 11 for the energy efficiency measures the Committee implemented in 2025.

Other Committee attendees include the Group CSR Project Manager and the Chief Sustainability and Regulatory Officer. Both members, alongside the Group Company Secretary, met on a weekly basis with our third-party ESG consultants, Inspired ESG, to facilitate the data collection process for CFD reporting and discuss climate risk management.

ESG & Sustainability Team

The ESG & Sustainability Team is responsible for implementing the actions discussed at the Committee meetings. In 2025, this included carbon data collection, progress with life cycle assessments and research and development to improve sustainability credentials for the business. The ESG & Sustainability Team also attended the climate risk workshops (see Risk Management section, Pages 52 to 55). The ESG & Sustainability Team consists of three members: the CSR Associate, the ESG/Sustainability Director and the Group Company Secretary. The ESG & Sustainability Team interacts with different stakeholders and departments across the Group to ensure initiatives are being implemented and obtains progress updates which are then reported up to the Committee and if required, the Board. For example, the Group Company Secretary communicates with the EHSEN manager multiple times per week, who facilitates the implementation of climate mitigation measures at sites across the Group. The CSR Associate works with the different departments to collect data carbon emission calculations, with five sub streams which require regular communication with the departments, such as the transport team and human resources. Frequent communication with the departments is also needed for other sustainability reports, such as EcoVadis (sustainability evaluation).

EHSEN and ESG representatives

In 2025, the EHSEN representatives met monthly to review the potential for additional energy efficiency measures to be installed at the site level and track progress on those already in place. This led to significant progress being made to install efficiency measures in 2025, as shown in Table 11. Key information is reported to the ESG & Sustainability Team by the EHSEN representatives when required. The ESG representatives will be established in 2026 and will meet on a quarterly basis to drive wider ESG initiatives at the site level.

Risk management

Oversight of climate-related risk identification, assessment, monitoring, and management is delegated to the ESG Steering Committee, supported by the ESG & Sustainability Team. Climate-related risks identified and monitored by these groups are reported to the Board via the Committee Chair (CFO) and Deputy Chair (Group Company Secretary), reinforcing the chain of accountability. In December 2025, the Board reconfirmed that climate change is an emerging risk and is incorporated in the Group Risk Register under geopolitical risk (a principal risk). We acknowledge that in the absence of meaningful climate action, physical climate risks are expected to intensify. These risks include potential supply chain disruptions, which could affect operations in future years and may have broader implications for the sector. We will review this risk classification annually. Accordingly, climate change has been classified as an emerging risk for 2025. AMS conducts an annual review of the risk management framework (Figure 1) to ensure robust governance and effective control of climate-related exposures. Climate-related risks are identified, assessed and monitored annually.

Climate-Related Financial Disclosures continued

Step 1: Identify climate-related risks and opportunities

To ensure climate-related risks are being identified, the ESG & Sustainability team and ESG Committee conduct annual research on potential emerging or upcoming legislation, such as the Energy Savings Opportunity Scheme ('ESOS') submission in December 2025. AMS also remains informed on legislation and regulation changes by Inspired ESG. AMS supplied climate-related information to Inspired ESG, enabling scenario analysis across 23 key sites within AMS and Peters Surgical in November 2025. Findings were presented to members of the ESG Steering Committee and ESG & Sustainability Team through two risk workshops held in December 2025. The first workshop addressed physical risks, identified at the site level. These reflect the direct financial impacts of climate change on assets, operations, and performance. Physical risks are categorised into two separate categories: acute risks (event-driven, such as extreme weather events including storms, floods, and heatwaves, that can; cause immediate damage to physical assets, disrupt supply chains, and impair business continuity), and chronic risks (long-term shifts in climate patterns, including rising average temperatures, sea level rise, and altered precipitation trends, which can erode asset values, increase operating costs, and reduce productivity over time). The second risk workshop focused on transition risks, which arise from the global shift toward a lower-carbon economy and can materially affect financial performance. These risks include regulatory changes, such as carbon pricing, market dynamics, such as increased energy and raw material costs and shifts in consumer preferences. Transition risks were identified at the Group level. Through this process, 19 risks were identified, of which 11 met our materiality thresholds (see Table 2: AMS climate risk scoring system), 6 opportunities were also identified and all were deemed to be material. The annual scenario analysis and workshops form a core component of AMS's risk governance framework, ensuring proactive mitigation of climate-related exposures and reinforcing business resilience. Risks are identified through this process annually.

Step 2: Analyse and Assess

During the workshop, three potential global warming pathways and three time horizons were evaluated for each risk, outlining when and how severely each risk could impact AMS. Please see Pages 52 to 55 of the Strategy section for more information.

To determine which climate-related risks require prioritised mitigation measures, attendees were asked to score each risk. Risks were scored against two dimensions: Likelihood (the probability of the risk materialising and affecting business operations and Impact (the estimated financial impact on the Group's profit). Please see Table 2 below for the impact and likelihood classifications. Risks exceeding thresholds of >£10 million in impact or >50% in likelihood were classified as material. Material risks are prioritised for mitigation measures to safeguard profitability and operational resilience. Climate-related opportunities were also deemed material using the same approach (Table 5).

Table 2: AMS climate risk scoring system.

Impact (£)	Likelihood (%)
<£2m	<20%
£2m – £10m	20% – 50%
>£10m	>50%

Step 3: Monitor and Report

AMS recognises the material threat climate change poses to the business across varying time horizons and warming scenarios. To address this, the Group undertakes annual climate scenario analysis. AMS is committed to publishing annual CFD disclosures, providing information that is comparable, consistent, and reliable, thereby reinforcing transparency and accountability to stakeholders on climate-related risks. The Board approves mitigation measures that result from the ESG Steering Committee meetings. The ESG Steering Committee track the effectiveness of mitigation measures implemented at meetings once data is available. For example, customer interest in ESG topics has noticeably increased for AMS in the last few years, so in 2025, the ESG & Sustainability Team was formed to improve the Group's environmental reporting and transparency, improving data collection for CFD and EcoVadis.

Step 4: Manage

In December 2025, AMS presented all 19 climate-related risks and the associated scenario analysis to the Board during a capacity session facilitated by Inspired ESG. Material climate-related risks were highlighted to ensure full Board oversight. The climate risk register remains distinct from the Group Risk Register in 2025 as climate change is classified within the Group Risk Register under geopolitical risk and is effectively managed and integrated into the Group's risk management framework. Therefore, there is no present need for risk register integration. The need for this however will be reviewed again in 2026. Responsibility for reviewing and approving the 2025 climate risk register has been delegated to the Group CFO and the Group Company Secretary. AMS incurred no significant financial impacts from climate change in 2025 and is therefore considered climate change as an emerging risk, as confirmed by the Board in December 2025. Mitigation measures are in place for material risks. For example, no machinery is stored in site basements to reduce the risk of damage and revenue in the event of a flood. The Group's climate risk classification will be reviewed annually to ensure mitigation measures remain proportionate to risk magnitude and to preserve resilience. Following the review, AMS has determined that it remains resilient across the three assessed scenarios and time horizons. Annual scenario analysis will continue to underpin the effectiveness of mitigation strategies and reinforce long-term resilience.

Climate-Related Financial Disclosures continued

Strategy

The ESG Committee, supported by Inspired ESG and the ESG & Sustainability Team, annually identifies climate risks and opportunities for the Group. The team met with Inspired ESG weekly in November 2025, sharing identified climate-related risks, such as increased customer interest in the Group's decarbonisation progress. This was supported by a detailed climate scenario analysis conducted by Inspired ESG in November 2025 to understand the potential and actual climate risks for the business. A climate scenario is a plausible representation of potential future climate conditions that could have an impact on business operations directly and indirectly. The climate scenario analysis considered three potential warming pathways and approaches to climate change:

- **Proactive scenario (<2°C by 2100):** Organisations align with the Paris Agreement and set net zero targets by 2050, and governments introduce policies in a structured manner. Impact on business model and strategy: the Group is likely to incur costs related to compliance due to increasing regulation, for example consultancy and auditor costs. AMS have experienced difficulty to meet rapidly growing customer demands and preferences for increased sustainability credentials, emissions reductions and low-emission technology. Resilience of business model and strategy: AMS has allocated a budget for decarbonisation, including investing in low-carbon and energy-efficient technologies. Climate scenario analysis is conducted annually to identify, assess and manage climate-related risks and opportunities, increasing the resilience of the business under this scenario. The dedicated ESG Committee and ESG & Sustainability Team annually develop the Group's environmental and climate strategy to meet customer demands.
- **Reactive scenario (2 – 3°C by 2100):** The government introduces policies in a slightly uncoordinated approach, resulting in confusion and giving companies little time to comply. Impact on business model and strategy: Transition risks continue to impact the Group as a result of the growing regulation, inconsistent carbon pricing frameworks, and changing technology standards, all of which increase costs for the Group. At the same time, physical risks such as more frequent extreme weather events raise the likelihood of supply chain and operational disruptions, affecting Group revenue and reinforcing the need for a flexible business strategy, including in procurement. Resilience of business model and strategy: AMS produces a variety of sustainability reports, such as a CFD annual report statement and EcoVadis, ensuring the data collection processes for environmental reporting are being developed for compliance. The Group's geographical diversity provides insights into different regulatory landscapes, ensuring the business strategy is adaptable to multi-country requirements and overall, more resilient to future requirements. Supplier engagement and communication ensure the Group remain informed on any potential delays and can develop a strategy to avoid shortages for customers.

- **Inactive scenario (>3°C by 2100):** Climate inaction occurs under this scenario, with very few companies setting net zero targets. Impact on business model and strategy: operations are at a heightened risk from extreme weather events such as flooding and heatwaves. Energy prices will be volatile, potentially increasing costs for the business. The Group will have to change operations to avoid large disruptions, which could have a financial impact. Resilience of business model and strategy: the Group annually develops operational resilience, site adaptation and business continuity. The Group makes environmental progress annually, such as improving our climate governance structure by creating a dedicated ESG & Sustainability Team. AMS is positioning as a trusted climate conscious business that can operate and adapt to a changing climate. See Table 11 for our energy efficiency improvements.

Climate scenario analysis also considered three timeframes in which a risk or opportunity may have a higher impact:

- **Short-term (2025 – 2030):** This timeframe offers the opportunity to further embed sustainability principles into the Group's operations, focusing on energy efficiency, climate training, emission reduction, and legislation horizon scanning, and is aligned with the standard business planning cycle. In addition, this timeframe supports near term operational planning and ensures compliance with emerging regulatory requirements. The short-term timeframe is also aligned with our Scope 1 and 2 target year of 2030 and Scope 3 target for 72% of suppliers to have science-based targets by 2029.
- **Medium-term (2031 – 2040):** The medium-term timeframe aligns with the UK's 2035 Nationally Determined Contribution ('NDC') commitment, with extra years added in case of missed targets. Also, this timeframe aligns with our Scope 3 interim 3 Category 12 (End-of-Life Treatment of Sold Products) target to achieve a 30% reduction by 2033.
- **Long-term (2041 – 2055):** The long-term timeframe aligns with the UK's net zero by 2050 target, with a buffer time added. This timeframe also aligns with our net zero target year of 2045 and our long-term financial planning process.

Climate scenario analysis was conducted on the Group's 23 sites (10 of which are Peters Surgical sites). Sites were selected for analysis based on historical data – if a site was near a major historic climate event, we considered the site to be vulnerable. Our supply chain was also analysed, looking at key commodities, such as titanium, to understand any potential changes from 2024 and increase the resilience of the business. For our climate-scenario analysis, we used internationally recognised climate models and frameworks, including the International Energy Agency's World Energy Models ('WEM'), Shared Socioeconomic Pathways ('SSPs'), Climate Natural Catastrophe Damage Models, Coordinated Regional Climate Downscaling Experiment ('CORDEX') forecasts, and Integrated Assessment Models ('IAM'). The scenarios used in this year's analysis align with the ISO 14091 standard (Adaptation to Climate Change). These models provide valuable insights into the possible effects of climate change, but they also have limitations, including differences between projected and actual conditions. They may sometimes overestimate or underestimate certain climate variables.

The results of the climate scenario analysis were presented to members of the Committee in December 2025 through two climate risk workshops: one on physical risks and one covering transition risks and opportunities. Climate change remains an emerging risk for the Group in 2026, as decided in December 2025 and approved by the Board. No additional financial modelling was undertaken in 2025 to assess and quantify potential impacts of climate-related risks. However, this will develop further in 2026 as the acquisition of Peters Surgical is complete. This will provide further structure to the Group's annual financial planning process.

New material risks identified this year

These are changing customer behaviour and shifts in consumer preferences, reflecting the growing interest and demand from customers for businesses like AMS to improve their ESG and climate strategies. In addition, three new opportunities were deemed material: energy source, products and services, and markets and reputation. This reflects the Group's increased focus on developing our climate strategy to build resilience and increase revenue. Enhanced emissions reporting obligations, increased severity of flooding and water stress were deemed material last year; however, the financial impacts have not been as significant in 2025 due to mitigation measures working effectively, such as changes to governance structure to increase climate-related responsibilities. These changes are expected under the annual risk assessment process, as outlined in the Risk Management section.

Table 3: Physical climate-related risks that were deemed material in 2025.

No	Impact Description	Mitigations
P1	Heatwaves Financial Impact: Reduced revenue: From decreased production capacity (e.g., transport difficulties) and negative impacts on the workforce (e.g., health, safety, absenteeism). Increased capital expenditure: Low-emission cooling technology. Increased operating costs: Increased energy and cooling usage. Timeframe: Long Term (2041-2055); Warming Scenario: >3°C; Likelihood: >50%; Impact: <£2 million Actual: 10/10 (100%) of Peters Surgical sites and 13/13 (100%) of AMS sites analysed will experience heatwaves in the long term of the Inactive scenario, including our sites in Bangkok, Thailand and Haifa, Israel. Heatwaves force cooling systems to run harder, leading to higher energy costs. Potential: Heatwaves and humidity linked to climate change could expose products to higher heat and humidity during transit or storage, potentially affecting the integrity and shelf-life of certain medical adhesives, sealants, or biosurgicals. If clients or staff members become ill because of extreme heat on site, AMS may be subject to compensation claims or regulatory scrutiny from the Health and Safety Executive ('HSE').	Most AMS offices, manufacturing sites, and warehouses are equipped with air conditioning, protecting employees and inventory. Temperature sensitive products, such as LiquiBand®, are transported in temperature-controlled environments. No issues have been seen regarding the quality of the product because of heatwaves. These mitigations reduce costs for the Group by maintaining employee productivity and avoiding heat-related product loss. Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).
P2	Wildfires Financial Impact: Reduced revenue: Decreased production capacity (e.g., supply chain interruptions). Reduced revenue and higher costs: Negative impacts on workforce (e.g., health). Write-offs and early retirement of existing assets (e.g., damage to property and assets). Increased insurance premiums in locations deemed as high risk. Timeframe: Long Term (2041-2055); Warming Scenario: >3°C; Likelihood: <20%; Impact: >£10 million Potential: 1/10 (10%) Peters Surgical sites and 1/13 (8%) AMS sites are at risk of 'major' wildfire threats in the long term of the inactive scenario, including Nantes, France and Domalain, France. The increasing frequency and severity of wildfires associated with climate change could disrupt operations if they occur near sites, potentially causing site closures, damaging transport routes, and delaying supply chains, which may lead to increased costs. Poor air quality can also impact employees.	The risk of wildfires will be continually monitored. Few sites are near large forest/woodland areas, reducing the risk of a large-scale fire. Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).

Table 3: Physical climate-related risks that were deemed material in 2025. (continued)

No	Impact Description	Mitigations
P3	Rising Mean Temperatures Financial Impact: Increased energy costs: Increased cooling and ventilation costs. Timeframe: Long Term (2041-2055); Warming Scenario: >3°C; Likelihood: >50%; Impact: <£2 million Potential: 10/10 (100%) Peters Surgical sites and 13/13 (100%) AMS sites analysed will experience rising mean temperatures in the long term of the Inactive scenario, including our Bangkok, Thailand and Haifa, Israel. Rising temperatures driven by climate change pose operational risks for AMS by threatening employee health, disrupting logistics due to heat-related infrastructure damage, and accelerating the deterioration of offices and warehouses, thereby increasing maintenance requirements and capital expenditure on heat-resilient materials.	No impacts have been seen so far, however, the Group acknowledges that this risk could increase in the future and have a significant financial impact. In the event of rising mean temperatures, employees have the flexibility to work from home. Additionally, AMS sites have temperature-controlled rooms. Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).
P4	Sea Level Rise Financial Impact: Reduced revenue: Decreased production capacity (e.g., supply chain interruptions). Write-offs and early retirement of existing assets. Timeframe: Medium-Long Term (2031-2055); Warming Scenario: 2-3°C, >3°C; Likelihood: <20%; Impact: >£10 million Potential: 1/10 (10%) Peters Surgical sites and 5/13 (38%) AMS sites are at risk of a 0.5m rise in sea level, predominantly in the long term of the Inactive scenario, including Haifa, Israel and Dublin, Ireland. AMS may face rising costs due to climate change driven risks, including higher insurance premiums for properties in vulnerable coastal areas, potential damage from storm surges, infrastructure impacts, and disruptions to supply chains.	AMS will conduct climate scenario analysis annually, to assess the potential impact that sea level rise may have on the business. No impacts have been seen thus far. Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).

Table 4: Transition climate-related risks that were deemed material in 2025.

No	Impact Description	Mitigations
T1	Mandates on and regulation of existing products and services Financial Impact: Increased operational expenditure: new and tightening regulation. Timeframe: Short-Medium-Term (2025-2040); Warming Scenario: <2°C, 2-3°C; Likelihood: >50%; Impact: <£2 million Actual: The UK Environment Act (2021) established a legal framework for environmental protection post-Brexit, aiming to improve air and water quality, protect wildlife, increase recycling, and reduce plastic waste, already shaping AMS's compliance obligations and operational practices in the UK. Potential: Future climate-related mandates could increase costs for the Group. These include the plastic packaging taxes (e.g., £223.69 per tonne from April 2025), bans on single-use plastics and enhanced Extended Producer Responsibility ('EPR') reporting requirements. EU initiatives such as the Packaging and Packaging Waste Regulation ('PPWR'), Carbon Border Adjustment Mechanism ('CBAM'), and Corporate Sustainability Reporting Directive ('CSRD'), alongside Germany's Single-Use Plastic Tax, may tighten recyclability standards and broaden taxation scope, increasing operational spend. These mandates reduce the production and disposal of plastic, which in turn lowers greenhouse gas emissions and environmental damage.	AMS plans to monitor this risk annually, to ensure that any levies imposed on AMS for plastic or packaging are not substantial. Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).

Climate-Related Financial Disclosures continued

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Table 4: Transition climate-related risks that were deemed material in 2025. (continued)

No	Impact Description	Mitigations
T2	Carbon Pricing Financial Impact: Increased operational expenditure: potential tariffs on carbon-related taxes and price increases from suppliers. Increased capital expenditure: electrification of heating technology to help reduce emissions from Scope 1. Timeframe: Short-Long-Term (2025-2055); Warming Scenario: <2°C, 2-3°C; Likelihood: >50%; Impact: <£2 million Potential: Increased costs directly and across AMS's supply chain. The potential introduction of a UK carbon border taxation scheme by 2027 represents a climate-related transition risk, as policies aimed at reducing greenhouse gas emissions could increase financial exposure and require significant investment in decarbonisation to mitigate future carbon pricing costs.	AMS will continue to implement its net zero strategy to reduce emissions across the Group, minimising exposure to carbon pricing. The Group will monitor this risk annually. Related Metrics & Targets: Scope 1 and 2 emission reduction targets (Table 6).
T3	Changing Customer Behaviour Financial Impact: Increased capital expenditure: purchasing more sustainable products. Decreased revenue: reduced demand for current products and services. Timeframe: Short-Medium-Term (2025-2040); Warming Scenario: <2°C, 2-3°C; Likelihood: >50%; Impact: £2-£10 million Actual: Clients are increasingly aware of climate change and expect businesses to demonstrate sustainability credentials in their operations and products. Due to increased climate-related regulation and awareness of climate change, customer demand for reduced plastic packaging and more recyclable or reusable materials has increased and already driven operational changes in AMS's sourcing and packaging practices. Potential Risk: Future client preferences may require greater capital investment and could favour products with lower margins. Competitors may be quicker to invest and act to meet customer demand.	Peters Surgical appointed a dedicated environmental engineer to lead and strengthen the ESG strategy, ensuring expert oversight of sustainability and risk management. AMS also actively monitors changes in tender criteria linked to climate and broader ESG requirements, enabling it to adapt its strategy quickly and remain ahead of evolving climate-related regulatory and market expectations. Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).
T4	Increased Cost of Energy and Raw Materials Financial Impact: Increased indirect costs: operating costs to due to increased prices. Timeframe: Short-Long-Term (2025-2055); Warming Scenario: <2°C, 2-3°C; Likelihood: >50%; Impact: <£2 million Potential: Energy: Rising energy costs, driven in part by the transition to lower-carbon energy systems in response to climate change, are impacting profitability, with renewable electricity often providing more stable but sometimes higher pricing compared to fossil-based sources. Raw Materials: The rising cost of raw materials, driven in part by climate-related pressures such as supply chain disruption and the transition to a low-carbon economy, may increase AMS's operational expenditure and reduce profitability, particularly as price increases cannot always be passed on to clients without risking demand loss. Upstream suppliers subject to carbon taxes or CBAM may pass these costs down the supply chain to AMS.	AMS has installed 68 MWh of renewable (solar) energy generation on-site, supplying 1% of electricity needs. This investment reduces dependency on volatile market prices and lowers Scope 2 emissions. In addition, renewable energy contracts are prioritised where possible to stabilise energy costs and further insulate the business from rising fossil fuel prices. Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).

Table 4: Transition climate-related risks that were deemed material in 2025. (continued)

No	Impact Description	Mitigations
T5	Uncertainty in Market Signals Financial Impact: Decreased revenue: increased production costs, abrupt and unexpected shifts in energy costs. Timeframe: Short-Medium-Term (2025-2040); Warming Scenario: <2°C; 2-3°C; Likelihood: <20%, Impact: >£10 million Potential: Failure to establish clear sector transition plans toward net zero in response to climate change could reduce access to capital, limiting eligibility for government support schemes and green investment opportunities. Strategic planning is challenged by inconsistent market signals, such as policy changes.	AMS remains adequately informed on market changes from third-party consultancy Inspired ESG, mitigating associated risks.
T6	Shifts in Consumer Preferences Financial Impact: Reduced revenue: loss in market share, decreased demand for goods and services. Timeframe: Short-Medium-Term (2025-2040); Warming Scenario: <2°C; 2-3°C; Likelihood: >50%, Impact: £2-£10 million Potential: In response to increasing awareness of climate change, AMS may face rising public expectations for transparent communication on sustainability initiatives, with failure to demonstrate credible climate action risking accusations of greenwashing or potential loss of customers.	Transparency with stakeholders is ensured by publishing an annual CFD statement, responding to customer requests for ESG-related information, including completing CDP (Carbon Disclosure Project) responses when required. Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).
T7	Substitute Existing Products and Services with Lower-emissions Alternatives Financial Impact: Expenditures: increased direct costs as a result of investment into new products lines. Reduced revenue: decrease in revenue opportunities and market share if client preference shift towards sustainable alternatives without AMS adapting. Timeframe: Short-Medium-Term (2025-2040); Warming Scenario: <2°C; 2-3°C; Likelihood: 20-50%; Impact: >£10 million Actual: AMS is already experiencing growing client demand for products and services with lower carbon footprints, reflecting increasing awareness and scrutiny of climate change and its environmental impacts. Potential: As the transition to a low-carbon economy accelerates, existing high-carbon or less sustainable product lines may become obsolete, economically unviable, or subject to future regulatory restrictions, potentially resulting in asset write-downs.	AMS is upgrading to energy-efficient equipment and transitioning its UK company car fleet to electric vehicles to reduce emissions and support sustainability goals. Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).

Table 5: Material climate-related opportunities.

No	Opportunity Description	How AMS will capitalise
01	Resource Efficiency Increasing resource efficiency will have a financial and reputation benefit, attracting more customers. Financial impact: Reduced operating expenses: Increased efficiency of operations, products and technology. Timeframe: Short- Medium-Term (2025-2040) Warming Scenario: <2°C, 2-3°C Related Climate-risk: P1, P3, T1, T2, T4, T7 Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).	• Sustainable Material Substitutions: Replacing conventional, non-recyclable or high-carbon footprint plastics with bio-circular content. • Modular, long-life design: Build equipment with upgradeable and repairable components to extend lifespan and cut material and energy use. • Single-use device reprocessing: Safely clean and re-certify eligible devices to divert medical waste from landfill.
02	Energy Source Implementing renewable or low-carbon energy sources will reduce operating costs and increase climate resilience and Group reputation. Financial impact: Reduced operating expenses: Self-generated electricity can be used in business operations and excess sold to the grid. Returns on investment: Low-emission technology and reduced exposure to future fossil fuel prices and therefore less sensitivity to changes in the cost of carbon. Timeframe: Short-Medium-Term (2025-2040) Warming Scenario: <2°C, 2-3°C Related Climate-risk: P1, P3, T2, T4 Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).	• Power Purchase Agreements: Secure long-term, certified renewable electricity contracts. • Heat pumps: Replace gas boilers with electric systems to cut Scope 1 emissions. • Sustainable biogas: Use certified renewable gas where electrification isn't feasible. • Energy management systems: Deploy BMS and smart sensors to optimise energy use. • Green tariffs: Buy certified renewable electricity to lower Scope 1 and 2 emissions. • On-site solar PV: Install rooftop solar to generate stable, low-carbon power and boost energy independence.
03	Products and Services Implementing low carbon products and services will reduce operating costs and increase climate resilience and Group reputation. This will also attract more customers. Financial impact: Increased revenue: Demand for lower-emission products and services. An increased need for new solutions to meet customer demands. Better competitive edge to reflect shifting client preferences, resulting in increased revenues. Timeframe: Short-Medium-Term (2025-2040) Warming Scenario: <2°C, 2-3°C Related Climate-risk: P1, P3, T1, T3, T7 Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).	• Biodegradable polymers: Use materials that naturally decompose to cut landfill waste. • Mono-material design: Simplify components and packaging for easier, lower-emission recycling. • Design for disassembly: Enable repair, upgrades, and material separation for high-quality recycling. • Modular design: Make devices reusable with only select high-contact parts single-use.

Table 5: Material climate-related opportunities. (continued)

No	Opportunity Description	How AMS will capitalise
04	Markets Increased market share as AMS will be able to attract a broader client base and enhance client loyalty. Increased brand value through positioning AMS as a responsive and responsible company that runs sustainable operations. Financial impact: Increased revenue: existing sustainable product lines and newly introduced low-carbon products attract customers. Timeframe: Short-Medium-Term (2025-2040) Warming Scenario: <2°C, 2-3°C Related Climate-risk: P1, P3, P4, T2, T3, T5, T6, T7 Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).	• Sterile-field efficiency: Compact, sustainable packaging, reducing costs and waste. • Material recycling: Certified take-back programmes for consumables to cut waste and generate revenue. • Reusable devices: Modular systems with replaceable parts for sustainable long-term use.
05	Reputation Increased customer base and therefore revenue due to AMS being known as a reputable business. Financial impact: New revenue streams. Increased market share. Improved investment opportunities. Timeframe: Short-Medium-Term (2025-2040) Warming Scenario: <2°C, 2-3°C Related Climate-risk: T1, T3, T6, T7 Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).	• Climate Commitment and ESG Maximisation: Achieve net positive impact and resource-efficient operations to enhance eco-friendly reputation. Showcase ESG efforts publicly. • Minimal Waste Packaging: Reduce kit packaging to cut emissions, deliver measurable results, and engage clients. • Community Stewardship: Promote local initiatives in waste, water, and renewable management to strengthen social licence.
06	Resilience Increased reliability of the Group and supply chain and ability to operate under various conditions. Financial impact: Increased revenue: Products and services related to ensuring resilience. Timeframe: Short – Medium Term (2025-2040) Warming Scenario: <2°C, 2-3°C Related Climate-risk: P1, P2, P3, P4, T1, T2, T3, T4, T5, T6, T7 Related Metrics & Targets: Scope 1, 2, and 3 emission reduction targets (Table 6).	Physical Resilience • Climate-Proofing Equipment: Install advanced cooling and dehumidification to maintain operations and product quality. • De-risking & Diversification: Spread critical raw materials across regions to prevent supply disruptions. • Infrastructure Adaptation: Upgrade warehouses to withstand climate-related damage. Transitional Resilience • Local Carbon Insetting: Invest in UK-based sequestration projects to boost local brand value. • Transparency & Engagement: Strengthen climate reporting and stakeholder communication to reduce reputational risks. Focus research and development on sustainable product lines to meet rising client and regulatory demands.

Metrics and Targets

AMS continues to work to reduce emissions annually and has set targets to support this (Table 6). We have followed the Science Based Targets initiative ('SBTi') definition of net zero, which is 90% absolute reduction with 10% offset for Scope 1, 2 and 3 emissions by 2045 from a 2024 baseline; this target is aligned with the NHS England net zero target. We have adjusted our Scope 3 supplier target (Table 6), extending it to 2029 after the acquisition of Peters Surgical in 2024. Reductions in emissions and progress on targets are also reflected in the climate-related risk tables (3 and 4), demonstrating how these initiatives actively mitigate identified climate and operational risks.

Table 6: Emissions Reduction Targets for Advanced Medical Solutions, 2025.

Emissions Scope	Interim Targets	Net Zero Targets	Linked climate risk / opportunity
Scope 1	42% absolute reduction in Scope 1 and 2 (location-based) GHG emissions by 2030 from our restated 2024 baseline. We require an annual reduction of 18% to meet this target. AMS is currently off track to meet this target due to refrigerant leaks in Nuremberg and Saal. Measures are being developed to reduce these leaks. AMS aims to reduce operational emissions (Scope 1 and Scope 2) through a series of targeted energy efficiency measures. In 2025 the Group completed measures across three key sites (Table 11). In 2026, the Group aims to expand upon these efforts, implementing measures such as compressed air heat recovery, temperature adjustments, boiler replacements, and sensors installed for LED lights.	90% absolute reduction by 2045, from our 2024 baseline across Scope 1, 2 and 3. An annual reduction of 4.3% is required to meet the net zero target. Residual emissions (up to a maximum of 10%) will be neutralised through permanent carbon removals.	T1-T7, P1-P4, O1-O6
Scope 2 (location-based)			
Scope 3	72% of suppliers to have science-based targets by 2029. The current position will be established in Q2 2026; this is due to AMS defining a low-carbon transition pathway in 2025. We will re-engage with our suppliers on SBTi in 2026, and therefore, the target year has been moved from 2028 to 2029. 30% reduction in Scope 3 Category 12 (End-of-Life Treatment of Sold Products) GHG emissions per tonne of product sold by 2033, from our restated 2024 baseline; this results in a 3.3% annual reduction to meet target. Due to data collection restrictions, we extrapolated 2024 figures based on turnover, resulting in an increase in emissions. We aim to collect the data for the 2026 calculations.		T1, T3-T7, P1-P4, O1-O6

AMS will annually report on our environmental progress. In 2025, the Group undertook an extensive data collection process to calculate our Greenhouse Gas ('GHG') footprint for the reporting year. With the established dedicated Sustainability Team, we aim to further develop environmental KPIs where necessary.

Greenhouse Gas Emissions

We have quantified all applicable Scope 3 categories; 11 of the 15 GHG Protocol Scope 3 categories are relevant to the Group. Category 8 (Upstream Leased Assets), Category 11 (Use of Sold Products), Category 14 (Franchises), and Category 15 (Investments) are not applicable, as AMS, does not have any upstream leased assets, sell any energy-consuming products, operate on a franchise model or have any investments. Table 8 provides a comprehensive breakdown of our emissions. In 2025, AMS used a new platform to calculate emissions after the acquisition of Peters Surgical. AMS has reduced overall emissions by 25.47% compared to our 2024 baseline. Significant reductions occurred in Category 2 (Capital Goods) due to a reduction in the total expenditure of fixed assets. A third party has not audited the figures.

Table 7: Group Global Carbon Balance Sheet.

Emissions	2025 Global emissions tCO ₂ e	Share of total Global emissions (%)	2024 emissions tCO ₂ e	Percentage change from 2024 (baseline)
Scope 1	2,761	3.48%	2,409	+14.61%
Scope 2 (location-based)	5,013	6.31%	5,245	-4.42%
Scope 3	71,648	90.21%	98,906	-28.47%
1: Purchased Goods and Services	40,653	51.20%	43,512	-6.57%
2: Capital Goods	1,642	2.07%	30,209	-94.56%
3: Fuel and Energy-related Activities	2,202	2.77%	2,449	-10.09%
4: Upstream Transportation and Distribution	6,773	8.53%	8,055	-15.92%
5: Waste Generated in Operations	529	0.67%	268	+97.39%
6: Business Travel	640	0.81%	913	-30.78%
7: Employee Commuting	2,003	2.52%	1,594	+25.66%
8: Upstream Leased Assets	896	1.13%	N/a	N/a
9: Downstream Transportation and Distribution	9,966	12.55%	6,675	+49.30%
10: Processing of Sold Products	5,711	7.19%	4,700	+21.51%
12: End-of-life Treatment of Sold Products	603	0.76%	507	+18.93%
13: Downstream Leased Assets	30	0.04%	24	+25.00%
Total Scope 1, 2 and 3 (location-based) Emissions	79,422	100%	106,561	-25.47%

N.B. Emissions are rounded to a whole number.

Streamlined Energy and Carbon Reporting ('SECR')

SECR is a mandatory UK government framework introduced in April 2019. It requires certain companies to report on their annual energy usage and greenhouse gas emissions. AMS falls in scope of SECR reporting, per the UK's SECR requirements. All energy consumption and emissions for UK operations have been disclosed below. Carbon emissions are categorised as follows:

Scope 1: Consumption and emissions related to direct combustion of natural gas and fuels utilised for transportation operations, such as company vehicle fleets, any other fuels, and fugitive emissions from refrigerant gases.

Scope 2: Consumption and emissions from indirect emissions relating to purchasing electricity in daily business operations, including electricity used for charging electric vehicles.

Scope 3: Consumption and emissions cover emissions from sources not directly owned by AMS, i.e., grey fleet business travel undertaken in employee-owned vehicles only.

Table 8: Advanced Medical Solutions Total UK Location-based Emissions (tCO₂e).

Emissions Scope	2025 UK Emissions(tCO ₂ e)	2024 UK Emissions (tCO ₂ e)	Year-on- Year Change (%)
Scope 1 Total	719	821	-12.46%
Natural Gas, Other Fuels & Refrigerants (Scope 1)	714	809	-11.75
Transportation (Scope 1)	5	12	-59.22%
Scope 2 Total	725	835	-13.19%
Grid-Supplied Electricity (Scope 2)	725	835	-13.14%
Transportation (Scope 2)	0	0.47	-100.00%
Scope 3 Total (Grey Fleet)	0	32	-100.00%
Total Emissions	1,444	1,689	-14.51%
Total tCO₂e per Full Time Equivalent ('FTE')	3.22	1.93	+67.19%

N.B. Emissions are rounded to the nearest whole number.

Climate-related financial disclosures continued

Table 9: Advanced Medical Solutions Total UK Energy Consumption (kWh).

Consumption (kWh)	2025 UK Consumption (kWh)	2024 UK Consumption (kWh)	Year-on- Year Change (%)
Scope 1 Total	4,198,431	4,478,432	-6.25%
Natural Gas, Other Fuels & Refrigerants (Scope 1)	4,162,087	4,423,761	-5.92%
Transportation (Scope 1)	36,344	54,671	-33.52%
Scope 2 Total	4,286,330	4,102,080	+4.49%
Grid-Supplied Electricity (Scope 2)	4,094,530	4,031,488	+1.56%
Grid-Supplied Electricity (Scope 2)	0	2,255	-100.00%
Transportation (Scope 2)	191,800	68,337	+180.67%
Scope 3 Total (Grey Fleet)	0	146,800	-100.00%
Total Emissions	8,484,761	8,727,312	-2.78%

N.B. Consumption figures have been rounded to the nearest whole number.

No Grey Fleet vehicles (personally owned vehicles used by employees for business purposes) were identified during the 2025 data collection process. In addition, no electric vehicles owned by the Company were identified during the data collection process. Consequently, no emissions are reported in this category. All emissions related to electricity consumption (buildings and cars) are nevertheless included in the site's total electricity consumption.

Table 10: Advanced Medical Solutions UK Total Intensity Metrics.

Intensity Metrics	Location-based	
	2025	2024
Total FTE	449.00	412.44
All Scopes tCO ₂ e per FTE	3.23	4.10
Percentage change	-21.46%	

N.B Emissions are rounded to the nearest whole number.

Energy Efficiency Narrative

AMS is committed to year-on-year improvements in its operational energy efficiency. Throughout 2025, AMS monitored energy-consuming activities to identify opportunities for reduction. By closely tracking operational processes and analysing energy usage data, the Group was able to pinpoint priority areas where targeted actions would deliver the greatest energy savings. We completed a range of energy efficiency initiatives in 2025 (Table 6).

Table 11: AMS energy efficiency measures 2025.

Measure	Site	Year one energy savings (kWh)
Circuit Level Monitoring	Winsford	Circuit Level Monitoring was installed in November 2025. Due to this, energy savings are not yet quantified.
	Plymouth	
Chiller Operating Temperature Adjustment	Stafford	This measure produced 34,003 kWh of savings in 2025.

In 2026, energy efficiency measures are planned across our Winsford, Stafford, and Plymouth sites. Measures include compressed air heat recovery, temperature adjustments, boiler replacements, and sensors installed for LED lighting.

Methodology

The calculation of Scope 1, Scope 2 and Scope 3 greenhouse gas emissions follows the principles of the GHG Protocol Corporate Standard, applying activity-based data and region-specific emission factors to ensure accuracy and comparability across the reporting perimeter. For Scope 1 emissions, fuel consumption from both fixed combustion sources (natural gas, burning oil, fuel oil) and mobile sources (diesel, gas oil, petrol) was collected primarily through site-level tracking files. Where direct fuel consumption data was unavailable, mileage-based estimates were converted using standard conversion factors. In limited cases, such as Dublin and Moscow, prior year consumption data was used as a proxy and adjusted using relevant operational metrics (e.g., FTE ratios or revenue ratios). Emissions were calculated by multiplying the quantity of fuel consumed by the appropriate direct combustion emission factor, with upstream well-to-tank emissions included to reflect the full value-chain impact of energy use.

For Scope 2 emissions, electricity consumption data (kWh) was sourced from site-level tracking files, with the exception of Dublin, where 2024 data was adjusted to reflect 2025 operational activity. Missing monthly data for the Peters Surgical Legacy site was substituted using the prior year's equivalent period. Scope 2 emissions were calculated using the location-based method, applying national grid average emission factors for each country. Only emissions from the electricity generation phase were included in Scope 2, while upstream emissions and transmission and distribution losses were allocated to Scope 3 in accordance with the GHG Protocol. Across all scopes, no manual estimations were required beyond the specific proxy cases noted.

Next Steps

We are committed to lowering our emissions and achieving our targets to meet the expectations of our stakeholders. In the near term, we will prioritise immediate, high-impact actions while laying the groundwork for medium- and long-term progress. We will continue investing in low-carbon initiatives and report transparently on our progress through our annual CFD disclosure.

stakeholders

AMS considers its stakeholders as integral to its success and is committed to actively engaging and collaborating with them throughout the value chain.

This engagement with our core stakeholders ensures that their views inform our business strategy, enabling us to understand their priorities, and use their feedback to shape our business.

We summarise below, and reference throughout this Annual Report, how our Directors' engagement with stakeholders on key decisions also fulfils their duties in relation to Section 172 of the Companies Act 2006.



Our stakeholders

Listening, engaging and partnering with our stakeholders, illustrated in the diagram below and further explained on Pages 62 to 63, helps us to address our business impacts and improve the outcomes for those different groups.

Section 172

The Directors, as required by Section 172 of the Companies Act 2006, must act in the way they consider, in good faith, would most likely promote the success of the Company for the benefit of its stakeholders. In so doing, the Directors must have regards, amongst other matters, to the:

- 1 Likely consequences of any decision in the long-term.
- 2 Interests of the Company's employees.
- 3 Need to foster the Company's business relationships with suppliers, customers and others.
- 4 Impact of the Company's actions on the community and environment.
- 5 Desirability of the Company maintaining a reputation for high standards of business conduct.
- 6 Need to act fairly between members of the Company.

Section 172 continued



Employees

We are a people-centric, equal-opportunity business which aims to enable our employees to develop and thrive whilst protecting their safety and wellbeing.

Material topics

- Cultural values survey and focus groups to create a new vision and values.
- Opportunities to share ideas.
- 'Ever wonder what they do' opportunities to learn about other areas of the business.
- Opportunities for career development.

How we engage

Our CEO Live global webcasts enable employees to freely raise questions, together with an ExecCo online Portal. Employee Inclusion Groups can be approached regarding issues at site-level.

Annual Employee Engagement Surveys provide an opportunity to give feedback anonymously and will be relaunched in 2026. Employees were involved extensively in the development of the Purpose, Mission and Values.

The Board engage employees directly during site visits via breakfast sessions, where only the NED's attend and the sites select attendees. A Board Director is responsible for Workforce Engagement (Susan Searle).



Patients

The patient is at the heart of everything we do. We develop innovative products to minimise complications and improve patient outcomes.

Material topics

- Products to address unmet patient needs and improve their outcomes.
- Post-market surveillance.
- Clinical studies.
- Monitor trends and changes.

How we engage

We work closely with customers, clinicians, Key Opinion Leaders and industry bodies to understand patient needs.

We are investing in clinical studies which enable the commercialisation of products to address unmet needs, such as our US LiquibandFix8® Pre-Market Approval, and further highlighted by the development of Seal-G®, for which AMS is in the late stages of a grant approval process for a large, pivotal, randomised controlled trial to evaluate efficacy preventing or reducing anastomotic leaks in patients undergoing colorectal surgery. Such a study would be critical in establishing the technology as a future standard of care in gastrointestinal surgical resection.



Investors

We give high priority to communicating effectively with investors, brokers and analysts on strategy, governance and financial forecasts.

Material topics

- Financial and operational performance.
- Business strategy and acquisitions.
- Market conditions.
- R&D pipeline and product approvals.
- Dividend.

How we engage

We maintain regular communications with shareholders, analysts and brokers in line with our regulatory duties. We have twice-yearly results roadshows and engage on an ad-hoc basis on issues such as remuneration, governance and ESG. We hold an Annual General Meeting and provide updates in between via RNS alerts on our website and contact through our advisers.

Following the acquisition of Peters Surgical in 2024, we have facilities in place with two banks (HSBC and NatWest). We ensure compliance with the requirements of these arrangements, as well as maintaining an ongoing business relationship.



Clinicians

We work with Clinicians and Key Opinion Leaders to ensure our products are effective, easy to use, clinically safe and meet patient needs.

Material topics

- Clinical Advisory Boards.
- Industry-leading training.
- Subscription database.
- Virtual symposia.

How we engage

Clinical Advisory Boards help to provide guidance and clinical trial development for key products.

We have a focus on training and education with ActivHeal® Academy and other digital platforms, including increased social media engagement.

For key surgical products we conduct virtual symposia and Voice of Customer activities. We provide clinical updates to surgeons on products to increase skill levels.

Section 172 continued



Regulators

We engage with Competent Authorities and Notified Bodies to operate within regulatory and legal frameworks and ensure our products have approval in key markets.

Material topics

- Compliance with legislation.
- Maintain high standards.
- Medical Devices Regulation ('MDR').
- Working relationships with Notified Bodies.

How we engage

In a highly regulated industry we maintain good relationships with our regulators by working openly and in a transparent way, promoting a partnership approach to further understand the regulatory landscape.



Communities & Environment

Our values encourage us to contribute to our local communities and charitable causes, reduce our environmental impact and help to stop climate change. These are key components of our ESG framework.

Material topics

- Pathway to Net Zero.
- Climate-related Financial Disclosures ('CFD').
- Involvement in local organisations.
- Sponsorship and charity matching.
- Environmental initiatives.
- Customer discussions on environmental impact and emissions.

How we engage

We actively engage in local communities by encouraging employees to participate.

We provide sponsorship and charity matching where employees are involved locally. An Environmental Pledge programme and ISO50001 at selected sites help to reduce our local environmental impact and we take part in environmental initiatives local to our sites.



Partners

Our network of OEM and distribution partners allows us to meet the clinical needs of patients that we cannot reach directly.

Material topics

- Relationship development.
- Education and training.
- Opportunities to share ideas.
- Align pipeline of new products, value-added services and customer support.

How we engage

We try to ensure that partners have the opportunity to speak to key employees at any time.

We use remote 'Voice of Customer', Key Opinion Leader masterclasses and focus groups to gain feedback on products and ideas. Websites, online tools and Brand Hubs provide further direct engagement. We participate in industry clinician groups.



Supply Chain

We strengthen our supply chain resilience through increased inventory levels, robust supply agreements, minimising sole suppliers, a comprehensive supplier audit programme and monitoring compliance with our Ethical Sourcing Policy.

Material topics

- Supply chain resilience through increased inventory levels and dual sourcing.
- Security of supply.
- Improving OTIF.
- Ongoing impacts of cost inflation.
- Auditing of suppliers including plan to incorporate ethical matters.

How we engage

We hold regular meetings with key suppliers and have strengthened our key supplier audit process, making it more robust and building closer working relationships.

Section 172 continued

Principal decisions in 2025

The Board considered the interests of, and the impact on, all stakeholders when key decisions were made during the year, as demonstrated below.

Principal decision 1

Integration –New Purpose, Mission and Values

With a diverse portfolio shaped by years of strategic acquisitions, AMS had evolved into a collection of strong but individually distinct businesses. To fully leverage our scale and global expertise, the Board recognised the need for a shared Purpose, Mission, and set of Values.

A cross-functional steering committee was established, supported by an expert external partner. Together, they led a comprehensive engagement process that included (i) Leadership workshops, (ii) Global employee roundtables, (iii) Company-wide surveys, and (iv) Feedback from every legacy business and region. This process surfaced a universal insight: our collective strength far exceeds what any single legacy business can achieve alone.

Why was this decision important to the Board?

Defining One AMS is critical to integration. Our Purpose (We unite expertise to improve patients' lives) captures who we are today and the meaningful impact we aim to deliver, supported by our Mission (We are dedicated to delivering high-quality, innovative solutions with exceptional value. Our success is powered by our people, our commitment to partnership, and our global scale). Our Values (Be Ambitious | Keep It Simple | Own It | Work Together) shape our culture and guide decision making across the organisation. At a critical time for AMS as we enter a process of site rationalisation, we believe this work will bring us together as One AMS.

Which s172 factors were key to this decision?

(a) the likely consequences of any decision in the long-term; and (b) the interests of the Company's employees.

Which stakeholders does this decision impact?

Investors, People, Customers and Suppliers.

Outcome and impact on long-term sustainable success

Purpose, Mission, and Values across all global locations. Every employee participated through on-site events or virtual sessions. Early adoption has been strong, with teams already integrating our new direction into decision-making, collaboration, and communication. Our launch theme, FUTURE NOW, has become an energising call to action across AMS.

As we transition all sites to the Advanced Medical Solutions name and continue to embed our unified corporate identity throughout 2026 and beyond, our commitment remains clear: To unite expertise, operate as One AMS, and continue improving patients' lives worldwide.

These key projects are critical to driving our strategy and underpin the long-term sustainable success of AMS.

Principal decision 2

Integration and synergies

Following the successful integration of key function teams from AMS and Peters Surgical in 2024, the Board agreed projects, which have been considered throughout 2025 and are underway in 2026, to develop a unified structure. The acquisition of Peters Surgical on 1 July 2024 contributed revenue of £74 million to the AMS Group during 2025.

Why was this decision important to the Board?

AMS has outlined to the market that a programme to deliver commercial and operational synergies will be put in place as part of the rationale for the Peters acquisition.

Which s172 factors were key to this decision?

(a) the likely consequences of any decision in the long term; (b) the interests of the Company's employees; and (c) the need to foster the Company's business relationships with suppliers, customers and others.

Which stakeholders does this decision impact?

Investors, People, Customers, Suppliers, Communities, Regulators.

Outcome and impact on long-term sustainable success

The projects to deliver commercial and operational synergies are progressing well.

Our established direct sales teams benefit from larger product portfolios, driving the potential to deliver incremental annual revenues towards the upper end of our target range of £5 million to £10 million from mid-2029. Building on some initial successes with increased direct selling, we are evaluating opportunities for further transitions in certain key markets, which could include some one-off costs.

The integration programme to deliver £10 million of annual operational synergies from 2027 is progressing to plan. Potential site closures were announced internally in January 2026, with four sites in Germany and one site in Czechia expected to close in March 2027. The financial impact of site closures is subject to variations and is being assessed on an ongoing basis.

These projects are critical to the future success of AMS and ensure we remain competitive in key markets. Without the implementation of these changes, the rationale for the Peters Surgical acquisition would have to be addressed by the Board and there would be significant pressure on our revenue. Despite the potential negative impact on a number of our employees, this is required for long-term sustainable growth.

Corporate Governance at a Glance

Throughout 2025 the Board has overseen and regularly reviewed the Group's financial performance, risk and controls, strategic activities (including material capital expenditure, M&A and integration), relevant regulatory and market developments and people and culture matters (complete list on Page 74). The Board seeks to engage with stakeholders and considers their interests when making decisions.



Significant Board changes prepare us for future challenges as we manage a critical period of integration and restructuring of the Group.

Grahame Cook
Chair

Board Gender Diversity



By sex

- Female – 2
- Male – 4

Board Tenure



Length of service

- 0-3 Years – 2
- 3-6 Years – 2
- >6 Years – 2

Additional areas of focus and activities:



Corporate Governance at a Glance continued

Governance Framework

Board

Led by the Chair, the Board which is made up of a majority of independent Non-Executive Directors, provides leadership and is responsible for the overall management of AMS, its strategy, long-term objectives and risk management. It ensures the right structure is in place to deliver long-term value to shareholders and all stakeholders.



Board Committees

Support the Board in its work with specific areas of review and oversight objectives and risk management. They ensure the right Company structure is in place to deliver long-term value to shareholders and other stakeholders.

Audit & Risk Committee

Oversees the Company's financial reporting and risk management processes.

See Pages 81 to 84

Nomination Committee

Assists the Board in discharging its responsibilities relating to the composition and make-up of the Board and any Committees of the Board.

See Pages 77 to 80

Remuneration Committee

Determines and agrees the broad policy for the remuneration of the Executive Directors, Chair and other Senior Executives.

See Pages 85 to 98

ESG Steering Committee

(Reports regularly to Board - Not formal Board Committee)

Defines Company's ESG strategy and ensures the strategy remains effective.

See Pages 40 to 44



Executive Committee

The CEO and CFO lead the team responsible for the day-to-day operational management of the business and overseeing the implementation of the strategy as delegated by the Board. They are supported, as required, by additional committees made up of the Group's most senior leaders.

Senior Leadership Team

Responsible for overseeing the day-to-day running of the Company; monitoring performance; prioritisation and allocation of resources; people, talent and culture.

Business Risk

An AMS executive-led non-financial risk team that facilitates Executive focus on the management of AMS's key risks.

Category General Managers

Responsible for the day-to-day running of the newly formed categories (which replaced the Business Units in 2024).

Board of Directors

A diversely skilled Board with proven leadership capabilities and relevant healthcare, operational, transformation and financial skills and experience.



Grahame Cook N R

Chair

Grahame has 18 years of experience in investment banking, focusing on global equity capital markets and M&A and corporate advisory services. He was a Managing Director at UBS and joint Chief Executive of Panmure Gordon. He advised the London Stock Exchange on the creation of TechMark, the specialist segment of the Main Market focusing on innovative technology and healthcare companies. He has experience in the healthcare sector, most recently as Chair of Sinclair Pharma plc and as Non-Executive Director of Morphogenesis Inc. and Horizon Discovery plc. He has also held Board positions in a number of other companies including MDY Healthcare plc and Crawford Healthcare.

He holds a double first-class degree from Oxford University and is a member of the Institute of Chartered Accountants.

Term of office

Grahame Cook was appointed as Non-Executive Director of AMS in February 2021 and as Chair in March 2025.

External appointments

Grahame Cook is Chair of Molten plc, a FTSE 250 company, and a Non-Executive Director of Minoan plc and Sapience Communications Limited.



Chris Meredith

Chief Executive Officer

Chris joined AMS as Group Commercial Director in July 2005 following a successful 18-year career in international healthcare sales, marketing and business development. His experience covered business-to-business contract manufacturing, product development and clinical research, as well as branded product sales all within the medical device, pharmaceutical or consumer healthcare markets. Chris has previously held senior positions at Smiths Industries, Cardinal Health, Banner Pharmacaps, and Aster Cephac. He was appointed Managing Director of Advanced Woundcare in February 2008, became Chief Operating Officer in January 2010 and was appointed as Chief Executive Officer in January 2011.

Term of office

Chris Meredith was appointed to the Board in April 2006.

External appointments

Chris Meredith was appointed Chair of Arterius, a UK-based pre-commercial, non-competitive medical device company, in January 2022 and resigned this position in February 2025.



Douglas Le Fort A N R

Non-Executive Director

Douglas is a seasoned veteran in the medical and life science industry, with more than 20 years of senior executive leadership. Most recently, he was an Operating Partner for Revival Healthcare Capital Partners, an investor in medical device and diagnostics businesses, Non-Executive Director of Clinisupplies, a UK-based manufacturer of chronic care products, CEO of MedTrade Products, a woundcare products business, and prior to that held various senior executive roles at ConvaTec Group plc. At ConvaTec he was Senior Vice President for Corporate Development, and prior to that Vice President and General Manager with P&L responsibility for the global Ostomy business.

He has an MBA from Henley Management College and is a Chartered Management Accountant.

Term of office

Douglas Le Fort was appointed as Non-Executive Director of AMS in August 2021.

External appointments

Douglas Le Fort is currently Chair of ForLife GmbH, previously Trio Healthcare, a manufacturer of ostomy products, Chair of AOTI, a medical technology group, and a Non-Executive Director of The Insides Company Ltd, a start-up addressing intestinal failure based in New Zealand.



Susan Searle A N R

Senior Independent Non-Executive Director

Susan has extensive experience on public and private company boards in a number of sectors, including healthcare. Susan was formerly Non-Executive Senior Independent Director and Remuneration Chair of Horizon Discovery plc and Benchmark Holdings Plc, both technology businesses. She also chaired two listed investment businesses – Mercia Asset Management plc and Schroders UK Public Private Trust plc, and was a founder of Touchstone Innovations plc, where she served as its CEO. She has recently stepped down from QinetiQ plc where she was a Non-Executive Director and Remuneration Committee Chair, having served three full terms. She holds an MA in Chemistry from Oxford University.

Term of office

Susan Searle was appointed as Non-Executive Director in March 2025 and as the Director responsible for Workforce Engagement in July 2025.

External appointments

Susan Searle is currently a Non-Executive Director of Gooch & Housego plc, where she is Chair of the Remuneration and Sustainability Committees, as well as being a Non-Executive Director of Bibby Line Group and Chair of Greenback Recycling Technologies Limited.

Committee membership key:

A Audit & Risk Committee R Remuneration Committee N Nomination Committee ■ Committee Chair

Board of Directors continued



Eddie Johnson
Chief Financial Officer

Eddie was appointed as Chief Financial Officer in January 2019. He joined AMS in October 2011 and was appointed Group Financial Controller in November 2012. Prior to this he gained a first-class degree in Maths and Computer Science from Keele University in 1993 and qualified as a Chartered Accountant in 1996.

Since moving into industry in 1996 Eddie has held a number of senior finance roles in various sectors including, more recently, Head of Commercial Finance at Norcros plc and Western European Financial Controller for Sumitomo Electrical Wiring Systems.

Term of office

Eddie Johnson was appointed to the Board in January 2019.

External appointments

None.

Committee membership key:

A Audit & Risk Committee **R** Remuneration Committee **N** Nomination Committee **C** Committee Chair



Juliet Thompson **A** **N** **R**
Non-Executive Director

Juliet spent her career advising pharmaceutical and medtech companies. She played a leading role in setting up Code Securities, which was later acquired by Nomura (becoming Nomura Code) but remained independent. At Nomura Code, Juliet advised companies in the healthcare and clean tech sectors on their financing and strategic options. She worked on over 50 transactions including IPOs, secondary offerings, private placements and M&A. As Nomura Code was devolved, she joined Stifel with a team from Nomura Code to head up the life sciences team where she advised CEOs and CFOs in the healthcare sector. She was Audit Committee Chair at Vectura Group Limited and a Non-Executive Director of Organox Limited, who develop innovative solutions for organ preservation prior to transplantation.

Juliet holds a BSc in Economics from the University of Bristol and holds an ACA from the Association of Chartered Certified Accountants.

Term of office

Juliet Thompson was appointed as Non-Executive Director in June 2025.

External appointments

Juliet Thompson is currently a Non-Executive Director and Chair of the Audit Committees of: Indivior plc, a NASDAQ listed company working to develop medicines to treat addiction; and Novacyt S.A., a Euronext and AIM-listed diagnostic company.



Owen Bromley
Company Secretary

Owen joined AMS in April 2012 as Assistant Company Secretary and became Deputy Company Secretary in October 2013.

Having completed a BA (Hons) in International Business and a Masters in Business Administration, he helped to launch a licensed Corporate Service Provider on the Isle of Man in 2006 and qualified through the Institute of Chartered Secretaries and Administrators in 2007, now the Chartered Governance Institute.

He moved to the UK in 2010, working at Eversheds LLC and GB Group plc prior to AMS.

Term of office

In January 2021, Owen Bromley was appointed as Company Secretary.

External appointments

None.

Executive Committee

Shaping the future of Advanced Medical Solutions



Cathy Tomlinson
Chief People Officer

Cathy joined AMS in May 2017 as Group HR Director. Cathy graduated with a degree in Business Studies from Liverpool John Moores University and completed a Masters in Business Administration at Strathclyde University.

She spent five years working for Amazon and was Head of HR for their final mile delivery business (a start-up business for Amazon).

Prior to this Cathy held senior HR roles for Xerox (supporting the outsourcing of managed services from government and blue chip organisations to Xerox), and Emirates Airline based in Dubai (where she supported the growth of the airline in new geographies and acquisitions).



Ross McDonald
Chief Commercial Officer

Prior to joining AMS in January 2006 Ross graduated with his BSc from University of Glasgow and then completed an MSc in Entrepreneurial Studies from Glasgow Caledonian University. Following university, Ross then spent five years within the Pharmaceutical industry. Upon joining AMS, from 2006 to 2012, Ross worked across our direct and distributed sales functions both in the UK Sales organisation, before taking on responsibility for the European Woundcare Business in 2010. In 2012 Ross relocated to the US. In his role as National Sales Manager Americas, he contributed to a period of sustained and high growth for the LiquiBand® franchise.

In October 2016 Ross returned to the UK to take up a new role as Director of Sales for US, UK and Germany and quickly moved into the Global Sales Director role for the Surgical Business Unit. In January 2021, Ross was appointed to the Business Unit Director role for the Surgical Business Unit. He was appointed Chief Commercial Officer in mid-2024.



Dr Alex Dietrich
Chief Operating Officer (appointed March 2026)

Alex joined AMS in 2024, bringing extensive scientific and operational leadership experience to the Group. She holds a university degree in Pharmacy and a PhD in Molecular Biology/Genetics.

Alex began her career as a scientist at Genencor before moving to Bavarian Nordic, where she served as Deputy Group Leader in Vaccine Development. She then spent 18 years at Syntacoll GmbH, advancing through senior roles across Quality, Regulatory Affairs, Production, Supply Chain and R&D, ultimately becoming Managing Director. During this period, she also served as Vice President of Technical Operations at Syntacoll's parent company, Innocoll.

At AMS, Alex initially joined as Director of Operations for Biosurgical, later assuming a broader Group operational leadership remit. She was appointed Chief Operating Officer in March 2026.



Chris Meredith
Chief Executive Officer

See Page 67



Eddie Johnson
Chief Financial Officer

See Page 68

Corporate Governance Report

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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. 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 ¹	2/3
Susan Searle ²	7/7
Juliet Thompson ³	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.

Corporate Governance Report continued

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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 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, 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.

Corporate Governance Report continued

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 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



Juliet Thompson

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).

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.

Nomination Committee Report

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Overview

Strategic Report

Governance

Financial Statements

A period of Board

restructuring

to provide the skills and experience to maximise the exciting opportunities ahead



The Committee is focused on embedding the Board following the significant recent changes to support our strategy.

Grahame Cook
Chair of the Nomination Committee



Dear Shareholder,

As Chair of the Nomination Committee, I am pleased to present the Committee's report for the year ended 31 December 2025.

2025 was a period of transition for the Board, and I was appointed as Chair on 31 March 2025 after Liz Shanahan had stepped down as Chair.

We were pleased to welcome Susan Searle as a Non-Executive Director and Senior Independent Director on 31 March 2025, and Juliet Thompson, who joined as a Non-Executive Director on 30 June 2025.

As a Board we recognise that a balanced and diverse Board, with a broad range of skills, experience and knowledge, is more likely to be an effective Board, and these criteria also apply to our Executive Management Team. We hope the process we undertook and the resultant appointments will further demonstrate our commitment to equality and diversity.

An equally important role for the Committee is ensuring that we have an appropriate pipeline of future talent within the business. The Committee regularly reviews succession plans, not only for the Board, but also for the Executive Committee and other key senior positions.

The Committee met five times during the year and was chaired by myself. Douglas Le Fort remained a member of the Committee throughout the year and was joined by Susan Searle and Juliet Thompson on their appointments.

We believe we are in a strongest position we have been as a Board in recent years to drive long-term sustainable growth for the benefit of our stakeholders, with the leadership required to drive the significant changes the Group will go through in the coming years, with key integration and site rationalisation activities a focus in the short-to-medium-term.

Grahame Cook
Chair of the Nomination Committee

1 May 2026

Nomination Committee Report continued

Board changes in the year

Grahame Cook took over as Chair in March 2025 from Liz Shanahan. Following a period of review in early 2025, the Board assessed their composition, skills and experience and decided that a new Non-Executive Director be recruited to bring the Board back to six members (including three Non-Executive Directors).

Susan Searle was appointed on 31 March 2025 and also took over the role of Senior Independent Non-Executive Director in place of Grahame. Due to the timing of this appointment, a short-list of candidates was prepared based on previous searches and recommendations from advisors and Board members. Susan was considered to be the stand-out candidate from the list and was selected following an extensive interview process. An external recruitment firm was not used, although one was used when the short-list included Susan Searle was prepared.

Susan has extensive experience on public and private company boards in a number of sectors, including healthcare. She is currently a Non-Executive Director of Gooch & Housego plc, where she is Chair of the Remuneration and Sustainability Committees, as well as being a Non-Executive of Bibby Line Group and Chair of Greenback Recycling Technologies Limited. She has recently stepped down from QinetiQ plc where she was a Non-Executive Director and Remuneration Committee Chair, having served three full terms.

Juliet Thompson was appointed as Non-Executive Director on 30 June 2025 and also assumed the role of Chair of the Audit & Risk Committee. Juliet has over 30 years of finance, banking and board experience with significant focus in the healthcare sector. Juliet has built a diverse portfolio; she is currently a Non-Executive Director and Chair of the Audit Committees of: Indivior plc, a NASDAQ-listed company working to develop medicines to treat addiction; Novacyt S.A., a Euronext and AIM-listed diagnostic company; and Organox Limited, a private company spun out of Oxford University developing innovative solutions for organ preservation prior to transplantation.

Following both appointments the new Non-Executive Directors received a tailored induction programme to develop their understanding of AMS's strategy and governance structure, as well as their own duties and responsibilities. They spent time with the Executive Directors, Non-Executive Directors, Executive Committee, Company Secretary and other key personnel. They also received a briefing on their role and duties as a Director of a publicly traded company from external advisers.

Susan Searle took over as the Director responsible for Workforce Engagement from Douglas Le Fort in August 2025.

Attendance record and tenure in 2025



Chair
Grahame Cook
Tenure: 5 years
Meetings attended:

5/5



Douglas Le Fort
Tenure: 4.5 years
Meetings attended:

5/5



Susan Searle
Tenure: 9 months
Meetings attended:

3/3



Juliet Thompson
Tenure: 6 months
Meetings attended:

2/2



Liz Shanahan*
Tenure: 3 years
Meetings attended:

1/1

* Liz Shanahan stepped down from the Committee in March 2025.

Nomination Committee Report continued

Non-Executive Director appointment process

Board composition is central to effective leadership of the Group and prior to commencing any search for prospective Board members, the Committee draws up a specification, reflecting on the Board's current balance of skills and experience and conscious of the desire to promote Board diversity, including gender, social and ethnic backgrounds, cognitive and personal strengths, and being conducive to the delivery of the Company's strategy. Reference is made to the FTSE Women Leaders Review and, prior to this the Hampton Alexander guidance. Selection for Board appointments is made on merit against this specification.

Gender diversity

Following the changes to the Board outlined above, female representation on the Board has increased to 33% (2024: 20%).

AMS views development of female Executive talent as important, which is reflected in the female representation in the Executive Committee, which stands at 40% (2024: 25%).

Activity

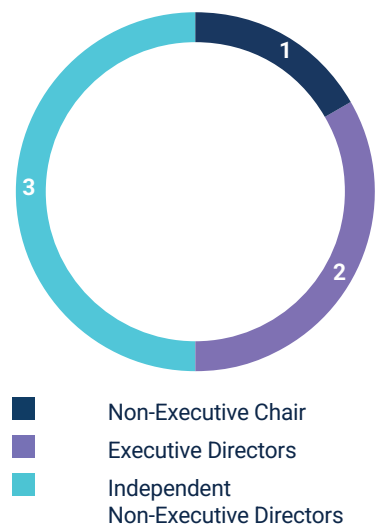
The Committee managed the appointment of Grahame Cook in the role of Chair and two new Non-Executive Directors in March (Susan Searle) and June 2025 (Juliet Thompson).

Priorities for 2026

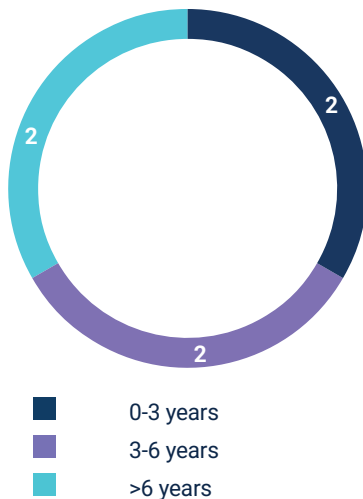
As previously outlined, there have been a number of changes to the Board in 2025. The Committee intends to support the embedding of the new Non-Executives to the Board in a time of significant change. The Committee will also provide support and engage more regularly with the Executive Committee, where changes have also been made with the appointment of Alex Dietrich as Chief Operating Officer.

Internal succession and a drive for broader equality, diversity and inclusion are being encouraged.

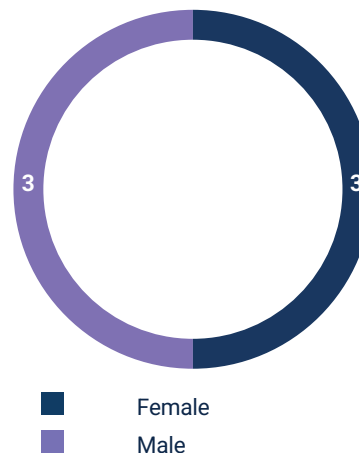
Board composition



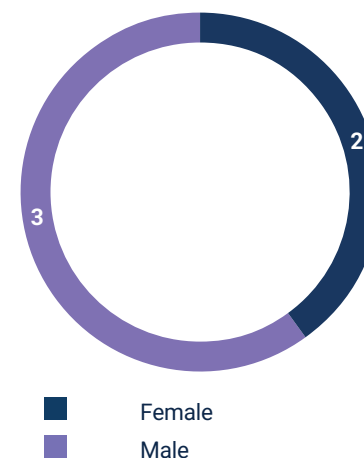
Board tenure



Board gender diversity



Executive Committee gender diversity



Nomination Committee Report continued

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Appointment process

Scoping

Nomination Committee discussion
(Both scheduled and ad hoc meetings)

Considerations

- Identification of a vacancy.
- Needs of the organisation, current and future.
- The personal skills and qualifications required.
- The dynamics of the current Board.

Appointment of an Executive Search Consultancy

Considerations

- Market reputation.
- Reach.
- AMS Purpose, Mission, Values and Culture.

Search

Production of a long-list

Considerations

- Skillset.
- Experience.
- Gender, ethnicity and background.

Production of a short-list

Considerations

- Specific skills.
- Experience.
- Potential for overboarding.

Appointment

Recommendation to the Board

Considerations

- Due diligence findings.

Post Appointment

Induction programme

Considerations

- Directors' duties and responsibilities.
- Familiarisation with the business.
- Meetings with key employees.

Audit & Risk Committee Report

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strong governance + risk management

to protect shareholders' interests and support long-term sustainable growth



Strong internal controls and risk management systems help ensure the resilience of the Group.

Juliet Thompson
Chair of the Audit & Risk Committee



Dear Shareholder,

As Chair of the Audit & Risk Committee, I am pleased to present the Committee's report for the year ended 31 December 2025.

I was appointed as Non-Executive Director in June 2025 and became Chair of the Audit and Risk Committee, taking over from Grahame Cook. Susan Searle joined the Committee on her appointment on 31 March 2025 and Douglas Le Fort remained a member of the Committee throughout the year. Liz Shanahan left the Committee on 31 March 2025 when she stepped down from the Board. The Committee formally met three times during 2025, as well as a number of ad hoc meetings with the external and internal auditors.

This report sets out the work done by the Committee in the year, to fulfil our responsibilities to shareholders and other stakeholders and assist the Board in providing effective governance over the Group. The Committee continues to reflect the provisions of the UK Corporate Governance Code, FRC Guidance for Audit Committees and other best practice. The Committee's Terms of Reference are available on our website (www.admedsol.com).

The Committee has a structured programme of activities focused on the Group's reporting cycle, principal risks and future strategy, as outlined in the Strategic Report on Pages 5 to 64. Strong internal controls and risk management systems help ensure the resilience of the Group, while remaining operationally agile and adaptable. Our work is supported by our External Auditors, Deloitte, and our Internal Auditors, RSM.

I am confident that the Committee is well balanced, with the necessary skills and experience to perform its critical oversight and governance function within the Group.

Juliet Thompson
Chair of the Audit & Risk Committee

1 May 2026

Audit & Risk Committee Report continued

Key objectives of the Audit & Risk Committee

The aim of the Committee is to monitor the integrity of the Group's Financial Statements and announcements, its accounting processes, and the effectiveness of its internal controls and risk management system. The Committee assists the Board in fulfilling its responsibility to ensure that the Group's financial systems provide accurate, up-to-date information on its financial position and in its consideration as to whether the Group's published Financial Statements are fair, balanced and understandable.

The Audit and Risk Committee's responsibilities include:

- Oversee and advise the Board on the risk exposures of the Company and related risk management strategies.
- Oversee internal audit and review internal control policies and procedures for the identification, assessment and reporting of material financial and non-financial risks.
- Review the Group's procedures for detecting and preventing fraud, prevention of bribery and corruption, and ensure arrangements are in place to enable employees to raise matters of possible impropriety in confidence.
- Review the content of the Annual Report and advise the Board whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy.
- Review the engagement, effectiveness and independence of the External Auditor, and periodically consider a tender process.
- Review audit and non-audit services provided by the External Auditor and fees for such services.

- Review the Committee's Terms of Reference annually to ensure all key areas are considered and that the Committee's remit and activities are in line with best practice. These were last updated in December 2025.

Non-audit services

The External Auditor may provide non-audit services where it is in the Group's best interests, provided certain criteria are met. The External Auditor must not audit their own work, make management decisions for the Group, or create conflicts. The Committee's view is that any non-audit service performed by the External Auditor should be assurance-related, where there is limited scope for such conflict.

There was one project in 2025 where expenditure exceeded the £10,000 threshold for approval by the Committee, which was the £27,000 fee (2024: £45,000) for audit-related assurance services relating to the review of the Interim Statements, which is a permitted service. The Company's policy on non-audit services complies with the FRC's 2019 Revised Ethical Standard.

Deloitte LLP has been the External Auditor for 18 financial years. A new audit partner was appointed for 2025.

A performance, effectiveness and independence evaluation led the Committee to recommend the reappointment of Deloitte LLP as the Group's External Auditor for the next financial year. In accordance with best practice, the audit partner rotates every five years.

Periodic consideration is given to tendering the position of external auditor. In the opinion of the Committee, Deloitte continues to provide an effective service.

Attendance record and tenure in 2025*



Chair
Juliet Thompson
Tenure: 6 months
Meetings attended:

2/2



Douglas Le Fort
Tenure: 4.5 years
Meetings attended:

3/3



Susan Searle
Tenure: 9 months
Meetings attended:

2/2



Grahame Cook*
Tenure: 5 years
Meetings attended:

1/1



Liz Shanahan*
Tenure: 2.5 years
Meetings attended:

1/1

* Stepped down from the Committee upon Liz Shanahan's resignation in March 2025 and Grahame Cook's appointment as Chair.

Audit & Risk Committee Report continued

Audit & Risk Committee activities

During 2025 the Committee undertook the following activities:

Topic	2025 main activities and key areas of focus
Financial Statements and Reports	- Reviewed and approved the External Audit fees for 2025. - Reviewed the annual and half-yearly financial reports and related statements. - Assessed key accounting judgements. - Reviewed all significant matters in relation to the Financial Statements and how these have been addressed including: - Going Concern – Code Provision 31 requires the Directors to explain in the Annual Report how they assessed the prospects of the Company, over what period and why that period is appropriate. The Committee considered a wide range of information relating to present and future projections of profitability, cash flows, capital requirements and capital resources. These considerations include stressed scenarios that reflect any external uncertainties we may have on the Group's operations. The statement to be made by the Directors was considered and it was concluded that the Group and Parent Company will be able to continue in operation and meet liabilities as they fall due, and that it is appropriate that the long-term viability covers a period of at least 12 months beyond the date of the Financial Statements. - Assessed risk management, internal controls, the risk and control reporting structure and the ongoing process to monitor the principal risks of the Group. - Assessed preparation for the Climate-Related Financial Disclosures ('CFD').
External Audit	Monitored the independence and ensured the objectivity of the External Auditor, approved the Audit Plan for the 2025 audit, reviewed the performance of the External Auditor, considered the reappointment of Deloitte LLP as Auditor for 2026 and recommended their reappointment to the Board. As a consequence of unforeseen changes within the audit team, the audit partner responsibility rotated in May 2025. In line with best practice, the Committee meets periodically with the External Auditor without management being present.
Internal Audit	Continued the rolling Internal Audit Plan from RSM, including a Cyber Risk Assessment and some initial work with management on Code Provision 29.

Topic	2025 main activities and key areas of focus
Risk Management	- Reviewed and considered key risks to the Group, the plans and controls to mitigate these risks and scoring criteria. - Developed and implemented a new Risk Management system to provide further reassurance that the risks facing the enlarged Group are being identified, managed and mitigated.
Effectiveness of External Auditor	An annual performance review of the External Auditor was undertaken in December 2025 to assess: - Effectiveness of the audit process. - Resource quality – ensuring the right quality and balance of audit team resource and that the team provides continuity, knowledge and a fresh perspective through new team members. - Effective communication – ensuring key audit judgements are communicated at the earliest opportunity to promote discussion and challenge between the External Auditors, management and the Committee. - Communication regarding good practice, changes to reporting requirements and accounting standards enables the Group to be properly prepared. Timely provision of audit papers enables adequate management review, Committee consideration and feedback. - Scoping and planning – timely provision of the External Audit Plan and timetable. - Fees – ensuring they are transparent, appropriate and communicated prior to the commencement of any work being undertaken. Variations are challenged at the earliest opportunity to enable dialogue and agreement. - Auditor independence – the Committee monitors the External Auditor's compliance with ethical guidelines and considers their independence and objectivity. It is agreed that the External Auditor will generally not be considered for external due diligence support, with non-audit services typically being assurance-related. The Committee received and reviewed written confirmation from the External Auditor that there were no relationships that, in their judgement, may impact their independence. The External Auditor has confirmed that they consider themselves independent within the meaning of UK regulatory and professional requirements.

Audit & Risk Committee Report continued

Internal Audit

Internal Audit is delivered by RSM against an agreed plan under the guidance of the Committee. RSM reports directly into the Committee, to avoid undue influence from management, and focuses on areas of potential risk and process improvement.

A three-year Internal Audit Plan with RSM was agreed in December 2025 to cover 2026–2028. The Committee:

- Ensures the Internal Audit function has the necessary resources, independence and access to information, employees, the Board and the Committee Chairs to enable it to fulfil its mandate.
- Approves the Internal Auditor appointment and termination.
- Reviews and assesses the Internal Audit work plan and receives a report at least twice per year.
- Reviews and monitors management's responsiveness to the Internal Auditor's findings and recommendations.
- Monitors and reviews the effectiveness of controls in relation to the overall risk management system.

All reports are discussed with the Committee and the External Auditor. Recommendations are considered and acted upon as appropriate. RSM attends Committee meetings twice a year and provides a report for each meeting.

In 2025 the Internal Auditor undertook reviews in line with the Internal Audit Plan previously agreed by the Committee. In 2025 the principal areas were:

- Cyber Risk Assessment.
- Preparatory work and initial support for Code Provision 29.

These reports highlighted to the Committee that, although the Group's internal controls give very good assurance, there are some specific non-critical improvements that could be made within the Internal Controls Framework and Risk Management Strategy. These have been implemented.

This Framework and Strategy is updated regularly and is available on the Company's Intranet. Policies are updated and formally approved by the Committee at least once a year, including where necessary to give the Committee stronger assurance about areas of key risk.

The Group also calls on the services of external bodies to review the controls in certain areas of the Group. The quality assurance systems are reviewed by the Group's Notified Bodies, the British Standards Institute ('BSI'), TÜV Rheinland, TÜV Sud, DEKRA Certification GmbH and PCBC.

Risk management and internal controls

The Board, taking guidance from the Committee, monitors and reviews all material controls including financial, operational and compliance controls. Only reasonable and not absolute assurances can be made against material loss or misstatement. Key features of the internal control systems are:

- The Group has an organisational structure with clear responsibility and accountability.
- The Board has a schedule of matters reserved for its consideration which includes potential acquisitions, significant capital projects, appointment of Senior Management, treasury policies, risk management, approval of budgets and re-forecasts, Health and Safety, Corporate Governance and Environmental, Social and Governance ('ESG').
- The Board monitors the activities of the Group through monthly management accounts, half-year and full-year forecasts, and reports on current activities and plans.
- The Executive Committee also regularly monitors financial and operational performance.
- The Group has set appropriate levels of authorisation which must be adhered to. These levels were comprehensively reviewed by the Board and the Committee during the year.
- An Enterprise Resource Planning ('ERP') system, with built-in controls over process and authority, minimising manual intervention, is in place in the UK, the Netherlands and Germany, with equivalent systems in other jurisdictions.

- The Group operates a 'Whistleblowing' Policy enabling individuals to report any concerns to Senior Management or the Company Chair. This policy allows for reporting to be made on a confidential basis if necessary. This was last updated in December 2025.

Any weaknesses identified in the Group's internal control system are reported to the Committee and corrective actions agreed. Creating long-term shareholder value is the reward for taking controlled risk. Risk management is crucial to the Group's success and is given a high priority to ensure that adequate systems are in place to evaluate and limit risk exposure.

The Committee, Board and Management each formally review the Risk Register at least twice a year. The process was updated in 2025 to ensure all risks are identified and to provide the Committee with further reassurance. Risks are evaluated for both likelihood and financial impact, helping to identify the most significant risks the business faces. Actions are agreed to mitigate the risks and progress is regularly assessed. The process for identifying, evaluating and managing the risks faced by the Group is ongoing throughout the year. As part of the External Auditor's annual review process, any key risks and areas of audit focus are also identified and agreed with the Committee.

The Committee also reviewed an External Assurance List, a summary of all audits and checks of various functions (such as IT) conducted by external parties in 2025, and a list of all Group insurance policies, to ensure there is sufficient coverage in all key areas. These reviews will continue to be held annually.

Remuneration Committee Report

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long-term sustainable growth

by aligning the interests of our key stakeholders



The Committee has remained focused on ensuring that our performance targets continue to support growth.

Douglas Le Fort
Chair of the Remuneration Committee



Dear Shareholder,

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

The Remuneration Committee was made up of myself as Chair and Grahame Cook throughout the year. Susan Searle, and Juliet Thompson, who joined upon their appointments to the Board in March and June 2025 respectively. Liz Shanahan stepped down from Committee in March 2025,

The Committee's role is to ensure that our Remuneration Policy is appropriate for a successful, growing business with the size and profile of AMS, reflecting the need to engage the right calibre of employees to deliver our strategy. This has been particularly critical as we enter a key phase of the integration of Peters Surgical, accelerating commercial synergies and implementing potential site closures. Harmonising our remuneration structures moving forward will therefore be critical as we look to maximise the commercial and operational synergies.

AMS remains committed to high standards of corporate governance. Our Remuneration Policy is designed to ensure that we are able to attract, motivate and retain the talent we need to ensure the resilience of the expanded Group.

The Committee continues to be committed to positive and proactive engagement with shareholders, and formally met three times during 2025.

A resolution will be put to shareholders at the AGM on 17 June 2026 asking them to consider and approve this Report. I hope that we can count on your support. Shareholders considered a similar resolution at the 2025 AGM and supported it by 98.47% of the votes cast.

On behalf of the Committee, I would like to thank you for your support and I trust you will find the Directors' Remuneration Report useful and informative.

Douglas Le Fort
Chair of the Remuneration Committee
1 May 2026

Remuneration Committee Report continued

Remuneration for 2025

The annual bonus awards and Long-Term Incentive Plan ('LTIP') vesting in 2025 for the Executive Directors were as follows:

Annual bonus

The performance conditions for the 2025 annual bonus for the Executives were based on the achievement of two financial targets (Revenue and Adjusted EBITDA – accounting for 70% of the total bonus) and an assessment of the delivery of personal objectives (accounting for 30% of the total bonus). In view of performance, the Committee determined:

- Revenue of (£228.9 million) was above the threshold (£225.9 million) and below target (£237.2 million).
- Adjusted EBITDA of £49.9 million was above the threshold figure of £48.9 million.
- Personal objectives are linked to corporate, financial, strategic and non-financial objectives (see Pages 90 and 91). The Committee determined that 80% of these objectives were achieved.

LTIP

LTIP awards granted to Chris Meredith and Eddie Johnson in April 2022 vested in 2025 with performance criteria and weightings as follows:

- TSR (50%) – the performance period ended on 14 April 2025. The Company ranked above the upper quartile of the comparator group (14th out of 63 comparators) which resulted in a vesting of 100%.
- EPS (50%) – the growth in EPS was calculated over three financial years to 31 December 2024. The average annual growth was 5.07%, above the threshold level of 5% and maximum target of 20% and resulted in a vesting of 25.3%.
- Overall across both elements the final vesting result was 62.7%.

Implementation of Remuneration Policy in 2025

The Committee undertook a review of the Remuneration Policy ('Policy') in 2022 which reviewed salaries and the bonus scheme.

In January 2025 Chris Meredith's salary was increased from £390,484 to £400,247. Eddie Johnson's salary was increased at the same time from £257,585 to £264,322. Both increases were 2.5% of salary, in line with the workforce.

The Committee has continued to review the Policy throughout 2025, focusing on the incentives (annual bonus and LTIP) which have both seen low pay-outs and vesting in recent years. This is a concern in terms of retention and future recruitment as the Policy focuses on lower base salaries and higher incentives. In addition, we have a larger Group while having to manage our dilution level. In 2025 we:

Attendance record and tenure in 2025*



Chair

Douglas Le Fort
Tenure: 4.5 years
Meetings attended:

3/3



Juliet Thompson
Tenure: 6 months
Meetings attended:

2/2



Grahame Cook
Tenure: 5 years
Meetings attended:

3/3



Susan Searle
Tenure: 9 months
Meetings attended:

2/2



Liz Shanahan*
Tenure: 2.5 years
Meetings attended:

1/1

*Liz Shanahan stepped down from the Committee upon her resignation in March 2025.

Remuneration Committee Report continued

LTIP

- Reviewed peer group to determine the proportion of the Award vesting under Total Shareholder Return ('TSR').
- For Senior Manager,s apart from the Executive Directors we continued to provide a Conditional Award alongside the existing Performance Conditions (Total Shareholder Return and EPS growth), providing a proportion for continued employment throughout the vesting period (Good Leaver provisions outlined in the LTIP rules apply).
- In 2025, we further utilised the LTIP to make Conditional Awards (RSU's) to a smaller pool of employees where we used to use the Group Share Option Plan ('GSOP').

Bonus

- Bonus minimum and maximum thresholds ranges are now standardised at +/-5% for both Revenue and EBITDA. EBITDA is in line with the market and provides a better measure for the enlarged Group.

Compliance with the UK Corporate Governance Code ('Code')

As a large AIM-quoted company, AMS has chosen to follow the Code and is compliant in the majority of areas. The Code was updated in January 2024 and we have implemented the changes required with effect from 1 January 2025 and report on any areas where we do not comply.

Full details of the share schemes offered to the Executive Directors can be found on Pages 90 and 91. Provision 38 of the Code outlines that pension contribution rates for Executive Directors, or payments in lieu, should be aligned with those available to the workforce. The Committee does not consider the current contributions of 10% to be excessive and this issue will be addressed for any new appointments. Full details of compliance with the Code can be found on the Company's website www.admedsol.com. When determining the Policy the Committee is aware of the Code requirements for clarity, simplicity, risk mitigation, predictability, proportionality and alignment to culture. We believe that these requirements are met as follows:

Clarity

Our Policy is well understood with a clear aim, supports the delivery of strategy, and promotes long-term sustainable growth.

To achieve this the Policy aims to be strategically aligned, promote pay for performance, be competitive in the market and provide a commitment to employees to pay fairly and in a clear, transparent and simple way.

Each component of remuneration is clearly explained in the Policy table, including its purpose, how it is operated, the maximum potential and any relevant performance measures, which are disclosed for shareholders' consideration.

Simplicity

The Policy reflects standard UK market practice with an annual performance bonus and LTIPs.

All payments are in the form of cash or AMS shares and no artificial structure is used to deliver remuneration.

Risk

The Committee can use its discretion to override the formulaic outcomes of the incentive plans if it is felt appropriate in certain circumstances.

Malus and clawback provisions operate in the LTIP and Deferred Annual Bonus plan ('DAB') allowing payments to be adjusted or withheld, and LTIP awards now include a market-standard vesting and holding period totalling five years for Executive Directors.

There is an appropriate mix of financial, non-financial and share price measures to avoid undue risk taking.

Predictability

Appropriate limits are set out in the Policy and within the respective share scheme rules so outcomes can be predicted.

In operating the Policy, the Committee continually monitors the performance of share scheme awards so that it is aware of potential outcomes and forewarned of potential issues.

Proportionality

The outcomes of our share schemes are aligned to delivery of strategy and are measured against various metrics.

Alignment of culture

A focus of the Policy is long-term sustainable growth which is reflected in our values. The annual bonus requirements ensure that the Executive Directors take account of and reflect these values (including ESG and sustainability targets) in their roles, over and above pure financial performance. We voluntarily seek advisory shareholder approval for our

Remuneration Report and feedback helps inform the Committee's approach. Specific comments on the Policy can be sent to the Company Secretary (companysecretary@admedsol.com).

As an AIM-quoted company, Advanced Medical Solutions Group plc is not required to comply with the Directors' Remuneration Report Regulations requirements under Main Market UK Listing Rules or those aspects of the Companies Act applicable to listed companies. The following disclosures are made voluntarily.

The Committee comprises three Non-Executive Directors and the Chair of the Board. Biographical information on the members is set out on Pages 67 and 68. They have no personal financial interest in decisions other than as shareholders, no conflict of interest from cross-directorships and no day-to-day involvement in running the business. They do not participate in bonus, share option or pension arrangements.

On behalf of the Board, the Committee, in consultation with the Chief Executive Officer, determines the policy for Directors' remuneration and setting remuneration for the Company's Chair and Executive Directors and Senior Management, including the Company Secretary, and recruitment at Executive Committee level or for other senior roles where shares are included in the joining package.

The Committee administers the share option schemes, determines the design of performance-related pay schemes, sets targets and approves payments under such schemes. The Board has accepted the Committee's recommendations in full. The Terms of Reference of the Committee are reviewed annually and are available on the Company's website www.admedsol.com.

Remuneration Committee Report continued

The activities the Remuneration Committee undertook in 2025 are outlined below:

Month	Principal activities
March	- Review of 2024 personal objectives and implications for Bonus and Deferred Annual Bonus awards. - Discussion on 2025 personal objectives for the Executive Directors and review of 2025 Corporate Objectives. - Review and ratification of the 2025 annual bonus scheme. - Review of 2025 LTIP and share option awards (Executive Directors, SLT and key employees). - Review of Gender Pay Gap Report. - Decision on how to run the Share Incentive Plan in 2025 and set investment limits.
October	- Reviewed progress of 2025 personal objectives for Executive Directors. - Reviewed status of 2025 bonus. - Ratification of 2025 LTIP and share options for key employees. - Renewal of Executive Shareholding Policy and Good Leaver Delegation Policy. - Cost-of-Living and 2026 Budget planning discussion. - Review of current dilution levels.
December	- Discussed 2026 salaries for the Executive Directors, Executive Management Team and workforce overall. - Initial review of achievement of 2025 personal objectives and corporate objectives. - Discussion regarding 2026 personal objectives for Executive Directors. - Review of compliance with Executive Shareholding Policy. - Reviewed Terms of Reference, Directors' Expenses Policy and 2026 Committee Meeting dates.

Remuneration Policy

Pay for performance – Senior Management remuneration promotes long-term success and rewards value creation for our stakeholders. Assessment of short-term incentives under the Annual Performance Bonus is made against corporate, financial, strategic and other non-financial objectives. A proportion of the bonus is deferred for Executive Directors and Senior Management for three years. Long-term incentives are linked to long-term financial and strategic objectives, and now include a five-year total vesting and holding period for Executive Directors.

Market-competitive – All elements of our remuneration are reviewed regularly to ensure they remain market competitive to attract and retain talent, as well as to avoid excessive overpayment.

Employee commitment – We are committed to paying our people fairly and in a clear, transparent and simple way.

The Policy supports strategy and promotes long-term sustainable success. Executive remuneration is aligned to our strategy, performance and values, and linked to the delivery of long-term strategy. The Policy enables the use of discretion to override formulaic outcomes and to withhold sums or share awards under appropriate specified circumstances. In considering reward elements, account will be taken of both Group performance and the performance of each individual Executive Director. Discretion can also be used when making grant awards.

The Committee previously appointed Ellason LLP in 2021 to provide independent advice on the remuneration of Executive Directors, Non-Executive Directors and the Executive Committee. Details of the work carried out by Ellason are set out below. Executive Director remuneration consists of basic salary, bonus, LTIPs, health and insurance benefits, and pension contributions. A balance between fixed and performance-related remuneration elements is maintained.

Enhanced shareholding guidelines

Executive Directors and Senior Management are expected to accumulate and maintain a significant shareholding. The holding requirements for the Executive Shareholding Policy are 200% and 100% of salary respectively for the Executive Directors and Executive Committee in order to align their interests with our stakeholders and encourage share ownership. All Executive Directors and Executive Committee members met or exceeded the shareholding target in 2025, except for one member who is beneath the target, impacted by the lower share price in December 2025. Alex Dietrich joined the Executive Committee in March 2026 and was not part of the assessment in 2025.

If an Executive Committee member does not comply at the end of the five-year period the Committee retains discretion to decide on any sanction, which may include a simple 'warning' or a reduction in the next LTIP grant or bonus opportunity.

Remuneration Committee Report continued

Ellason LLP were engaged in 2025 to provide guidance. Ellason are the only adviser which provides material assistance to the Committee:

Advisors	Fees for Committee assistance
Ellason LLP	£14,925 (2024: £37,955)

Consideration of employment conditions elsewhere in the Group

The Committee considers the general basic salary increase for the broader employee population when determining the annual salary increases and remuneration of Executive Directors. The cost-of-living increase for the 2025 financial year was 2.5% for the Executive Management Team and the broader employee population, which took effect from 1 January 2025.

Additionally, the Group awarded a small number of merit based increases over and above this cost-of-living increase to employees at various levels of the organisation. Details of the increases awarded to Executive Directors are set out on Page 86. Non-Executive Director fees were also increased by 2.5%. Details of these increases are provided below. The Committee will continue to review Executive Director and Non-Executive Director salaries against industry benchmarks during 2026.

Statement of voting at Annual General Meeting ('AGM')

At the 2025 AGM the percentages of votes cast 'for', and 'against' in respect of the Directors' Remuneration Report were:

Resolution	Number of shares voted	Votes cast 'for'	Votes cast 'against'
To approve the Directors' Remuneration Report	133,782,863	98.47%	1.53%

Remuneration Committee Report continued

Overview of Director and Senior Management Remuneration Policy

Element of remuneration	Purpose and how it supports strategy	How the element operated and maximum opportunity	Framework used to assess performance
Base salary	To provide competitive fixed remuneration. To attract, retain and motivate Executive Directors and Senior Management of the right calibre to deliver the Company's strategy and to provide a core level of reward for the role.	In line with the Policy, salary levels are set taking into account experience, responsibilities and performance, both from an individual and business perspective and from utilising external market data (benchmarking). Salaries are reviewed annually. Changes are usually effective from 1 January. Current salaries of the Executive Directors are set out on Page 92. A review was last carried out in December 2025.	Where there is a change in responsibility, progression in the role, change in size or structure of the Group or increased experience of the Executive Director or member of Senior Management, the Committee retains the discretion to award a higher increase than the standard increase for the UK workforce.
Benefits	To provide a competitive level of benefit provision.	Executive Directors and their families receive private medical insurance. No maximum cost.	N/A
Annual Performance Bonus	To drive and reward performance against annual financial and operational goals which are consistent with the medium to long-term strategic needs of the business.	Executive Directors are entitled to receive an Annual Performance Bonus to be determined by the Committee based on the Group's financial performance and the achievement of specific personal targets set by the Committee. There is no financial underpin, which allows the Committee a greater level of discretion when determining the payment of a bonus in respect of personal objectives. The maximum percentages of salary achievable are set out on Page 86.	Both financial and non-financial measures are used for Executive Directors. Financial targets are set against Group revenue (35%), PBT (35%) and personal objectives (30% based on non-financial objectives, including ESG and AMS values). Maximum payout under the Annual Performance Bonus is 150% of salary for the CEO and 100% of salary for the CFO. Business need may alter future bonus measures or weightings.
Deferred Annual Bonus ('DAB')	Provides mechanism to exercise malus provisions.	The DAB requires Executive Directors and Executive Committee members to defer up to 25% of their Annual Performance Bonus for three years. The DAB includes malus provisions which are laid out on Page 92. Clawback provisions also apply to the DAB.	N/A
Share Incentive Plan ('SIP')	To align the interests of all employees with shareholders, incentivise long-term value creation and act as a retention tool.	The SIP is available to all employees and allows investment of bonus and/or salary into shares. It also allows for the provision of matching shares and free shares if the shares are held for a set period.	N/A

Remuneration Committee Report continued

Element of remuneration	Purpose and how it supports strategy	How the element operated and maximum opportunity	Framework used to assess performance
Long-Term Incentive Plan ('LTIP')	To align the interests of the Executive Directors and Executive Committee with shareholders and to incentivise long-term value creation.	The LTIP permits an annual grant that vests subject to performance and employment. Under LTIP rules, the maximum annual award is 200% of salary. Details of the award levels for 2025 are set out below. Awards under the LTIP may be granted in the form of nil-cost options or cash (where they cannot be settled in shares). Awards have a £1 consideration. 50% of the vesting is based on the Total Shareholder Return ('TSR') performance compared with the AIM Healthcare Share Index over the three-year period and 50% of the vesting is determined by the growth in the average Earnings Per Share ('EPS') per year of the Group over a three-year period. The calculation analyses the 90 dealing-day-period to the date of grant measured against the 90 dealing-day-period prior to the three-year anniversary following the date of grant. For Senior Management apart from the Executive Directors and below, these elements are reduced to 25% each and a conditional award of 50% is awarded for continuous employment in the vesting period. There are malus and clawback provisions in place.	No shares shall vest from the proportion of the Award determined by reference to a selection of peer companies (previously the AIM Healthcare Share Index) if the Company is ranked below median. Awards vest on a sliding scale from 25% to 100% for performance from median to upper quartile. Performance against EPS will be based on performance against targets in pence of the percentage increase in the Group's EPS over a three-year period commencing on 1 January of the year in which the Award is made (previously a sliding scale from 25% to 100% for an average annual EPS growth rate over the vesting period of a minimum of 5% rising
Pension	To provide a market-competitive remuneration package to enable the recruitment and retention of Executive Directors and Senior Management.	Executive Directors contribute up to 10% of salary into a defined contribution plan with the Group contributing a fixed 10%. All other UK employees contribute a minimum of 3% which is matched by a Company contribution of 6%. An employee may substitute pension contributions for salary if they are impacted by limitations on the size of individual personal pension funds. It is intended that any new Executive Directors will have a pension in line with the workforce.	N/A

Remuneration Committee Report continued

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Malus and clawback provisions – LTIP/DAB

The LTIP and DAB incorporate malus and clawback provisions. The Committee may, in its absolute discretion, resolve to vary an Award in the event that any of the Financial Statements or results for the Company, or for any Group company, are materially restated (other than restatement due to a change in accounting policy or to rectify a minor error) or if, in the reasonable opinion of the Committee and following consultation with the relevant employing Group company, a participant has deliberately misled the management of the Company and/or the market and/or the Company's shareholders regarding the financial performance of any Group company or any subsidiary, or a participant's actions amount to serious misconduct or conduct which causes significant financial loss for the Company, any Group company and/or the participant's Business Unit or Category.

If it is determined that the malus provision applies then the number of shares comprised in an Award that are not vested and/ or vested shares in the case of an unexercised Option should be reduced (to Nil if appropriate). The clawback provisions allow for clawback of previously granted Awards in the same circumstances as set out above.

Directors' emoluments – single figure of remuneration (2024 and 2025)

	Salary and fees		Annual Performance Bonus		Deferred Bonus		LTIPs vested ¹		Gains on SIP vested ¹		Benefits		Pensions		Total remuneration	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Chris Meredith	400	390	181	133	–	–	284	455	111	56	1	1	40	39	1,017	1,074
Eddie Johnson	264	258	80	58	–	–	107	129	34	38	1	1	26	26	512	510
Liz Shanahan ²	75	97	–	–	–	–	–	–	–	–	–	–	–	–	75	97
Grahame Cook	90	58	–	–	–	–	–	–	–	–	–	–	–	–	90	58
Douglas Le Fort	63	55	–	–	–	–	–	–	–	–	–	–	–	–	63	55
Susan Searle ³	48	–	–	–	–	–	–	–	–	–	–	–	–	–	48	–
Juliet Thompson ⁴	31	–	–	–	–	–	–	–	–	–	–	–	–	–	31	–
Total	971	858	261	191	–	–	391	584	145	94	2	2	66	65	1,836	1,794

1. Gains on LTIPs and SIPs vested is based on the share price at vesting date. Details of the SIP can be found on Page 90.

2. Liz Shanahan stepped down as Chair on 31 March 2025.

3. Susan Searle joined the Board on 31 March 2025.

4. Juliet Thompson joined the Board on 30 June 2025.

The table above summarises the payments made and amounts earned by the Executive and Non-Executive Directors for the 2024 and 2025 financial years. The fees for the Chairs of the Audit & Risk Committee and the Remuneration Committee (Juliet Thompson and Douglas Le Fort) include a fee of £10,000 for chairing a Committee, an £8,000 fee for the Senior Independent Director (Susan Searle) and a £6,000 fee for Workforce Engagement (Susan Searle). The Executive Directors were granted LTIPs as detailed on Page 94. All Directors have confirmed that they have not received remuneration save as disclosed above.

Salaries and fees

Details of 2025 salaries for the Executive Directors are outlined on Page 86 and for the prior year in the table above.

Remuneration Committee Report continued

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Annual Performance Bonus and Deferred Annual Bonus

Details of the Annual Performance Bonus and Deferred Annual Bonus are outlined on Page 90. The personal objectives for the Executive Directors for the year ended 31 December 2025 included strategic growth and innovation, integration and operational efficiency and execution, succession planning and long-term vision. The table below summarises 2025 performance against the targets.

Performance measures	Weighting	Threshold £m	Target £m	Stretch £m	Achievement £m	2025 result (% of maximum)
Group Revenue	35%	225.9	237.2	244.3	228.9	50%
Adjusted EBITDA	35%	48.9	51.4	52.9	49.9	43%
Personal objectives/values assessment	30%	Executive Director bonuses were paid at 30% despite achievement of performance measures significantly above this level (including the impact of acquisitions)			80%	80%
Total	100%					30%

The bonus for 2025 was paid in April 2026 as threshold EBITDA was achieved as well as with Revenue. The Remuneration Committee assessed that the Personal Objectives for Chris Meredith and Eddie Johnson were 80% achieved.

Director	Revenue	EBITDA	Objectives	Total %
Chris Meredith	50%	43%	80%	30%*
Eddie Johnson	50%	43%	80%	30%*

* Executive Director bonuses were paid at 40% despite achievement of performance measures significantly above this level.

2026 objectives are commercially sensitive and not detailed in this Report.

2025 bonus payments in respect of 2024 were as follows:

Director	Bonus paid in 2025 (FY 2024)	Deferred	Percentage of salary (total bonus)	Maximum % of salary
Chris Meredith	£132,726	£Nil	34%	150%
Eddie Johnson	£58,409	£Nil	23%	100%

Vesting of LTIPs for the year ended 31 December 2025

Details of the LTIP performance conditions for the LTIPs granted on 14 April 2022, which produced a 62.7% vesting result on 14 April 2025, are shown on Page 86.

Remuneration Committee Report continued

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Directors' interests in the LTIP

On 30 April 2025 the Committee approved LTIP awards as outlined below.

Director	Type of award	Basis of grant awarded	Share price at date of grant (£)	Number of shares granted	Face value of grant	Vesting determined by performance over 3 years
Chris Meredith	Nil-cost option	200% of salary	1.82	438,194	£800,514	See Page 91
Eddie Johnson	Nil-cost option	125% of salary	1.82	180,864	£330,402	See Page 91

Outstanding Share Awards – Maximum under the LTIP

Director	As at 1 January 2025	Exercised in the year	Issued in the year	Lapsed in the year	As at 31 December 2025	Market price at grant date (p)	First vesting date
Chris Meredith	132,247	132,247	–	–	–	239.00	14 April 2023 (vested)
	238,963	238,963	–	–	–	257.40	23 April 2024 (vested)
	239,552	–	–	89,353	150,199	303.90	14 April 2025 (vested)
	324,805	–	–	–	324,805	233.10	14 April 2026
	411,478	–	–	–	411,478	184.00	23 April 2027
	–	–	438,194	–	438,194	182.00	30 April 2028
Eddie Johnson	28,126	28,126	–	–	–	184.60	18 April 2019 (vested)
	17,379	17,379	–	–	–	246.69	6 April 2020 (vested)
	8,221	8,221	–	–	–	328.75	24 April 2022 (vested)
	37,470	37,470	–	–	–	239.00	14 April 2023 (vested)
	67,706	67,706	–	–	–	257.40	23 April 2024 (vested)
	89,832	–	–	33,508	56,324	303.90	14 April 2025 (vested)
	134,063	–	–	–	134,063	233.10	14 April 2026
	169,837	–	–	–	169,837	184.00	23 April 2027
	–	–	180,864	–	180,864	182.00	30 April 2028

Chris Meredith exercised 371,210 LTIPs in 2025 (2024: Nil). Eddie Johnson exercised 158,902 LTIPs in 2025 (2024: 34,235). Awards have no performance re-testing facility.

Approach to remuneration of Executive Directors at the time of recruitment

When appointing an Executive Director the Committee may utilise all existing remuneration components. Salary will reflect experience, skills, market data and current salary. They will be eligible for a personal pension, medical insurance and share schemes. In line with the Code, it is the intention that pension contributions will be set at a rate available to the wider workforce in respect of future Executive Director appointments.

Remuneration Committee Report continued

Non-Executive Directors

Non-Executive Directors are appointed under arrangements that may be terminated by either party on six months' notice. Their fees are determined by the Executive Directors, taking into account the time and responsibility of the role. They receive travel expenses, do not participate in incentive arrangements and have confirmed they have not received any other remuneration in 2025 save as disclosed on Page 92. Further details of Non-Executive Director fees are below:

Element of remuneration	Purpose and how it supports strategy	How the element operated and maximum opportunity	Framework used to assess performance
Non-Executive Director Fees.	Reflects time commitments and responsibilities of each role.	There is no maximum annual increase. The Board is guided by the market and broader employee population. On occasion they may need to recognise an increase in the scales or scope of the role. Fees were increased by 2.5% in 2025, in line with the workforce.	Non-Executive Directors do not participate in variable pay arrangements and do not receive retirement benefits.

Service agreements

Executive Director service contracts are not fixed term, are terminable by either party giving not less than 12-months' written notice and can be viewed at the Company's registered office and at the AGM. The Committee reviews the contractual terms for new Executive Directors to ensure they reflect best practice. Details of the service contracts are as follows:

	Date of contract	Unexpired term (months) or rolling contract	Notice period (months)
Executive Director			
Chris Meredith	1 July 2005 (updated 1 July 2021)	Rolling contract	12
Eddie Johnson	1 January 2019 (updated 1 July 2021)	Rolling contract	12
Non-Executive Directors			
Grahame Cook	1 February 2021 (updated 31 March 2025)	Rolling contract (appointed Chair 31 March 2025)	6
Douglas Le Fort	2 August 2021	Rolling contract	6
Susan Searle	31 March 2025	Rolling contract	6
Juliet Thompson	30 June 2025	Rolling contract	6
Liz Shanahan	1 August 2022 (updated 1 January 2024)	Rolling contract (stepped down 31 March 2025)	6

Policy on Payment for Loss of Office – Executive Directors

The Committee considers individual cases of early termination and determines compensation on a case-by-case basis. There are no special provisions in the event of loss of office or for Payment in Lieu of Notice ('PILON'). If such circumstances were to arise, the Executive Director would have no claim against the Company for damages or any other remedy in respect of the termination. The Committee would apply principles of mitigation to any payment made to a departing Executive Director.

Whilst the Committee retains overall discretion for 'Good Leaver' status, it typically defines a 'Good Leaver' for the Annual Performance Bonus and 2014 and 2024 LTIP plans as retirement, ill health or injury, disability, redundancy or the employing company ceasing to be under the control of the Group. The 2014 and 2024 DAB defines a 'Good Leaver' as ceasing to be a Director or employee of a Group company where that individual is not a 'Bad Leaver'. A 'Bad Leaver' is defined as a Director or employee leaving the business due to the Financial Statements requiring restatement. Final treatment is subject to the Committee's discretion.

Remuneration Committee Report continued

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Non-Executive Directors

Liz Shanahan received a PILON payment in April 2025 for her six-month notice period after she stepped down as Chair on 31 March 2025.

Event	Timing of vesting/award	Calculation of vesting/payment
Bonus/DAB		
Good Leaver	Annual Performance Bonus payment would be negotiated as part of the leaving arrangements (at the discretion of the Remuneration Committee). Unvested Deferred Annual Bonus share awards vest at the normal vesting date (or earlier at the Remuneration Committee's discretion).	No automatic entitlement to Annual Performance Bonus on a pro-rata basis – it is at the discretion of the Remuneration Committee.
Bad Leaver	Not applicable.	Individuals lose the right to their Annual Performance Bonus and unvested Deferred Annual Bonus shares.
Change of Control	Annual Performance Bonuses are paid and unvested Share Incentive Plan shares vest on the date of change of control notification to the Executive Directors.	Annual Performance Bonus is paid to the extent that performance conditions have been satisfied and are pro-rated to the effective date of change of control.
LTIP		
Good Leaver	On normal vesting date (or earlier at the Remuneration Committee's discretion).	Unvested awards vest to the extent that performance conditions have been satisfied and are reduced pro-rata to account for any part of the vesting period remaining.
Bad Leaver	Unvested awards lapse on cessation of employment.	Unvested awards lapse on cessation of employment.
Change of Control	Unvested awards vest on the date of notification to the Executive Directors regarding the change of control.	Unvested awards vest and a pro-rata reduction applies for the proportion of the vesting period not served.

Upon a Director's exit or a change of control situation, Share Incentive Plan awards will be treated in line with the plan rules. If employment is terminated by the Company, an Executive Director may have a legal entitlement to additional amounts, which would need to be met. The Committee retains discretion to settle other amounts reasonably due to the Executive Director.

The Committee may approve new contractual arrangements with departing Executive Directors including (but not limited to) settlement and/or consultancy arrangements which will be used sparingly and only where it is in the best interests of the Company and shareholders. There are no agreements between the Group and its Directors or employees for loss of office or employment (whether through resignation, purported redundancy or otherwise) which may occur as a result of a takeover bid.

Remuneration Committee Report continued

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Statement of Directors' shareholding and share interests

Director	Beneficially owned ¹ at 31 December 2024	Beneficially owned ¹ at 31 December 2025	Outstanding LTIP awards at 31 December 2025	Outstanding DAB awards at 31 December 2025	Outstanding share awards under SIP and ESPP at 31 December 2025	Shareholding as a % of Issued Share Capital at 31 December 2025
Chris Meredith	1,799,205	2,045,694	1,324,676	37,357	204,503	0.93%
Eddie Johnson	170,001	313,638	541,088	13,528	168,090	0.14%
Grahame Cook	48,864	48,864	–	–	–	–
Douglas Le Fort	Nil	Nil	–	–	–	–
Susan Searle ²	–	10,000	–	–	–	–
Juliet Thompson ²	–	–	–	–	–	–
Liz Shanahan ³	54,785	–	–	–	–	–

1. Includes all shares beneficially held by the Director (or their spouse and children) and vested SIPs.

2. Susan Searle (31 March) and Juliet Thompson (30 June) joined the Board in 2025.

3. Liz Shanahan stepped down from the Board on 31 March 2025.

Executive Directors are required under the Executive Shareholding Policy to hold shares equivalent in value to 200% of pre-tax annual salary. Compliance with this policy as at 31 December 2025 is shown below, using the share price at that date:

Director	Shares held*	Vested SIPs	LTIPs (50% of vested/unexercised)	DAB awards	Total shares	Shareholding target (£)	Shareholding value (£)	% holding vs target
Chris Meredith	2,036,872	8,822	75,099	37,357	2,158,150	£800,494	£4,680,811	585%
Eddie Johnson	296,090	17,548	28,162	13,528	355,328	£528,644	£770,519	146%

* Includes all shares beneficially held by the Executive Director (or their spouse and children).

CEO total remuneration

The total remuneration figure for the Chief Executive Officer during each of the last five financial years is shown below.

Total remuneration includes salary, Annual Performance Bonus, gains on SIPs in that year and LTIP awards vesting in the year. The Annual Performance Bonus and LTIP vesting level as a percentage of the maximum opportunity is given for each year.

Year ended 31 December	2021	2022	2023	2024	2025
Total remuneration (£'000)	543	832	813	1,075	1,017
Annual Performance Bonus (% of maximum)	32.2%	57.8%	86%	23%	30%
LTIP vesting (% of maximum)	0%	21.2%	51.9%	100%	62.7%

Remuneration Committee Report continued

Relative importance of spend on pay

Year ended 31 December	2024 (£m)	2025 (£m)	Change %
Staff costs	66.5	87.7	31.9%
Dividends*	5.2	5.8	11.3%
Tax**	2.7	7.7	286.8%
Profits for year attributable to owners of the Parent**	7.1	10.0	40.3%

* The dividend figures relate to amounts payable in respect of the prior year.

** Tax and profits attributable to owners of the Parent include exceptional costs in 2025 (see Page 121).

£2,271,000 (2024: 1,722,000) of staff costs relate to pay for the Directors, of which £1,233,000 relates to the highest-paid Director (2024: £983,000). Total pension contributions were £2,669,000 (2024: £1,584,000) and for the highest-paid Director £40,000 (2024: £39,000).

During 2025, distributions to shareholders included a dividend of £3,900,000 paid on 17 July 2025 (2024: £3,600,000) and £1,852,000 paid on 24 October 2025 (2024: £1,645,000). It is proposed that a dividend of 1.83p per share be paid on 26 June 2026. Further details are provided in Note 21 on Page 143.

Private healthcare

Executive Directors and other senior employees are entitled to private healthcare and permanent health insurance.

Share options

Employees may be granted share options under the 2019 Share Option Plan ('GSOP'). Options granted under the GSOP are not offered at a discount. The exercise of options is conditional on performance conditions, normally after the third anniversary of the date of grant and no later than the tenth anniversary of grant. Full details are included in Note 22 on Pages 144 to 146.

The GSOP allows employees to be granted approved or unapproved options. Under the approved part of the GSOP, UK employees can receive up to £60,000 by market value of the shares on the grant date and benefit from the growth in value of those shares.

Share performance – 2025

The opening share price for 2025 was 192.20p and the closing price, on the last trading day of the year, was 216.89p. The range during the year was 237.24p (high) and 177.21p (low) (Source: Daily Official List of the London Stock Exchange).

Directors' Report

This Directors' Report includes disclosures required under the Companies Act 2006, the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and the 2024 UK Corporate Governance Code ('Code'). Additional information can be located as follows:

Disclosure	Location
Principal activities and business review Results	Throughout the Strategic Report – Pages 5 to 64 Financial Statements – Pages 110 to 157
Corporate Governance	Corporate Governance Report – Pages 65 to 98
Directors' remuneration including Directors' interest in the share capital of the Company	Remuneration Committee Report – Pages 85 to 98
Principal Risks and Uncertainties	Principal Risks and Uncertainties – Pages 35 to 38
Financial instruments and risk management	Note 19 to the Financial Statements – Pages 136 to 141 and in the Strategic Report – Pages 32 to 38
Research and development activities	Strategic Report – Pages 5 to 64 Financial Review on Pages 27 to 30
Shareholder, employee and stakeholder engagement	Section 172 – Pages 61 to 64
Environmental, Social and Governance, Health and Safety and Streamlined Energy and Carbon Reporting ('SECR') report	ESG Report – Pages 39 to 60
Climate-Related Financial Disclosures ('CFD')	Non-Financial and Sustainability Information Statement – Pages 48 to 60
Key Performance Indicators	Key Performance Indicators – Pages 22 to 23
Company's capital structure	Consolidated Statement of Changes in Equity – Page 114 Financial Statements – Note 21 on Pages 142 to 143
Long Term Incentive Plan and share schemes	Remuneration Report – Pages 85 to 98
Events after the balance sheet date	Financial Statements – Note 25 on Page 146
Significant subsidiary undertakings	Financial Statements – Note 3 on Pages 150 to 152
Non-Financial Reporting Statement	Page 31

Dividends

The Group made a profit before tax for the year to 31 December 2025 of £17.8 million (2024: £9.4 million). The Directors are recommending a final dividend of 2.01p per share (2024: 1.83p per share). The final dividend will, subject to shareholders' approval, be paid on 26 June 2026 to shareholders on the register at the close of business on 29 May 2026. This would make a total dividend of 2.86p for the full year (2024: 2.60p). The Board will continue to review the Group's dividend policy.

Events after the reporting date

There have been no material events subsequent to the end of the reporting period ended 31 December 2025.

Going concern

The Directors continue to adopt the going concern basis in preparing the Financial Statements. Details of going concern can be found on Page 76 and in the Notes Forming Part of the Financial Statements on Pages 116 to 117.

Capital structure

As at 31 December 2025 the Group had net cash of £18.0 million (2024: 17.0 million). To fund the acquisition of Peters Surgical, which completed in mid 2024, new debt facilities were arranged which comprise:

- (i) a £60 million amortising term loan facility; and
- (ii) a £30 million revolving credit facility.

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.

Ordinary Shares are admitted to, and traded on, the Alternative Investment Market ('AIM'), a market operated by the London Stock Exchange. Further information regarding the Company's share capital, including movements during the year, are set out in Note 21 to the Financial Statements on Pages 142 and 143.

Creditor payment policy

It is the policy and normal practice of the Group to make payments due to suppliers in accordance with agreed terms and conditions, generally less than 60 days. Where suppliers offer early settlement discounts, these may be taken advantage of. This policy will also be applied for 2026.

Directors' Report continued

Share Capital and Issue of Ordinary Shares

At 31 March 2026 the Group's issued share capital is:

	Number	£'000	% of issued Share Capital
Ordinary Shares of 5p each	219,604,175	10,980	100

Substantial shareholdings

Details of the interests in voting rights in the Company's shares with substantial interests of 3% or more in the Ordinary Share capital of the Company as at 31 March 2026, in accordance with the Disclosure and Transparency Rules:

	31 March 2026	% of issued Share Capital
Octopus Investments Limited	21,186,112	9.65
Rathbone plc	15,848,015	7.22
Briarwood Chase Mgt	14,420,432	6.57
Canaccord Genuity Group Inc	13,797,818	6.28
Raymond James Financial	9,710,984	4.42
Compagnie Odier SCA	8,457,541	3.85
BlackRock Inc	7,490,113	3.41

Re-election of Directors

The Chair has determined that each Director demonstrates commitment to their role and displays effective performance, and is recommending the re-election of all Directors. AMS has elected to comply with 2018 Code Provision 18 and therefore all Directors will retire and shall stand for re-election at the AGM to be held on 17 June 2026.

The Board has procedures for Directors' conflicts of interest. Only Directors who have no interest in the matter under consideration participate in the decision. The Board reports annually on the procedures for ensuring that the Board's power of authorisation in respect of conflicts of interest operated effectively. None of the Directors had any conflicts of interest during or at the end of the year in any contract relating to the business of the Company or its subsidiaries.

Directors' and Officers' liability insurance

Insurance cover is in force in respect of the personal liabilities that may be incurred by Directors and Officers of the Company in the course of their service with the Group, as permitted by the Companies Act 2006. No cover is provided in respect of any fraudulent or dishonest act.

Employees – equal opportunities and development

AMS is an equal opportunities employer committed to eliminating all forms of discrimination and to giving fair and equal treatment to all employees and job applicants. In the event of existing employees becoming disabled, every effort is made to ensure that their employment with the Group continues, and that appropriate training is arranged.

It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of an able-bodied person. An Equality, Diversity and Inclusion Policy, to reflect best practice in this area, is in force. Further detail on this area can be found in our ESG Report on Pages 39 to 60.

Employees and other stakeholders

The Group has chosen, in accordance with Section 414(c)(ii) of the Companies Act 2006 to set out in the Strategic Report the following which the Directors believe are important:

- Review of the business;
- Relevant aspects of Section 172 statement (Sch 7.11(1)(b); and
- Employee engagement and Sch 7.11B(1) – Business relationships).

Further employee policies are discussed in the ESG Report. See Pages 61 to 63 for disclosure of employee engagement and stakeholder engagement statements. We provide monthly updates to employees through an Executive Committee communication session, which includes details of financial and economic factors, and is uploaded to the Intranet, where a Portal is also available to ask questions to the Executive Committee. We have an Employee Consultative Group across all sites in the UK, and a number of other sites outside of the UK, which allow employees to share their views and any concerns. We run a number of share schemes, as outlined on Pages 90 to 91, including a Share Incentive Plan ('SIP') and Employee Share Purchase Plan ('ESPP'), which is open to all employees and we encourage investment by offering both lump sum and monthly contributions.

Political donations

In line with the established policy, the Group made no political donations.

Annual General Meeting

The AGM will be held at 11.00am on 17 June 2026. Further details are outlined in the AGM Notice

Provision of information to the independent Auditors

Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's Auditor is unaware; and

Directors' Report continued

- the Director has taken all the steps that he/she ought to have taken as Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Independent Auditors

Deloitte LLP has expressed their willingness to continue in office as Auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

The Directors' Report has been approved by the Board and authorised for issue and is signed on its behalf by:

Owen Bromley
Company Secretary

1 May 2026

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors are required to prepare the Group Financial Statements in accordance with United Kingdom adopted international accounting standards. The financial statements also comply with IFRS Accounting Standards as issued by the IASB. The Directors have chosen to prepare the Parent Company Financial Statements in accordance with United Kingdom' Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the period.

In preparing the Parent Company Financial Statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, and;
- prepare the Financial Statements on the going concern basis unless it is inappropriate
- to presume that the Company will continue in business.

In preparing the Group Financial Statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide disclosures when compliance with specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Responsibility Statement

We confirm that to the best of our knowledge:

- the Financial Statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

This responsibility statement was approved by the board of directors on 1 May 2026 and is signed on its behalf by

Chris Meredith
Chief Executive Officer

1 May 2026

Eddie Johnson
Chief Financial Officer

1 May 2026

Independent Auditor's Report

to the members of Advanced Medical Solutions Group plc

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of Advanced Medical Solutions Group plc (the 'parent company', the 'company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2025 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB);
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 Reduced Disclosure Framework; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income
- the consolidated statement of financial position;
- the consolidated statement of changes in equity;
- the consolidated statement of cash flows;
- the related notes 1 to 25 to the consolidated financial statements;
- the company statement of financial position;
- the company statement of changes in equity; and
- the related notes 1 to 9 to the company financial statements.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law, United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the IASB. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report continued

to the members of Advanced Medical Solutions Group plc

3. Summary of our audit approach

Key audit matters	The key audit matter that we identified in the current year was: Revenue recognition.
Materiality	The materiality that we used for the group financial statements was £0.95 million which was determined on the basis of 4% of profit before tax & exceptional items.
Scoping	Our work was focused on Advanced Medical Solutions Limited (UK), Resorba Medical GmbH (Germany), and Peters Surgical Group. Together, these represent 84% of the group's revenue and 98% of the group's profit before tax.
Significant changes in our approach	Our audit approach is consistent with the prior year. The significant acquisition of Peters Surgical, which was identified as a Key Audit Matter in the prior year, is no longer a key audit matter due to the non-recurring nature of the transaction.

4. Conclusions relating to going concern

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

Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of the available, uncommitted, financing facilities including nature of the facilities, repayment terms and covenants;
- linking the assessment and the forecasts to the business model and medium-term risks;
- assessing the reasonableness and appropriateness of the assumptions used in the forecasts;
- assessing the impact of the expected macroeconomic information including uncertainties in respect of US tariffs to assess whether there were indicators of management bias;
- assessing the amount of headroom in the forecasts and covenant compliance;
- evaluating the appropriateness of, and headroom within, the sensitivity analysis;
- assessing the sophistication of the model used to prepare the forecasts, testing of clerical accuracy of those forecasts and assessing the historical accuracy of forecasts prepared by management; and
- assessing the appropriateness of the disclosures made within the financial statements.

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

In relation to the reporting on how the group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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

Independent Auditor’s Report continued
to the members of Advanced Medical Solutions Group plc

5. Key audit matters

The key audit matter communicated below is the matter that, in our professional judgement, was of most significance in our audit of the financial statements of the current year and includes the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. This matter had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

5.1. Revenue recognition

Key audit matter description	The group sells medical devices across a number of geographical regions generating revenue of £228.9 million (2024: £177.5 million). The timing of when revenue is recognised is relevant to the reported performance of the group. There is a risk of material misstatement due to error or fraud as a result of misstating the allocation of revenue between reporting periods. Pressures to meet stakeholder expectations could provide an incentive to recognise revenue prematurely, before control of the goods has passed to the customer. The key audit matter was specifically focused on the timing of revenue recognition for sales recorded in the period immediately before and after the year-end (December 2025 and January 2026). This focus was informed by our understanding of the monthly peaks in sales typically reported at period ends, as well as the associated credit and shipping terms with the group’s customers and the requirement to recognise revenues in accordance with the group’s accounting policies and IFRS 15 Revenue from Contracts with Customers. For the associated disclosure and specific detail on the group’s accounting policy, see Note 3 to the Financial Statements.
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How the scope of our audit responded to the key audit matter	We obtained an understanding of the relevant controls over the revenue process. Our procedures to address the key audit matter included: • Made enquiries of management and obtaining evidence of management reviews of actual revenue compared to budget, with a focus on trends around the year end. • Performed enquiries of management and key members of the commercial team to identify any key changes to customer shipping terms or sales arrangements during the year. • Tested a sample of revenue transactions recognised within the relevant period to underlying dispatch records, assessing the applicable terms of trade against signed customer agreements, and evaluating compliance with IFRS 15. • Assessed the appropriateness of journals posted to revenue within the period around the year end date through examination of the related evidence. • Evaluated credit notes issued and inventory returns processed around the year end and analysed receivables ledgers at and after year end to identify indicators of timing of revenue recognition issues. • We evaluated whether the policy and disclosures for revenue within the Financial Statements are consistent with the principles of IFRS 15 Revenue from Contracts with Customers and whether they have been applied appropriately.
Key observations	Based on the work performed we concluded that the timing for revenue recognition was appropriate.

Independent Auditor’s Report continued
to the members of Advanced Medical Solutions Group plc

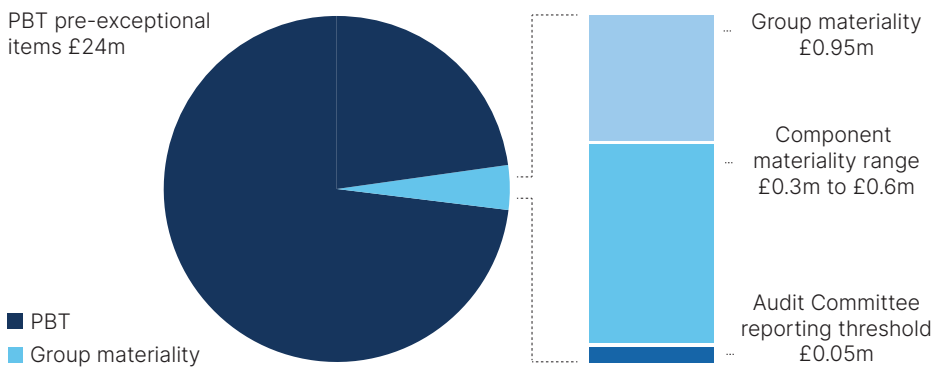
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

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

	Group financial statements	Parent company financial statements
Materiality	£0.95 million (2024: £1.0 million)	£0.9 million (2024: £0.9 million)
Basis for determining materiality	5% of forecast profit before tax and exceptional items (2024: 5% of profit before tax), which equates to approximately 4% of final profit before tax and exceptional items.	Parent company materiality is based on 2% of the company’s net assets, however this was capped at 90% of group materiality (2024: 2% of net assets capped at 90% of group materiality).
Rationale for the benchmark applied	Profit before tax before exceptional items is determined to be the most relevant performance measure to the users of the financial statements as a key driver of the equity share price.	As a non-trading parent company, net assets is the key driver of the company.



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent company financial statements
Performance materiality	70% (2024: 70%) of group materiality	70% (2024: 70%) of parent company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we considered the following factors: • Our risk assessment, including our assessment of the group’s overall control environment; and • Our past experience of the audit, which has indicated the presence of corrected and uncorrected misstatements identified in prior periods.	

6.3. Error reporting threshold

We agreed with the Audit Committee that we would report to them all audit differences in excess of £0.05 million (2024: £0.05 million), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identify when assessing the overall presentation of the financial statements.

Independent Auditor's Report continued

to the members of Advanced Medical Solutions Group plc

7. An overview of the scope of our audit

7.1. Identification and scoping of components

Our group audit was scoped by obtaining an understanding of the group and its environment, including group-wide controls, and assessing the risks of material misstatement at the group level.

Based on that assessment, we performed audits of the entire financial information of Resorba Medical GmbH (Germany), Advanced Medical Solutions Limited (UK), and Advanced Medical Solutions Plc (UK); and audits of specific classes of transactions, account balances and disclosures on Peters Surgical Group (France), Vitalitec (USA), Peters Surgical France and Peters Surgical International (Thailand). This final component was a new addition to the group audit scope in the current year owing to the expansion of its manufacturing facilities and growing strategic relevance to the group.

Our audit work on the components was executed at levels of performance materiality applicable to each individual entity, which were lower than group performance materiality and ranged from £0.3 million to £0.6 million (2024: £0.4 million to £0.6 million). The components subject to these audit procedures represent 84% (2024: 82%) of the group's revenue and 98% (2024: 79%) of the group's profit before tax.

In addition to the work performed on full audit of financial information components and specific account balance components, we performed audit procedures at the group level. These included testing the consolidation process, assessing the carrying value of goodwill and other acquired intangible assets, and evaluating the accounting for share-based payments.

Furthermore, we performed analytical procedures over the aggregated financial information of the components not subject to audits of their financial information or specific classes of transactions, account balances and disclosures. This was to assess whether there were any unusual or unexpected balances that would indicate an additional risk of material misstatement in the group financial statements.

7.2. Our consideration of the control environment

The group uses a number of IT systems and applications across the group, and we worked with our IT specialists to obtain an understanding of the general IT controls for relevant systems.

In assessing the IT environment, we identified a number of IT control deficiencies which meant that we were unable to rely on the group's internal controls for the purposes of our audit. We therefore performed a fully substantive audit. We have reported the identified control deficiencies to management and the Audit Committee. Management is in the process of remediating the deficiencies as they develop the IT environment as referenced in the Audit Committee Report.

7.3. Our consideration of climate-related risks

In planning our audit, we have considered the potential impact of climate change on the group's business and its financial statements.

We have held discussions with the Company Secretary and with the Directors to understand the process of identifying climate-related risks, the determination of mitigating actions and the impact on the group's financial statements.

We performed our own qualitative risk assessment of the potential impact of climate change on the group's account balances and classes of transactions and did not identify any additional risks of material misstatement beyond those identified by management, see Page 48. Our procedures included reading disclosures included in the Strategic Report to consider whether they are materially consistent with the financial statements and our knowledge obtained in the audit.

7.4. Working with other auditors

Audit work to respond to the risks of material misstatement was performed directly by the group audit engagement team, with the exception of the following components which were audited by component auditors from the Deloitte network:

- Peters Surgical France, Peters Surgical Group (France), and Vitalitec (USA): Audited by Deloitte SAS (France).
- Resorba: Audited by Deloitte GmbH (Germany).
- Peters Surgical Thailand: Audited by Deloitte ICS (Thailand) Co., Ltd.

As the group engagement team, we determined the scope of work to be performed by the component auditors and maintained responsibility for their direction, supervision, and review throughout the audit process.

Our direction, supervision and review for all components included the following:

- We were actively involved in the risk assessment process for each component to identify significant risks of material misstatement to the consolidated financial statements. We evaluated the appropriateness of the audit procedures designed and performed by the component auditors to address these risks.
- We provided detailed instructions to each component auditor, outlining the work to be performed, the key risk areas, and the reporting requirements.
- We held regular virtual meetings with the component audit teams, including planning and closing meetings, to discuss their strategy, audit findings, and conclusions on key areas of audit judgment.
- We conducted an in-person visit to the Deloitte SAS component audit team in France to enhance our oversight and discuss their work on significant account balances.
- We reviewed the audit documentation and reporting deliverables from each component auditor to evaluate the sufficiency and appropriateness of the audit evidence obtained.

Independent Auditor's Report continued

to the members of Advanced Medical Solutions Group plc

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

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

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

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

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

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management, internal audit, the directors and the audit committee about their own identification and assessment of the risks of irregularities, including those that are specific to the group's sector;
- any matters we identified having obtained and reviewed the group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team including component audit teams and relevant internal specialists, including valuations and IT specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud within revenue recognition due to possible pressures to meet stakeholder expectations that could provide incentives to recognise revenues in an incorrect accounting period.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation.

Independent Auditor's Report continued

to the members of Advanced Medical Solutions Group plc

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty such as those set out by the relevant regulatory bodies.

11.2. Audit response to risks identified

As a result of performing the above, we identified revenue recognition as a key audit matter related to the potential risk of fraud. The key audit matter section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the audit committee and legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal audit reports;
- working with our internal tax specialists to assist in our evaluation of the group's tax positions and to challenge the key judgements made in the recognition and measurement of current and deferred tax assets and liabilities; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including internal specialists and component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13. Corporate Governance Statement

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on Page 101;
- the directors' explanation as to its assessment of the group's prospects, the period this assessment covers and why the period is appropriate set out on Page 83;
- the directors' statement on fair, balanced and understandable set out on Page 101;
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on Pages 32 to 38;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on Pages 32 to 38 and
- the section describing the work of the Audit Committee set out on Page 82.

Independent Auditor's Report continued

to the members of Advanced Medical Solutions Group plc

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of this matter.

14.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

15. Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

Matthew Hughes, ACA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Leeds, United Kingdom

1 May 2026

Consolidated Income Statement

For the year ended 31 December 2025

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	Note	Before exceptional items £'000	Exceptional items £'000	2025 £'000	Before exceptional items £'000	Exceptional items £'000	2024 £'000
Revenue	3	228,936	–	228,936	177,521	–	177,521
Cost of sales		(106,798)	–	(106,798)	(84,903)	–	(84,903)
Gross profit		122,138	–	122,138	92,618	–	92,618
Distribution costs		(3,847)	–	(3,847)	(2,348)	–	(2,348)
Administration costs		(90,495)	(5,805)	(96,300)	(69,033)	(10,924)	(79,957)
Other income		671	–	671	906	–	906
Operating profit	3, 4	28,467	(5,805)	22,662	22,143	(10,924)	11,219
Finance income	9	211	–	211	2,161	–	2,161
Finance costs	10	(5,090)	–	(5,090)	(3,557)	–	(3,557)
Profit before taxation		23,588	(5,805)	17,783	20,747	(10,924)	9,823
Income tax	11	(8,892)	1,204	(7,688)	(4,662)	1,981	(2,681)
Profit for the year		14,696	(4,601)	10,095	16,085	(8,943)	7,142
Profit for the year attributable to:							
Owners of the parent		14,555	(4,601)	9,954	16,037	(8,943)	7,094
Non-controlling interest		141	–	141	48	–	48
Earnings per share							
Basic	12	6.75p	(2.13p)	4.62p	7.48p	(4.17p)	3.31p
Diluted	12	6.62p	(2.09p)	4.52p	7.35p	(4.10p)	3.25p

The above results relate to continuing operations.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

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	Note	2025 £'000	2024 £'000
Profit for the year		10,095	7,142
<i>Items that will potentially be reclassified subsequently to profit and loss:</i>			
Exchange differences on translation of foreign operations		8,028	(6,177)
Gain/(loss) arising on cash flow hedges	19	1,664	(3,104)
Deferred tax charge arising on cash flow hedges	11	(306)	664
Total other comprehensive income/(expense) for the year		9,386	(8,617)
Total comprehensive income/(expense) for the year		19,481	(1,475)
Total comprehensive income for the year attributable to equity holders of the parent		19,340	(1,523)
Total comprehensive income for the year attributable to non-controlling interest		141	48

Consolidated Statement of Financial Position

At 31 December 2025

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	Note	2025 £'000	2024 £'000
Assets			
Non-current assets			
Intangible assets	13	92,731	97,412
Goodwill	13	112,693	116,884
Property, plant and equipment	14	48,750	45,871
Deferred tax asset	11	–	1,022
Derivative financial assets	19	12	–
Other receivables	16	1,219	1,029
		255,405	262,218
Current assets			
Inventories	15	70,047	55,259
Trade and other receivables	16	47,654	52,451
Current tax assets	11	2,436	1,233
Derivative financial assets	19	1,213	296
Cash and cash equivalents	17	18,015	17,039
		139,365	126,278
Total assets		394,770	388,496
Liabilities			
Current liabilities			
Trade and other payables	18	30,951	33,782
Borrowings	17	11,370	5,421
Lease liabilities	19	3,332	3,087
Current tax liabilities	11	4,293	1,780
Derivative financial liabilities	19	–	261
		49,946	44,331
Non-current liabilities			
Borrowings	17	57,101	67,428
Lease liabilities	19	9,720	10,628
Other non-current liabilities	18	4,814	3,873
Deferred tax liabilities	11	13,085	20,246
Derivative financial liabilities	19	–	474
		84,720	102,649
Total liabilities		134,666	146,980
		260,104	241,516

Consolidated Statement of Financial Position continued

At 31 December 2025

	Note	2025 £'000	2024 £'000
Equity			
Share capital	21	10,977	10,892
Share premium		37,844	37,525
Other reserve	21	20,686	16,625
Hedging reserve	21	918	(440)
Translation reserve	21	3,729	(4,299)
Retained earnings		184,637	180,474
Equity attributable to equity holders of the parent		258,791	240,777
Non-controlling interest	21	1,313	739
Total equity		260,104	241,516

The financial statements of Advanced Medical Solutions Group plc (registration number 2867684) on Pages 110 to 146 were approved by the Board of Directors and authorised for issue on 1 May 2026 and were signed on its behalf by:

Chris Meredith
Chief Executive Officer

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

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	Share capital £'000	Share premium £'000	Other reserve £'000	Hedging reserve £'000	Translation reserve £'000	Retained earnings £'000	Total attributable to owners £'000	Non-controlling interest £'000	Total £'000
At 1 January 2024	10,865	37,473	13,453	2,000	1,878	178,533	244,202	–	244,202
Consolidated profit for the year to 31 December 2024	–	–	–	–	–	7,142	7,142	–	7,142
Other comprehensive (expense)/income	–	–	–	(2,440)	(6,177)	–	(8,617)	–	(8,617)
Total comprehensive (expense)/income	–	–	–	(2,440)	(6,177)	7,142	(1,475)	–	(1,475)
Share-based payments (Note 22)	–	–	3,086	–	–	–	3,086	–	3,086
Excess deferred tax on share-based payments	–	–	74	–	–	–	74	–	74
Share options exercised (Note 22)	27	52	12	–	–	–	91	–	91
Non-controlling interest (Note 21)	–	–	–	–	–	–	–	739	739
Dividends paid (Note 21)	–	–	–	–	–	(5,201)	(5,201)	–	(5,201)
At 31 December 2024	10,892	37,525	16,625	(440)	(4,299)	180,474	240,777	739	241,516
Consolidated profit for the year to 31 December 2025	–	–	–	–	–	9,954	9,954	141	10,095
Other comprehensive income	–	–	–	1,358	8,028	–	9,386	–	9,386
Total comprehensive income	–	–	–	1,358	8,028	9,954	19,340	141	19,481
Share-based payments (Note 22)	–	–	4,140	–	–	–	4,140	–	4,140
Excess deferred tax on share-based payments	–	–	(128)	–	–	–	(128)	–	(128)
Share options exercised (Note 22)	85	319	49	–	–	–	453	–	453
Changes in non-controlling interest (Note 21)	–	–	–	–	–	–	–	433	433
Dividends paid (Note 21)	–	–	–	–	–	(5,791)	(5,791)	–	(5,791)
At 31 December 2025	10,977	37,844	20,686	918	3,729	184,637	258,791	1,313	260,104

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

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	Note	2025 £'000	2024 £'000
Cash flows from operating activities			
Operating profit		22,662	11,219
<i>Adjustments for:</i>			
Depreciation	14	8,036	6,453
Amortisation – intellectual property rights	13	10,313	7,804
– software intangibles	13	655	537
– development costs	13	2,393	1,508
Increase in inventories		(13,267)	(2)
Decrease/(increase) in trade and other receivables		5,036	(10,384)
(Decrease)/increase in trade and other payables		(2,048)	4,318
Share-based payments expense	22	4,140	3,086
Taxation paid		(5,333)	(5,050)
Net cash inflow from operating activities		32,587	19,489
Cash flows used in investing activities			
Purchase of software		(1,111)	(572)
Capitalised research and development		(4,131)	(4,115)
Purchases of property, plant and equipment		(7,358)	(4,057)
Disposal of property, plant and equipment		54	27
Interest received		207	1,229
Acquisition of subsidiaries (net of cash acquired)	21	72	(54,132)
Payment of contingent consideration	19	(1,064)	(5,529)
Net cash used in investing activities		(13,331)	(67,149)
Cash flows (used in)/from financing activities			
Dividends paid	21	(5,791)	(5,201)
Repayment of principal under lease liabilities		(3,885)	(2,605)
Repayment of loan	17	(5,000)	(62,192)
Net movement in short-term borrowings	17	(576)	–
Borrowings received	17	–	79,453
Issue of equity shares		329	12
Interest paid		(4,045)	(3,989)
Net cash (used in)/from financing activities		(18,968)	5,478
Net increase/(decrease) in cash and cash equivalents		288	(42,182)
Cash and cash equivalents at the beginning of the year		17,039	60,160
Effect of foreign exchange rate changes		688	(939)
Cash and cash equivalents at the end of the year		18,015	17,039

1. Reporting entity

Advanced Medical Solutions Group plc ('the Company') is a public limited company, limited by shares, incorporated and domiciled in England and Wales (registration number 2867684). The Company's registered address is Premier Park, 33 Road One, Winsford Industrial Estate, Cheshire, CW7 3RT.

The Company's Ordinary Shares are traded on the AIM market of the London Stock Exchange plc. The Consolidated Financial Statements of the Company for the twelve months ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as 'the Group' or 'AMS').

AMS is an innovative tissue-healing medical device company delivering high-performing solutions that match or surpass market leaders, clinically, technically, and commercially. From adhesives and sealants, to biosurgical devices and sutures, AMS's products offer superior usability, quality and design. AMS's strength lies in combining advanced material science with applicator device design and development, in collaboration with surgeons and Key Opinion Leaders, creating differentiated devices that improve patient outcomes without compromising quality or affordability.

AMS's scalable, resilient business model is built on disciplined execution, portfolio focus, and capital efficiency. Its diversified product and geographic mix mitigates volatility, ensuring consistent performance even when individual segments fluctuate. Following its acquisition of Peters Surgical, AMS is unlocking operational and commercial synergies, accelerating its US and international expansion, and increasing the percentage of sales made through its direct sales teams. With surgical products driving a majority of Group revenues and a clear top-line trajectory, AMS is positioned for scalable growth, margin improvement and long-term value creation.

The Group's products are sold globally via a network of multinational or regional partners and distributors, as well as via the Group's own direct sales forces in the UK, Germany, Austria, France, Poland, Benelux, India, the Czech Republic and Russia. The Group has R&D innovation hubs in the UK, Ireland, Germany, France and Israel. Established in 1991, the Group has more than 1,500 employees.

On 1 March 2024, the Group acquired the trade and assets of Syntacoll GmbH and on 1 July 2024, the Group acquired 100% of the share capital of Peters Surgical. Both acquisitions were accounted for as business combinations in accordance with IFRS 3 Business Combinations, with the identifiable assets acquired and liabilities assumed recognised at their fair values at the respective acquisition dates. In the prior year comparative period the results of the acquired businesses have been consolidated from the dates control was obtained. As a result of these acquisitions occurring during 2024, the comparative profit and loss figures for the year ended 31 December 2024 are not entirely comparable with the results for the current year.

2. Basis of preparation

The Group's financial statements have been prepared in accordance with the United Kingdom adopted international accounting standards and with International Financial Reporting Standards ('IFRSs') as issued by the International Accounting Standards Board ('IASB').

The Financial Statements have been prepared on the historical cost basis of accounting except as disclosed in the accounting policies set out below.

The individual Financial Statements for each Group company are presented in the currency of the primary economic environment in which it operates (its 'functional currency'). For the purpose of the Consolidated Financial Statements, the results and financial position of each Group company are expressed in Pounds Sterling, which is the functional currency of the Company and the presentation currency for the Consolidated Financial Statements.

In the current year the Group has applied the following amendment to IFRSs issued by the IASB:

– Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)

Its adoption has not had a material impact on the disclosures or on the amounts reported in the Annual Financial Statements.

Going Concern

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

The Group holds a debt facility which includes a £55 million term loan facility and a £30 million revolving credit facility (together the 'Facility'). £6 million of the revolving credit facility is drawn at 31 December 2025, with £24 million available if required, providing the Group with flexible working capital. Both the term loan and the revolving credit facility mature in April 2028.

Interest on drawn funds is charged at the SONIA interest rate plus a current bank margin of 1.5%.

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.

2. Basis of preparation continued

Going concern continued

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 accounts. 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 the financial statements, with no factors considered reasonably possible.

The Group operates in markets whose demographics are favourable, underpinned by an increasing need for products to treat chronic and acute wounds. 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 acquisition of Peters Surgical has further diversified the Group's product portfolio and grown the Group's revenue base and revenues.

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

Climate change

In preparing the consolidated financial statements, the Directors recognised the risk of climate change on the business. The Group does not believe that there is currently a material impact to judgements and estimates in relation to climate-related risks and, as a result, the valuation of assets and liabilities have not been significantly impacted as at 31 December 2025.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of Financial Statements, in conformity with adopted IFRS, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported value of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these Financial Statements, one critical accounting judgements ('CJ') and two key sources of estimation uncertainty ('SE') have been identified that could potentially have a material adjustment to the carrying amounts of assets and liabilities in future financial years.

Carrying value of development and recertification costs (CJ)

The Group capitalises development and recertification costs once it can be demonstrated that the product or process is clearly identifiable, technically and commercially feasible, and will generate future economic benefits. There is judgement involved in determining the point at which capitalisation commences and that the product or process is at a point where it is technically and commercially feasible and that future economic benefits will be generated. The recoverable amount is determined based on a value-in-use calculation at a product category level which involves the use of critical accounting judgements. Judgements may involve an estimation of future costs to complete the asset as well as future sales, cost of sales and an allocation of operating costs. See Note 13 for further information on intangible assets.

Impairment of goodwill and intangible assets (SE)

In carrying out impairment reviews of goodwill and intangible assets, a number of significant assumptions have to be made when preparing cash flow projections which include market growth rates, size and share, revenue growth rates, discount rates and cash flows. If actual results should differ or changes in expectations arise, impairment charges may be required. See Note 13 for further information on goodwill and intangible assets.

Valuation of contingent consideration (SE)

The Group has recognised contingent consideration arising on acquisition which have inherent sources of estimation uncertainty. Management has identified that reasonably possible changes in certain key assumptions, including projected revenue of relevant products and estimates of cash flows may cause the calculated fair value of the contingent consideration to vary materially in future years. See note 19(b) for further information on contingent consideration.

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to retain benefits from its activities. The Financial Statements of the subsidiaries are included in the Consolidated Financial Statements on the basis of acquisition accounting, from the date that control commences until the date that control ceases. All entities within the Group have the same year-end.

2. Basis of preparation continued**Basis of consolidation continued**

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, the equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the issue of debt or equity. Acquisition-related expenses are accounted for as expenses in the period in which the costs are incurred and the services rendered, with the exception of directly attributable costs incurred as a result of raising equity, which are offset against share premium, and raising debt, which are capitalised and amortised over the term of the debt. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations, which are recognised and measured at fair value less costs to sell.

Where not all of the equity of a subsidiary is acquired, the non-controlling interest is recognised at the non-controlling interest's share of the net assets of the subsidiary.

Intercompany transactions and balances between Group entities are eliminated upon consolidation.

IFRS not yet effective and not adopted early

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group. These standards are not expected to have a significant impact on the Group's net results.

3. Revenue and segment information**Accounting policy**

Revenue is recognised when control of the products has transferred to the customer in accordance with the contractual shipping terms, the customer has discretion over the channel and price to sell the products in accordance with the sales contract, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Transfer occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Occasionally, the products are sold with volume discounts based on aggregate sales over a 12-month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience and customer-provided forecasts are used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of finance is deemed present as the sales are made with a credit term of up to 90 days, which is consistent with market practice. A receivable is recognised when the goods are transferred as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Group also recognises revenue from royalty income receivable under licence agreements from external customers at amounts excluding value added tax as the products under licence are sold and the revenue can be reliably measured. For the year ended 31 December 2025, £2.1 million (2024: £3.0 million) of revenue from royalty income was recognised.

Other income relates to tax credits received such as those under the UK Research and Development Expenditure Credit ('RDEC') scheme and is recognised in the Income Statement in the same period in which the expense is incurred.

During the year ended 31 December 2025, the Group continued to operate under two business units. Internal reporting provided to the Group's Chief Operating Decision Maker ('CODM') is prepared on this basis. The Group's Board of Directors ('the Board') is the Group's Chief Operating Decision Maker, as defined by IFRS 8, and all significant operating decisions are taken by the Board. The Surgical unit focused on selling, marketing, research, development and innovation of all our surgical products and the Woundcare unit focused on all advanced woundcare sales, marketing, research, development and innovation of all woundcare devices, regardless of whether they are sold under an AMS or a partner's brand name.

Notes Forming Part of the Consolidated Financial Statements continued

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3. Revenue and segment information continued

Year ended 31 December 2025	Surgical £'000	Woundcare £'000	Consolidated £'000
Revenue	183,451	45,485	228,936
Result			
Adjusted segment operating profit	35,903	3,852	39,755
Amortisation of acquired intangibles	(9,373)	(940)	(10,313)
Segment operating profit	26,530	2,912	29,442
Exceptional items			(5,805)
Unallocated expenses			(975)
Operating profit			22,662
Finance income			211
Finance costs			(5,090)
Profit before tax			17,783
Tax			(7,688)
Profit for the year			10,095
Year ended 31 December 2025 Other information	Surgical £'000	Woundcare £'000	Consolidated £'000
Capital additions:			
Software intangibles	995	116	1,111
Research & development	3,522	609	4,131
Property, plant and equipment	6,877	481	7,358
Depreciation and amortisation	(18,141)	(3,256)	(21,397)
At 31 December 2025 Statement of Financial Position			
Assets			
Segment assets	340,828	53,942	394,770
Liabilities			
Segment liabilities	112,655	21,306	133,961
Unallocated liabilities			705
Consolidated total liabilities			134,666

Year ended 31 December 2024	Surgical £'000	Woundcare £'000	Consolidated £'000
Revenue	135,768	41,753	177,521
Result			
Adjusted segment operating profit	30,132	2,604	32,736
Amortisation of acquired intangibles	(6,864)	(940)	(7,804)
Segment operating profit	23,268	1,664	24,932
Exceptional items			(10,924)
Unallocated expenses			(2,789)
Operating profit			11,219
Finance income			2,161
Finance costs			(3,557)
Profit before tax			9,823
Tax			(2,681)
Profit for the year			7,142

Year ended 31 December 2024 Other information	Surgical £'000	Woundcare £'000	Consolidated £'000
Capital additions:			
Software intangibles	494	78	572
Research & development	3,517	598	4,115
Property, plant and equipment	2,607	1,450	4,057
Depreciation and amortisation	(13,198)	(3,104)	(16,302)

At 31 December 2024 Statement of Financial Position			
Assets			
Segment assets	332,709	55,787	388,496
Liabilities			
Segment liabilities	115,729	30,023	145,752
Unallocated liabilities			1,228
Consolidated total liabilities			146,980

3. Revenue and segment information continued**Geographical segments**

Segment revenue is based on the geographical location of customers. Segment assets are based on the country by which the legal entity resides. All revenue relates to external customers.

The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods or services, based upon location of the Group's customers:

Year ended 31 December	2025 £'000	2024 £'000
United Kingdom	19,675	16,606
Germany	30,993	32,288
France	25,055	14,790
Rest of Europe	62,468	46,314
United States of America	53,893	43,382
Rest of World	36,852	24,141
	228,936	177,521

Revenue disaggregation by product category is provided on Page 24 and Page 26.

The following table provides an analysis of the Group's non-current assets by geographical location:

As at 31 December	2025 £'000	2024 £'000
United Kingdom	46,173	46,027
Germany	67,903	64,538
France	93,468	99,539
Rest of Europe	28,089	29,686
Rest of world	19,772	22,428
	255,405	262,218

4. Operating profit**Accounting policy:**

Research expenditure is expensed as incurred. Internal development expenditure is only capitalised if the recognition criteria in IAS 38 Intangible Assets have been satisfied.

Grants are recognised only when there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received. Grants related to income are presented as a deduction of the related cost. Grants that are receivable as compensation for expenses already incurred are recognised in the Income Statement in the period in which they become receivable.

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Pension entitlements and other benefits vary according to the jurisdiction, ensuring remuneration meets local expectations and are compliant with relevant requirements. Pension amounts charged against the Income Statement represents the contributions payable to the scheme in respect of the accounting period. The assets of the scheme are held separately from those of the Group in an independently administered fund.

Notes Forming Part of the Consolidated Financial Statements continued

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4. Operating profit continued

Operating profit is arrived at after charging/(crediting):

Year ended 31 December	2025 £'000	2024 £'000
Depreciation of property, plant and equipment	8,036	6,453
Amortisation of:		
– acquired intellectual property rights and other intangible assets	10,313	7,804
– software intangibles	655	537
– development costs	2,393	1,508
Research and development costs expensed excluding regulatory costs	5,110	5,745
Cost of inventories recognised as expense	105,668	84,269
Write-down of inventories expensed	1,130	634
Staff costs	87,679	66,496
Net foreign exchange (gain)/ loss	(675)	141
Year ended 31 December	2025 £'000	2024 £'000
Staff costs for all employees, including Executive Directors, consists of:		
Wages and salaries including bonuses	69,329	52,680
Social security costs	11,541	9,146
Pension costs	2,669	1,584
Share-based payments (see Note 22)	4,140	3,086
	87,679	66,496

The average monthly number of employees of the Group during the year, including Executive Directors, was as follows:

Year ended 31 December	2025 Number	2024 Number
Production	790	634
Research and development	129	89
Sales and marketing	320	230
Administration	419	276
	1,658	1,229

5. Exceptional items

Accounting policy:

Exceptional items are those items that are sufficiently significant for separate disclosure by virtue of their size, nature or incidence, or that the Directors consider should be disclosed separately to enable a full understanding of the Group's financial performance. Exceptional items have been presented separately on the face of the Income Statement. The Directors consider that this presentation gives a fairer presentation of the results of the Group.

Year ended 31 December	2025 £'000	2024 £'000
Integration activities	5,145	1,927
Restructuring	660	–
Peters acquisition-related	–	5,090
Risk Management	–	2,017
Syntacoll	–	1,890
Total exceptional items	5,805	10,924

Exceptional items of £5.8 million were incurred in the year in relation to the Group's transformation projects following the prior year acquisition of Peters Surgical and Syntacoll. These projects have been deemed exceptional in nature and have resulted in significant costs being incurred whilst the related benefits will only be yielded in future periods. Therefore the Group's performance has been summarised including and excluding these costs to give additional information to the users of the financial statements.

Integration-related costs predominately relate to consultancy services to lead the integration project as well as the costs of an internal dedicated integration team and other relevant integration activities.

Restructuring costs relate to costs incurred re-organising certain operations and are primarily employee related.

In the prior year, £10.9 million of exceptional costs were incurred. Syntacoll exceptional costs relate to legal fees, staff termination costs, an initial idle period when no manufacturing was undertaken and some integration related costs. Risk management exceptional costs relate to foreign currency risk management costs to protect against adverse movements in the euro rate whilst the Group awaited FDI approval to complete the acquisition of Peters Surgical. Risk and warranty insurance was also obtained. Acquisition related costs include costs for advisory services, legal, financial, tax, HR and operational due diligence services, as well as legal services relating to the share purchase agreement and related banking facility required as part of the acquisition funding.

Notes Forming Part of the Consolidated Financial Statements continued

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6. Auditor's remuneration

Amounts payable to Deloitte LLP and their associates in respect of both audit and non-audit services:

Year ended 31 December	2025 £'000	2024 £'000
Fees payable to the Company's auditor and their associates for the audit of the Company's annual accounts	25	25
Fees payable to the Company's auditor and their associates for other audit services to the Group and the audit of the Company's subsidiaries	682	631
Total audit fees	707	656
Audit related assurance services	43	47
Total non-audit fees	43	47
	750	703

Fees payable to the Company's auditor, Deloitte LLP and its associates, for non-audit services to the Company are not required to be disclosed in subsidiaries' accounts because the Consolidated Financial Statements are required to disclose such fees on a consolidated basis.

A description of the work of the Audit and Risk Committee is set out in the Governance section of the Annual Report which includes explanations of how the audit objectivity and independence is safeguarded when non-audit services are provided by the Auditor.

7. Directors' emoluments

Year ended 31 December	2025 £'000	2024 £'000
Remuneration for management services	1,236	1,050
Pension costs	66	64
Share-based payments	884	608
	2,186	1,722

The Group's highest paid Director is disclosed in the Remuneration Report on Page 97.

	2025	2024
Retirement benefits are accruing to the following number of Directors under money purchase schemes	2	2

8. Remuneration of Key Management Personnel

The key management of the Group comprises the Directors of the Group together with senior members of the management team. Their aggregate compensation is shown below:

Year ended 31 December	2025 £'000	2024 £'000
Salaries, fees and short-term employee benefits	1,670	2,188
Pension costs	89	118
Share-based payments	1,159	946
	2,918	3,252

In the prior year, following the acquisition of Peters Surgical, the senior leadership team was restructured, reducing the senior leadership team from ten to five effective July 2024.

9. Finance income

Accounting policy:

Finance income relates to interest earned on cash and cash equivalents. Interest income is accrued on a time-basis, by reference to the principal outstanding and at the effective interest rate applicable. The movement in long-term acquisition liabilities are measured at fair value. Changes in the liabilities occur as the liabilities unwind and as the probability of a performance condition being met changes based on actual and estimated performance subsequent to acquisition. The movement in the fair value is recognised as the finance income if it is an income item.

Year ended 31 December	2025 £'000	2024 £'000
Movement in long-term acquisition liability	–	868
Bank interest	211	1,293
	211	2,161

The movement in long-term acquisition liabilities expense and credit relate to movements in the long-term liabilities arising on the acquisition of Sealantis in 2019, AFS in 2022, Connexicon in 2023 and Peters Surgical in 2024 (see Note 19 for further information).

10. Finance costs

Accounting policy:

Finance costs arise from interest on the Group's credit facilities, lease liabilities and financial liabilities. They are recognised in the Income Statement as they accrue using the effective interest method. The movement in long-term acquisition liabilities are measured at fair value. Changes in the liabilities occur as the liabilities unwind and as the probability of a performance condition being met changes based on actual and estimated performance subsequent to acquisition. The movement in the fair value is recognised as the finance expense if it is an expense item.

Year ended 31 December	2025 £'000	2024 £'000
Amortisation of facility fees	245	155
Finance lease interest	617	463
Interest on borrowings	4,158	2,880
Movement in long-term acquisition liability	42	–
Other interest	28	59
	5,090	3,557

11. Taxation

Accounting policy:

Taxation expense includes the amount of current income tax payable and the charge for the year in respect of deferred taxation.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised up to the extent that future taxable temporary differences (deferred tax liabilities) exist, or that taxable profits are forecast in that taxpaying group or jurisdiction. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax is charged or credited to the Income Statement, except when it relates to items charged or credited directly to equity, in which case it is dealt with within equity.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised up to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future or up to the extent that future taxable temporary differences (deferred tax liabilities) exist.

The carrying amount of deferred tax assets is reviewed at each reporting 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 based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in the Income Statement, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

11. Taxation continued

The Group is subject to taxation in several jurisdictions and in some jurisdictions makes estimates of the taxation charges before completing tax returns at a later date. The Group's approach to transfer pricing is to apply OECD guidelines. Estimates are based on tax rates enacted in law and calculations are prepared with the assistance of professional advisors. Therefore, the taxation charge is not deemed to be a key source of estimation uncertainty.

a) Analysis of charge for the year

Year ended 31 December	2025 £'000	2024 £'000
Current tax:		
Tax on ordinary activities – current year	6,772	5,044
Tax on ordinary activities – prior year	(319)	140
	6,453	5,184
Deferred tax:		
Tax on ordinary activities – current year	981	(2,351)
Tax on ordinary activities – prior year	254	(152)
	1,235	(2,503)
Tax charge for the year	7,688	2,681

b) Tax charge to Other Comprehensive Income

Year ended 31 December	2025 £'000	2024 £'000
Deferred tax charge arising on cash flow hedges	(306)	664
Total tax charge to Other Comprehensive Income for the year	(306)	664

c) Factors affecting tax charge for the year

The Group has chosen to use a weighted average country tax rate rather than the UK tax rate for the reconciliation of the charge for the year to the profit per the Income Statement. The Group operates in several jurisdictions, some of which have a tax rate in excess of the UK tax rate. As such, a weighted average country tax rate is believed to provide the most meaningful information to the users of the Financial Statements.

The Group has applied the appropriate tax rates per jurisdiction to the deferred tax asset or liability, measured using the tax rates that are expected to apply when the liability is settled or the asset realised based on the tax rates that have been enacted or substantively enacted by the balance sheet date.

The weighted average Group tax rate of 24% (2024: 29%) has reduced due to the full year impact of Peters Surgical which includes higher profits in Thailand where tax rates are lower than the group average, lower profits in Germany as a proportion of Group profits where tax rates are higher than the Group average and the impact of material non-deductible acquisition-related costs in the prior year which impacted the weighted average Group tax rate.

The tax assessed for the year is higher (2024: lower) than the weighted average Group tax rate as explained below:

Year ended 31 December	2025 £'000	2024 £'000
Profit before taxation	17,783	9,823
Weighted average Group tax rate of 24% (2024: 29%)	4,272	2,850
Effects of:		
Expenses not deductible for tax purposes and other timing differences	435	157
Patent Box Relief	(1,180)	(1,129)
Movement in deferred tax assets previously not recognised	3,141	–
Deferred tax asset not recognised on current year losses	1,462	1,036
Utilisation and recognition of trading losses	(149)	(301)
Share-based payments	(293)	68
Tax charge reported in Consolidated income statement	7,688	2,681

In addition to the amounts charged to the Income Statement and the Statement of Comprehensive Income, the Group has recognised directly in equity:

- Excess tax deductions related to share-based payments on exercised options.
- Changes in excess deferred tax deductions related to share-based payments, totalling £0.1 million credit (2024: £0.1 million deficit).

11. Taxation continued**d) Deferred tax**

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon.

	Share-based payments £'000	Advanced capital allowances £'000	Acquired Intangible assets £'000	Research and development assets £'000	Other £'000	Total £'000
At 1 January 2024	1,221	(1,182)	(7,105)	(3,289)	(302)	(10,657)
Credit/(charge) to income	332	(55)	1,562	(192)	856	2,503
Credit to equity	74	–	–	–	664	738
Exchange adjustment	–	19	383	–	183	585
Acquisition of subsidiary	–	(983)	(11,075)	–	(335)	(12,393)
At 31 December 2024	1,627	(2,201)	(16,235)	(3,481)	1,066	(19,224)
Credit/(charge) to income	376	(525)	(926)	(289)	129	(1,235)
Charge to equity	10	–	8,350	–	(306)	8,054
Exchange adjustment	–	–	(680)	–	–	(680)
At 31 December 2025	2,013	(2,726)	(9,491)	(3,770)	889	(13,085)

Certain deferred tax assets and liabilities have been offset where there is a legal, enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2025 £'000	2024 £'000
Deferred tax liabilities	(13,085)	(20,246)
Deferred tax assets	–	1,022
	(13,085)	(19,224)

At the Statement of Financial Position date, the Group has approximately £39 million of unused tax losses (2024: £52 million) available for offset against future profits. These have not been recognised in the Statement of Financial Position as there is not currently sufficient evidence to prove that sufficient taxable profit will be available to utilise these losses. The losses do not have time limits.

At the Statement of Financial Position date, the Group had retained earnings of £65.2 million (2024: £57.1 million) in certain countries which would be subject to withholding tax if a dividend were to be paid. As the Group does not intend to pay a dividend from these entities in the foreseeable future a deferred tax liability has not been recognised (2024: £nil). In the event of the entire retained earnings being remitted, a withholding tax expense of £4.6 million (2024: £4.1 million) would be recorded using current withholding tax rates.

Notes Forming Part of the Consolidated Financial Statements continued

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12. Earnings per share

Accounting policy:

Basic earnings per share is calculated by dividing the profit attributable to equity holders by the weighted average number of Ordinary Shares in issue during the year, excluding shares held by the Company in the Employees' Share Trust or as treasury shares.

Diluted earnings per share is calculated by adjusting the basic earnings per share for the effect of conversion to Ordinary Shares associated with dilutive potential ordinary shares, which comprise share options and awards granted to employees.

Adjusted earnings per share (or adjusted basic earnings per share) is a trend measure which presents the long-term profitability of the Group excluding the impact of specific transactions that management considers affects the Group's short-term profitability. The Group presents this measure to assist investors in their understanding of trends. Adjusted attributable profit is the numerator used for this measure. The Group has identified the following items as those to be excluded when arriving at adjusted attributable profit: acquisition and disposal-related items including amortisation and impairment of acquisition intangible assets and significant restructuring programmes. Adjusted diluted earnings per share is calculated by adjusting the adjusted basic earnings per share for the effect of conversion to Ordinary Shares associated with dilutive potential Ordinary Shares, which comprise share options and awards granted to employees.

The calculation of basic and diluted earnings per share, based on statutory earnings and adjusted earnings, is based on the following data:

Year ended 31 December	2025 000 Number of shares	2024 000 Number of shares
Weighted average number of Ordinary Shares in issue	218,766	217,561
Basic weighted average number of Shares held by EBT	(3,222)	(3,222)
Weighted average number of Ordinary Shares for the purposes of basic earnings per share	215,544	214,339
Effect of dilutive potential Ordinary Shares: share options, deferred share bonus and LTIPs	4,465	3,959
Weighted average number of Ordinary Shares for the purposes of diluted earnings per share	220,009	218,298
	£'000	£'000
Profit for the year attributable to equity holders of the parent	9,954	7,094
Amortisation of acquired intangible assets	10,313	7,804
Movement in long-term acquisition liabilities	42	(868)
Exceptional items	5,805	10,924
Unwind of inventory fair value accounting	–	1,726
Tax on adjusted items	(290)	(3,857)
Adjusted profit for the year attributable to equity holders of the parent before exceptional costs	25,824	22,823
	Pence	Pence
Earnings per share		
Basic	4.62	3.31
Diluted	4.52	3.25
Adjusted basic	11.98	10.65
Adjusted diluted	11.74	10.45

13. Intangible assets and goodwill

Accounting policy:

Acquired intangible assets

Acquired intangible assets that are acquired in a business combination consist mainly of research and device technologies and customer-related intangible assets acquired on acquisition and are initially recognised at their fair value. Acquired intangible assets are amortised over their estimated useful economic lives, usually not exceeding 12 years. In determining the useful economic life, each asset is reviewed separately and consideration given to the period over which the Group expects to derive economic benefit from the asset.

Development costs

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge, is recognised in the Income Statement as an expense in the period in which it is incurred.

Expenditure on development activities, where research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised once it can be demonstrated that the product or process is clearly identifiable, technically and commercially feasible, will generate future economic benefits, that the development costs of the asset can be measured reliably and the Group has sufficient resources to complete development. Expenditure capitalised is stated as the cost of materials and direct labour less accumulated amortisation.

Where development expenditure results in new or substantially improved products or processes and it is probable that recovery will take place, it is capitalised and amortised on a straight-line basis over the product's useful life starting from the date on which serial production commences, which is between three and ten years unless there is commercial evidence demonstrating that this will not be a materially appropriate allocation, in which case amortisation is allocated based on a five-year revenue forecast to ensure the expense is allocated against the benefit arising from the asset. Patents and trademarks are measured initially at purchase cost and are amortised on a straight-line basis.

Regulatory certification costs

Expenditure on regulatory certification costs, where the certificate allows a product to be sold into a market for a period of time greater than one year, is capitalised once it can be demonstrated that the product is clearly identifiable, technically and commercially feasible, will generate future economic benefits, that the certification costs of the asset can be measured reliably and the Group has sufficient resources to complete certification. Expenditure capitalised is stated as the cost of materials less accumulated amortisation. Internal costs relating to regulatory certification costs are not capitalised unless they can be identified as directly attributable to the certification process. Capitalised certification costs are amortised over the term of the certificate which can be up to five years and is deemed to be the useful economic life. Clinical and regulatory data supporting the certification are amortised over ten years reflecting the estimated useful economic life.

Software intangibles

Where computer software is not integral to an item of property, plant or equipment its costs are capitalised as intangible assets when there is sufficient levels of customisation and control of future economic benefits or where other contractual rights exist. Amortisation is provided on a straight-line basis over its useful economic life, which is in the range of three to ten years.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired, on the basis of the recoverable amount for the relevant cash-generating unit. In assessing recoverable amount, the estimated future cash flows are discounted to their present value using a discount rate that reflects the current market assessments of the time. Any impairment is recognised immediately in the Income Statement and is not subsequently reversed.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in the Income Statement.

13. Intangible assets and goodwill continued

Impairment of intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

The recoverable amount is the higher of fair value less costs of disposal 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 the Income Statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in the Income Statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Income Statement to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

Intangible assets

	Acquired intangible assets		Development and recertification costs		Total
	Customer-related £'000	Product-related £'000	Software intangibles £'000	costs £'000	£'000
2025					
Cost					
At beginning of year	41,344	54,066	6,940	35,208	137,558
Additions	–	–	1,111	4,131	5,242
Disposals	–	–	(299)	–	(299)
Exchange differences	1,620	952	362	925	3,859
At end of year	42,964	55,018	8,114	40,264	146,360
Amortisation					
At beginning of year	7,863	18,741	5,111	8,431	40,146
Charged in the year	3,846	6,467	655	2,393	13,361
Disposals	–	–	(299)	–	(299)
Exchange differences	236	(113)	224	74	421
At end of year	11,945	25,095	5,691	10,898	53,629
Net book value					
At 31 December 2025	31,019	29,923	2,423	29,366	92,731
At 31 December 2024	33,481	35,325	1,829	26,777	97,412

Customer-related intangible assets consist of customer lists, brands and other marketing-related intangible assets. Product-related intangible assets primarily consist of patents and technology based know-how.

Customer and product-related intangible assets arising on acquisition in 2024 relate to technology-based and customer-related assets arising on the acquisition of Peters Surgical.

13. Intangible assets and goodwill continued

Intangible assets are amortised on a straight-line basis and the amortisation is recognised within administration costs with the exception of the RESORBA® brand name. The RESORBA® brand name is included within customer-related acquired intangible assets, has a carrying value of £9.0 million and is not being amortised as the Directors believe it has an unlimited useful economic life. In reaching this assessment, the Directors have considered that the RESORBA® brand has existed for over 80 years and is widely recognised as a market leader in the surgical market.

	Acquired Intangible assets		Development and recertification costs		Total
	Customer-related £'000	Product-related £'000	Software intangibles £'000	recertification costs £'000	£'000
2024					
Cost					
At beginning of year	22,978	29,855	5,898	28,007	86,738
On acquisition	19,244	25,271	593	3,696	48,804
Additions	–	–	572	4,115	4,687
Disposals	–	–	(27)	–	(27)
Exchange differences	(878)	(1,060)	(96)	(610)	(2,644)
At end of year	41,344	54,066	6,940	35,208	137,558
Amortisation					
At beginning of year	5,257	13,941	4,656	7,019	30,873
Charged in the year	2,653	5,151	537	1,508	9,849
Disposals	–	–	(27)	–	(27)
Exchange differences	(47)	(351)	(55)	(96)	(549)
At end of year	7,863	18,741	5,111	8,431	40,146
Net book value					
At 31 December 2024	33,481	35,325	1,829	26,777	97,412
At 31 December 2023	17,721	15,914	1,242	20,988	55,864

Goodwill

	2025 £'000	2024 £'000
Cost		
At 1 January	116,884	80,435
Acquisitions	–	39,707
Other movements	(4,191)	(3,258)
At 31 December	112,693	(116,884)

Other movements includes movements due to exchange differences.

The Group has two cash-generating units ('CGU') whereby goodwill has been allocated (2024: two) and reports CGUs on the same basis as the Group's reportable segments (see Note 4).

Following the acquisition of Peters Surgical in the prior year and subsequent commercial restructure, they have been deemed to be sufficiently integrated into the Surgical CGU.

Goodwill in the Surgical CGU also arose on the acquisition of RESORBA® in 2011, the acquisition of Sealantis Limited in 2019, the acquisition of Biomatlante SA in 2019, the acquisition of AFS Medical GmbH in 2022, the acquisition of Connexicon Medical Ltd in 2023, the acquisition of Syntacoll GmbH in 2024 and the acquisition of Peters Surgical Ltd in 2024.

Goodwill in the Woundcare CGU arose on the acquisition of Advanced Medical Solutions B.V. in 2009 and on the acquisition of Raleigh Adhesive Coatings Limited in 2020.

The goodwill and intangible assets with indefinite useful economic life have been allocated to the relevant CGU based upon the underlying identification of operations and assets to which the goodwill and intangible assets relate to.

13. Intangible assets and goodwill continued

Impairment of property, plant and equipment

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal 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 the Income Statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in the Income Statement.

The following table demonstrates the allocation and key assumptions used in management's impairment test:

At 31 December 2025	Discount rate	Medium-term growth rate	Terminal value growth rate	Goodwill £'000	Intangible assets with indefinite useful life £'000	Carrying value £'000
Surgical CGU	13.0%	5.0%	2.0%	96,593	9,024	105,617
Woundcare CGU	12.8%	2.0%	2.0%	16,100	–	16,100
Consolidated				112,693	9,024	121,717

At 31 December 2024	Discount rate	Medium-term growth rate	Terminal value growth rate	Goodwill £'000	Intangible assets with indefinite useful life £'000	Carrying value £'000
Surgical CGU	13.0%	2.0%	2.0%	100,930	8,577	109,507
Woundcare CGU	12.5%	2.0%	2.0%	15,954	–	15,954
Consolidated				116,884	8,577	125,461

The recoverable amounts have been determined based on a value-in-use calculation on a CGU basis, which uses cash flow projections based on financial budgets approved by the Directors covering a 12-month period. These budgets have been adjusted for specific risk factors that take into account sensitivities of the projection. The base 12-month projection is extrapolated using reasonable growth rates based on a combination of past experience and market growth data, specific to each CGU, up to year five of 5% for Surgical and 2% for Woundcare. A terminal value calculation is then prepared to complete the value-in-use calculation using the long-term growth rate and applying the discount rate to the cash flows which is derived from the Group's current pre-tax weighted average cost of capital adjusted for the risk of each CGU, being an estimation of current market risks and the time value of money.

The Group has conducted a sensitivity analysis on the impairment tests of both CGU's. An increase of 3% in the discount rate would not result in an impairment in the Woundcare or Surgical CGU. A decline in revenue of 5% would also not result in an impairment in either CGU. The changes required to generate an impairment charge are not considered to be reasonably possible.

14. Property, plant and equipment and right-of-use assets

Accounting policy:

Land and buildings and plant and equipment held for use in the production of goods and services or for administrative purposes are carried in the Statement of Financial Position at cost less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The Group elected to use the fair value as the deemed cost in respect of land and buildings at the date of transition to IFRS. Fair value was calculated by reference to their existing use at the date of transition.

Depreciation is provided to write off the cost, less estimated residual values, of all property, plant and equipment, over the expected useful life of the asset from the date that the asset is brought into use. It is calculated at the following rates:

- Freehold land – Not depreciated
- Freehold property and improvements – 25 years
- Leasehold improvements and right-of-use assets – Shorter of useful economic life and unexpired period of the lease
- Plant and machinery – 3 to 15 years
- Fixtures and fittings – 3 to 5 years
- Motor vehicles – 4 to 5 years

Property, plant and equipment in the course of construction for production are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other property, plant and equipment assets, commences when the assets are ready for their intended use.

For all assets, the lessee recognises a right-of-use asset and a corresponding liability at the date at which the leased asset is available to use. Assets and liabilities arising from a lease are initially measured on a present value basis using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. Lease payments are allocated between the liability and finance expense. The finance expense is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Payments associated with leases with a lease term of 12 months or less and leases of low-value assets are recognised as an expense in the Income Statement on a straight-line basis.

	Freehold land, property and improvements £'000	Right-of-use assets £'000	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
2025						
Cost						
At beginning of year	15,142	22,357	46,711	1,719	353	86,282
On acquisition	–	–	26	–	–	26
Additions	2,312	3,044	4,531	387	128	10,402
Disposals	(115)	(1,398)	(755)	(1,053)	–	(3,321)
Exchange adjustment	579	533	664	263	5	2,044
At end of year	17,918	24,536	51,177	1,316	486	95,433
Depreciation						
At beginning of year	2,364	9,119	27,464	1,266	198	40,411
Provided for the year	633	3,967	2,894	523	19	8,036
Disposals	(117)	(933)	(730)	(1,022)	–	(2,802)
Exchange adjustment	324	183	337	190	4	1,038
At end of year	3,204	12,336	29,965	957	221	46,683
Net book value						
At 31 December 2025	14,714	12,200	21,212	359	265	48,750
At 31 December 2024	12,778	13,238	19,247	453	155	45,871

At 31 December 2025, freehold land has a carrying value of £2.1 million (2024: £2.0 million).

At 31 December 2025, the Group had entered into contractual commitments for the acquisition of property, plant and equipment amounting to £5.8 million (2024: £0.7 million).

At 31 December 2025, the Group had £10.8 million (2024: £9.3 million) of property right-of-use assets and £1.6 million (2024: £1.8 million) of motor vehicle right-of-use assets. The remaining right-of-use assets primarily related to plant and machinery.

For the year-ended 31 December 2025, the Group incurred £2.7 million (2024: £3.0 million) of depreciation relating to property right-of-use assets and £0.7 million (2024: £1.0 million) of motor vehicle right-of-use assets. The remaining depreciation on right-of-use assets primarily related to plant and machinery.

14. Property, plant and equipment and right-of-use assets continued

	Freehold land, property and improvements £'000	Right-of-use assets £'000	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
2024						
Cost						
At beginning of year	7,516	15,409	39,472	1,504	372	64,273
On acquisition	7,452	3,634	4,146	50	–	15,282
Additions	305	4,071	3,609	205	–	8,190
Disposals	–	(336)	(243)	(7)	–	(586)
Exchange adjustment	(131)	(421)	(273)	(33)	(19)	(877)
At end of year	15,142	22,357	46,711	1,719	353	86,282
Depreciation						
At beginning of year	1,857	6,782	24,718	1,112	203	34,672
Provided for the year	525	2,776	2,967	185	–	6,453
Disposals	–	(336)	(220)	(7)	–	(563)
Exchange adjustment	(18)	(103)	(1)	(24)	(5)	(151)
At end of year	2,364	9,119	27,464	1,266	198	40,411
Net book value						
At 31 December 2024	12,778	13,238	19,247	453	155	45,871
At 31 December 2023	5,659	8,627	14,754	392	169	29,601

15. Inventories

Accounting policy:

Inventory is valued at the lower of cost or net realisable value. Cost comprises direct materials and, where applicable, direct labour costs that have been incurred in bringing the inventories to their present location and condition, and an attributable proportion of manufacturing overheads based on normal levels of activity.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

The Group makes provision for inventory deemed to be irrecoverable or where the net realisable value is lower than cost. This provision is established on a stock keeping unit ('SKU') basis by reference to the age of the stock, the forward order book, management's experience and its assessment of the present value of estimated future cash flow.

	2025 £'000	2024 £'000
At 31 December		
Raw materials	25,674	19,688
Work in progress	11,306	9,617
Finished goods	33,067	25,954
	70,047	55,259

There is no material difference between the replacement cost of stock and the amount at which it is stated in the Financial Statements.

Included above are finished goods of £nil (2024: £nil) carried at net realisable value.

	2025 £'000	2024 £'000
At 31 December		
Total gross inventories	75,378	62,719
Inventory provision	(5,331)	(7,460)
Net inventory	70,047	55,259

The Group performs a detailed assessment of all inventory and provisions are made for items identified as obsolete or slow-moving.

16. Trade and other receivables

Accounting policy:

Financial assets included in Trade and other receivables are recognised initially at fair value. The Group holds the Trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less any impairment, based on expected credit losses. Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there may be no reasonable expectation of recovery include ageing of the debt past 180 days, unwillingness to engage in correspondence and changes in credit quality from the date credit was initially granted up to the reporting date. No interest is charged on receivables within the contracted credit period. Thereafter, interest may be charged on the outstanding balance.

Trade receivables that are subject to debt factoring arrangements are derecognised if they meet the conditions for derecognition detailed in IFRS 9 'Financial Instruments'.

At 31 December	2025 £'000	2024 £'000
Current assets		
Trade receivables	38,456	45,906
Other receivables	5,566	4,427
Prepayments	3,632	2,118
	47,654	52,451
Non-current assets		
Prepayments	583	70
Other receivables	636	959
	1,219	1,029
	2025 £'000	2024 £'000
Amount receivable for the sale of goods	39,319	46,351
Loss allowance	(863)	(445)
Net trade receivables	38,456	45,906

The Group's principal financial assets are cash and trade receivables. Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits are reviewed on an ongoing basis and reflect current payment history. The concentration of credit risk is limited due to the Group's large and unrelated customer base. Accordingly, the Directors believe that there is no further credit provision required in excess of the loss allowance.

The Group believes that the unimpaired amounts that are past due are still collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk. A large proportion of debts overdue over 30 days were recovered post the Statement of Financial Position date. The Group does not hold any collateral or other credit enhancements over these balances. No expected credit loss provision is believed to be required for other receivables. Accrued income is not significant and no expected credit loss is believed to be required. The carrying amount and ageing of these debtors is summarised below:

Other receivables principally relates to lease deposits and deposits as part of the French social security scheme.

Ageing of overdue trade receivables but not impaired receivables

	2025 £'000	2024 £'000
31 to 60 days overdue	1,727	1,599
61 to 90 days overdue	566	183
> 90 days overdue	2,405	2,174
Total	4,698	3,956

Movement in loss allowance for trade receivables

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Balance at the beginning of the year	445	360
On acquisition	–	211
Impairment losses recognised	600	156
Amounts written off as uncollectible	(13)	(225)
Amounts recovered during the year	(169)	(57)
Balance at the end of the year	863	445

16. Trade and other receivables continued**Analysis of customers**

In the year ended 31 December 2025, no customer accounted for more than 10% of the Group's revenue (2024: no customer with more than 10% revenue).

17. Cash and borrowings**Accounting policy:**

Cash and cash equivalents comprise cash and short-term bank deposits. Short-term deposits are classed as cash and cash equivalents when they are satisfied by a pre-determined amount of cash on a known maturity date of 90 days or less or when they can be readily converted into cash within 24 hours. The carrying amount of these assets is approximately equal to their fair value.

Bank borrowings and other loans are initially measured at fair value (with direct transaction costs being amortised over the life of the loan) and are subsequently measured at amortised cost using the effective interest method at each reporting date. Changes in carrying value are recognised in the Consolidated Statement of Comprehensive Income.

Net (Debt)/Cash

	2025 £'000	2024 £'000
Cash held at banks	18,015	17,039
Facility A borrowings held at amortised cost	(54,757)	(59,548)
Facility B borrowings held at amortised cost	(5,973)	(11,902)
Other Debt	(6,982)	(1,372)
Accrued interest	(759)	(27)
Net (Debt)/Cash	(50,456)	(55,810)

The 2024 acquisition of Peters Surgical resulted in the Group obtaining a new debt facility which included a £60 million term loan facility ('Facility A') and £30 million revolving credit facility ('Facility B'). £55.0 million is outstanding on Facility A as at 31 December 2025 following a £5.0 million repayment in July 2025. £6.0 million is outstanding on Facility B with £24.0 million available if required.

Both the term loan and the revolving credit facility mature in April 2028. Interest on drawn funds will be charged at the SONIA interest rate plus a bank margin of 1.50%.

Facility A requires a further £5 million repayment on the 1 July 2026 anniversary date and £5 million each anniversary date thereafter.

Factoring arrangements allow the Group to obtain advanced payment secured against customer payments. The ultimate credit risk of the sales is not transferred to the funding provider and therefore these advanced funds are treated as borrowings instead of a reduction in trade receivables.

Other debt consists of bank borrowings and overdraft facilities at certain legal entities.

Movement in borrowings

	2025 £'000	2024 £'000
Movement in Facility A	(4,791)	59,494
Movement in Facility B	(5,929)	11,858
Other borrowings received/(repaid)	5,610	(3,434)
Movement in accrued interest	(732)	(27)
Other movements	266	–
Advance repayment of Peters Surgical loan balances	–	(50,630)
Total movement in borrowings	(5,576)	17,261

18. Trade and other payables

Accounting policy:

Financial liabilities included in trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method with the exception of contingent consideration arising on acquisitions which continue to be measured at fair value.

	2025 £'000	2024 £'000
Current liabilities		
Trade payables	13,264	13,855
Other payables	7,250	10,993
Lease liabilities	3,332	3,087
Accruals and deferred income	10,437	8,934
	34,283	36,869
Non-current liabilities		
Other payables	4,814	3,873
Lease liabilities	9,720	10,628
	14,534	14,501

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs.

Other payables principally comprise contingent consideration, amounts due in respect of payroll taxes, pension costs and indirect taxes yet to be remitted. See note 19 for additional information relating to contingent consideration.

Accruals principally comprise amounts outstanding for trade purchases and ongoing costs but not yet invoiced. Deferred income is not significant.

No interest is charged on trade payables that are within pre-agreed credit terms. Thereafter, interest may be charged on the outstanding balances at various interest rates. The Group has financial risk management procedures in place to ensure that all payables are paid within the pre-agreed credit terms.

The Directors consider that the carrying amount of trade payables approximates to their fair value.

19. Financial instruments

Accounting policy:**Classification of financial instruments**

Financial instruments are classified as financial assets, financial liabilities or equity instruments.

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

- They include no contractual obligations upon the Group to deliver cash or other financial assets that are potentially unfavourable to the Group; and
- Where the instrument will or may be settled in the Group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Group's own equity instruments or is a derivative that will be settled by the Group exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

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

Financial instruments are classified as Level 1, Level 2 or Level 3 in the fair value hierarchy in accordance with IFRS 13, Fair Value Measurements. Fair value measurements are based upon the degree to which the fair value movements are observable and are summarised as follows:

Level 1: Fair value measurements are defined as those with quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Fair value measurements are defined as those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (prices from third parties) or indirectly (derived from third-party prices).

Level 3: Fair value measurements are defined as those derived from significant unobservable inputs.

Derivative financial instruments are classified as Level 2 whilst contingent consideration arising on business combinations are classified as Level 3.

19. Financial instruments continued

Recognition and valuation of financial assets**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and cash deposits and amounts under short-term guarantees, usually three months or less, that are held for the purpose of meeting short-term cash commitments and are subject to insignificant risk in change in value and which are readily convertible to a known amount of cash. Cash held in accounts with more than 90 days' notice that are not required to meet short-term cash commitments are shown as an investment.

Trade and other receivables

Trade and other receivables are stated initially at fair value and subsequent to initial recognition they are measured at amortised cost including a provision for expected credit losses. The Group measures the provision at an amount equal to lifetime expected credit losses, estimated by reference to past experience and relevant forward-looking factors. The Group writes off a receivable when there is objective evidence that the debtor is in significant financial difficulty and there is no realistic prospect of recovery, for example, when a debtor enters bankruptcy or financial reorganisation.

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

An allowance for expected credit losses is recognised for expected lifetime credit losses that result from the failure or inability of customers to make required payments. It is not necessary for a credit event to have occurred before credit losses are recognised. Instead, the Group accounts for expected lifetime credit losses and changes in those expected lifetime credit losses. In determining the allowance, consideration includes the probability of recoverability based on past experience, general economic factors and adjustments for specific customers whose specific circumstances indicate a higher or lower risk of default. The amount of expected credit losses, if any, are required to be updated at each reporting date.

De-recognition of financial assets:

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Income Statement. In addition, on de-recognition of an investment in a debt instrument classified as FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is reclassified to the Income Statement. In contrast, on de-recognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to the Income Statement, but is transferred to retained earnings.

Recognition and valuation of equity instruments

Equity instruments are stated at par value. Any premium on issue is taken to the share premium account.

Recognition and valuation of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Trade payables

Trade payables are initially recognised at fair value and are subsequently recognised at amortised cost using the effective interest method.

Other loans

Other loans are initially recognised at fair value and are subsequently recognised at amortised cost using the effective interest method at amortised cost using the effective interest method.

19. Financial instruments continued

Financial liabilities at Fair Value Through Profit or Loss ('FVTPL')

A derivative that is not designated and effective as a hedging instrument is classified as held for trading. Financial liabilities are classified as FVTPL where the financial liabilities are held for trading.

Financial liabilities at FVTPL are stated at fair value, with any resultant gain or loss recognised in the Income Statement.

Derivative financial instruments

The Group enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risk.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each Statement of Financial Position date. The resulting gain or loss is recognised in the Income Statement (administrative costs) immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Income Statement depends on the nature of the hedge relationship. The Group currently designates certain derivatives as hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Derivatives with remaining maturity of less than 12 months are presented as current assets or current liabilities.

The Group designates certain hedging instruments, which include derivatives in respect of foreign currency risk, as cash flow hedges. Hedges of foreign exchange risk on highly probable forecast transactions are accounted for as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. The Group assesses whether an economic relationship exists by ensuring that the key terms of the hedging instrument, including notional amounts, timing and underlying currency exposures, are aligned with those of the hedged item.

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge.

Hedge ineffectiveness occurs when there is estimated to be an insufficient net cash inflow to satisfy the requirements of the hedging instruments. The gain or loss relating to the ineffective portion is recognised immediately in the Income Statement.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to the Income Statement in the periods when the hedged item affects the Income Statement, in the same line as the recognised hedged item. Furthermore, if the Group expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to the Income Statement.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in the cash flow hedge reserve at that time remains in equity and is reclassified to the Income Statement when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is reclassified immediately to the Income Statement.

The Group's risk management strategies and hedge documentation are aligned with the requirements of IFRS 9.

Contingent consideration

Contingent consideration arising from a business combination is recognised at fair value on acquisition and include R&D, regulatory, financial and commercial milestones. It is subsequently measured at fair value using decision-tree analysis with key inputs including probability of success, potential for delays and financial projections based on the Group's internal forecasts. Contingent consideration liabilities are classified as financial liabilities measured at fair value. Changes in fair value are recognised in the Consolidated Income Statement.

Right to offset

Financial assets and liabilities are offset and the net amount presented in the Consolidated Statement of Financial Position when the Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

19. Financial instruments continued**Categories of financial instruments**

Financial instruments held by the Group are summarised in the table below and are held at amortised cost with the exception of derivative financial instruments and financial liabilities measured at fair value.

	Carrying value	
	2025 £'000	2024 £'000
Financial assets		
Trade receivables	38,456	45,906
Other receivables	6,202	5,386
Cash and cash equivalents	18,015	17,039
Derivative instruments in designated hedge accounting relationships	1,225	296
Financial liabilities		
Derivative instruments in designated hedge accounting relationships	–	735
Financial liabilities measured at amortised cost	98,409	106,559
Financial liabilities measured at fair value	2,913	3,945
Lease liabilities	13,052	13,715

The Risk Management section on Pages 32 to 38 provides an explanation of the financial risks faced by the Group and the objectives and policies for managing those risks including hedging practices adopted. The information below deals with the financial assets and liabilities.

(a) Maturity of financial liabilities

The maturity profile of the Group's financial liabilities, of which finance lease liabilities are at fixed rates and denominated in Sterling whilst derivative financial instruments are non-interest bearing, is as follows:

	On demand or within one year £'000	Between one and two years £'000	Between two and five years £'000	Five years or more £'000	Total financial liabilities £'000
At 31 December 2025					
Trade and other payables	30,951	1,305	1,732	1,777	35,765
Borrowings	11,370	5,733	51,368	–	68,471
Lease liabilities	3,332	2,735	5,235	1,750	13,052
Financial derivatives	–	–	–	–	–
At 31 December 2025	45,653	9,773	58,335	3,527	117,288
	On demand or within one year £'000	Between one and two years £'000	Between two and five years £'000	Five years or more £'000	Total financial liabilities £'000
At 31 December 2024					
Trade and other payables	33,782	952	1,503	1,418	37,655
Borrowings	5,421	4,956	62,472	–	72,849
Lease liabilities	3,087	2,854	5,092	2,682	13,715
Financial derivatives	261	474	–	–	735
At 31 December 2024	42,551	9,236	69,067	4,100	124,954

The Group enters lease arrangements to acquire right-of-use assets, predominately relating to premises from which the Group operates, vehicles and office equipment. Material leases include the lease of the Group's headquarters, factory and distribution centre in Winsford, UK, a factory in Etten-Leur, the Netherlands, a factory in Saal an der Donau, Germany, and an office in Paris following the acquisition of Peters Surgical in the year.

The Winsford leases were entered into in 2017 and expire in 2032. They have a total lease liability net present value of £5.3 million (2024: £5.2 million) and attract increases at five-year intervals linked to market rate. The incremental borrowing rate is 4%.

19. Financial instruments continued

The Etten-Leur lease was entered into in 2020 and expires in 2033 and has a lease liability net present value of £1.4 million (2024: £1.5 million). Rent increases are indexed-linked on an annual basis. The incremental borrowing rate is 0.62%.

The Saal an der Donau lease has a lease liability net present value of £1.4 million (2024: £1.7 million). The incremental borrowing rate is 4.19%.

The Paris office lease expires in 2027 and has a lease liability net present value of £0.9 million (2024: £0.7 million) and has an incremental borrowing rate of 2.7%.

(b) Contingent consideration

Financial liabilities measured at fair value consists of contingent consideration which has arisen on acquisitions. This is reconciled as follows:

	2025 £'000	2024 £'000
Balance at the beginning of the year	3,945	9,661
Additions through business combinations	–	951
Settlements	(1,073)	(5,529)
Revaluations	(176)	(1,349)
Discount unwind	214	439
Currency revaluations	3	(228)
Balance at the end of the year	2,913	3,945

Management has identified that reasonably possible changes in certain key assumptions, including the likelihood of achieving regulatory approval, the projected revenue of relevant products, gross margin of relevant acquired entities and utilisation of tax losses, may cause the calculated fair value of the above contingent consideration to vary materially in future years and is a key source of estimation uncertainty.

Within financial liabilities measured at fair value are liabilities which arose on the acquisition of Sealantis in 2019 and relate to contingent consideration as well as amounts due to the Israeli Innovation Authority ('IIA').

Amounts due to the Israel Innovation Authority are linked to grants received by Sealantis prior to its acquisition and are payable based on a percentage of the net present value of future sales projections with a 9.8% (2024: 8.0%) discount rate applied and subject to at least 10% of manufacturing being retained in Israel. The Group expects to continue to perform at least 10% of manufacturing in Israel of the relevant products. The liability does not expire until the liability is settled and at 31 December 2025 had an estimated fair value of £1.3 million (2024: £1.3 million). A 10% change in projected

future sales, whether increase or decrease, would result in a corresponding £0.1 million increase or decrease to the contingent consideration.

Contingent consideration arose on the acquisition of AFS, payable €0.5 million per year subject to EBITDA delivery in financial years 2022–2024. The final €0.5 million EBITDA milestone was met in FY2024 and paid in the year ending 31 December 2025.

Following the acquisition of Connexicon in January 2023, one contingent consideration remains: a commercial milestone linked to additional growth on a linear basis up to a maximum of €4 million. The estimated fair value at 31 December 2025 is £1.8 million (2024: £1.4 million).

Contingent consideration on the acquisition of Peters Surgical included conditions payable on achievement of FY24 gross margin targets, US regulatory approval milestones and satisfying certain inventory and tax conditions. £0.8 million was settled in the year following partial achievement of the gross margin and inventory conditions. The US regulatory approvals or tax conditions were not achieved within the required time resulting in £nil fair value being required at 31 December 2025.

(c) Interest rate

Interest on drawn funds will be charged at the SONIA interest rate plus a current bank margin of 1.50%. An increase of 100 basis points to the SONIA interest rate will add approximately £0.6 million of additional interest costs assuming borrowings levels remain unchanged from those at 31 December 2025 and all other variables are unchanged. 100 basis points reflects management's view of changes which are reasonably possible over a one-year period.

(d) Currency exposures

The currency profile of the financial assets of the Group is as follows:

Cash and cash equivalents

	2025 £'000	2024 £'000
Currency		
Sterling	2,236	5,612
US Dollar	4,088	2,002
Euro	10,408	8,201
Other	1,283	1,224
At 31 December	18,015	17,039

19. Financial instruments continued**Trade and other receivables**

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

Trade and other receivables are in the following currencies:

	2025 £'000	2024 £'000
Sterling	12,258	13,025
US Dollar	10,753	15,184
Euro	20,085	21,250
Other	5,777	4,021
	48,873	53,480

The financial assets all mature within one year. Credit risk is discussed in Note 17.

The Group hedges significant currency transaction exposure by using forward contracts, and aims to hedge approximately 80% of its estimated transactional exposure for the next 18 months.

Risk sensitivity

The Group estimates that a 10% movement in the £:US\$ or £:€ exchange rate will impact Sterling revenues by approximately 2.5% and 4.4% respectively and, in the absence of any hedging, this would have an impact on the Group operating margin of 1.7% and 0.7% percentage points respectively. 10% has been used for the sensitivity analysis reflects management's view of changes which are reasonably possible over a one-year period.

Forward foreign exchange contracts

It is the policy of the Group to enter into forward foreign exchange contracts to cover specific foreign currency payments and receipts which primarily relate to US dollar denominated revenues and costs.

The following table details the forward foreign currency contracts outstanding as at the year-end:

Outstanding contracts	Average contract rate		Foreign currency		Fair value	
	2025 USD:£1	2024 USD:£1	2025 USD '000	2024 USD '000	2025 £'000	2024 £'000
Cash flow hedges						
Sell US Dollars						
Less than 3 months	1.30	1.28	10,000	9,500	265	(143)
3 to 6 months	1.29	1.23	9,000	8,500	245	131
6 to 12 months	1.28	1.25	21,000	18,000	703	47
Over 12 months	1.34	1.30	16,000	18,000	12	(474)
			56,000	54,000	1,225	(439)

The fair value amounts (classified under Level 2 of the fair value hierarchy) presented above are the difference between the market value of equivalent instruments at the Statement of Financial Position date and the contract value of the instruments. No profits or losses are included in operating profit in the year (2024: £nil) in respect of FVTPL contracts.

The following table presents the impact of hedging in other comprehensive income:

Impact of hedging in other comprehensive income

	2025 £'000	2024 £'000
At beginning of year	(440)	2,000
Cash flow hedges reclassified to the Consolidated Income Statement	(1,324)	(2,361)
Movement in cash flow hedges recognised in Other Comprehensive Income	2,988	(743)
Movement in deferred tax arising on cash flow hedges	(306)	664
At end of year	918	(440)

20. Foreign exchange rates

Accounting policy:

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Income Statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the date the fair value was determined.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated at foreign exchange rates ruling at the Statement of Financial Position date. The revenue and expenses of foreign operations are translated at an average rate for the period unless exchange rates fluctuate significantly. Exchange differences arising on consolidation are recognised in equity within the Group's translation reserve. Such translation differences are recognised as income or expense in the period in which the operation is disposed of.

The Group uses the average of exchange rates prevailing during the period to translate the results and cash flows of overseas subsidiaries into Sterling and period-end rates to translate the net assets of those entities. The currencies which most influence these translations and the relevant exchange rates were:

	Average rate		Closing rate		Percentage change	
	2025	2024	2025	2024	Average %	Closing %
Currency						
US Dollar	1.31	1.28	1.35	1.25	2	8
Euro	1.17	1.18	1.15	1.21	(1)	(5)

21. Equity

Accounting policy:

Equity includes share capital, share premium, other reserves, translation reserve, retained earnings reserve and non-controlling interest. There are no externally imposed capital requirements on the Group.

Working capital is managed in order to generate maximum conversion of profits into cash and cash equivalents thereby maintaining capital. Flexible borrowing facilities are maintained to provide the Group with access to capital as required. A schedule of net debt is provided in Note 18.

The Group returns cash to shareholders by means of dividends whilst ensuring the Group has the cash available to develop the products and services provided by the Group in order and pursue growth opportunities and provide an adequate return to shareholders.

The Group has de facto control of the assets, liabilities and shares of the Trust and bear their benefits and risks. The Group records assets and liabilities of the Trust as its own.

In compliance with IAS 32 'Financial Instruments: Presentation Group', shares held by the EBT are included in the Consolidated Statement of Financial Position are recorded at cost and as a reduction in equity. Gains and losses on Group shares are recognised directly in reserves.

The Group established a second EBT (The Advanced Medical Solutions Group PLC Employee Benefit Trust) in July 2023 to enable shares to be bought in the market to satisfy the demand from share awards under the Group's employee share plans. The EBT is a separately administered trust and is funded by loans from Group companies. The assets of the Trust comprise shares in the Group and cash balances. The Group recognises the assets and liabilities of the Trust in the Consolidated Financial Statements and shares held by the Trust are recorded at cost as treasury shares as a deduction from shareholders' equity. Consideration received for the sale of shares held by the Trust is recognised in equity, with any difference between the proceeds from the sale and the original cost being taken to retained earnings.

Share capital

	Allotted, called up and fully paid '000
Number of Ordinary Shares of 5p each	
At 1 January 2024	217,329
Share capital allotted for share schemes	535
At 31 December 2024	217,864
Share capital allotted for share schemes	1,693
At 31 December 2025	219,557

21. Equity continued

The rights to ordinary shares are uniform in all respects and they form a single class for all purposes, including with respect to voting and dividends. At the Statement of Financial Position date, 4.0 million (2024: 3.8 million) shares are retained by the Trusts to meet a proportion of the requirements of the scheme. For further information on the Share option plans, see Note 22.

Ordinary Shares of 5p each	Allotted, called up and fully paid £'000
At 1 January 2024	10,865
Share capital allotted for share schemes	27
At 31 December 2024	10,892
Share capital allotted for share schemes	85
At 31 December 2025	10,977

Other reserves

Other reserves includes a merger reserve, share-based payments reserve, share-based payments deferred tax reserve and investment in own shares reserve.

The merger reserve represents Advanced Medical Solutions Limited's share premium account arising from merger accounting.

The share-based payment reserve represents equity relating to shares issued to employees. The share-based payment deferred tax reserve represents the related excess tax deduction recorded within equity.

The investment in own shares relates to shares held in trust on behalf of employees in respect of the Share Incentive Plan by The Advanced Medical Solutions Group UK PLC Employee Benefit Trust which are held at nominal value. 0.2 million (2024: 0.1 million) shares were issued to the Trust in 2025 at nil cost, whilst 0.1 million shares left the Trust (2024: 0.1 million) following employee exercise of the shares.

The shares held in trust on behalf of employees in respect of the Group Share Option Plan by The Advanced Medical Solutions Group PLC Employee Benefit Trust were shares purchased in the open market and held at the weighted average cost of the shares.

The Advanced Medical Solutions Group PLC Employee Benefit Trust was established in July 2023. During the year no shares (2024: no shares) were purchased by the Trust. 3.2 million shares are held at 31 December 2025 (2024: 3.2 million).

Own shares held represent 1.8% (2024: 1.7%) of the called-up share capital of the Group.

Hedging reserve

The hedging reserve represents the cumulative amount of gains and losses on hedging instruments deemed effective in cash flow hedges. The cumulative deferred gain or loss on the hedging instruments are recognised in the Income Statement only when the hedged transaction impacts the Income Statement or is included as a basis adjustment to the non-financial hedged item, consistent with the applicable accounting policy.

Translation reserve

Exchange differences relating to the translation of the net assets of the Group's foreign operations, which relate to subsidiaries only, from their functional currency into the parent's functional currency, being Sterling, are recognised directly in other comprehensive income and the translation reserve.

Non-controlling interest

The Group holds a controlling interest in Sutural, an Algeria-based manufacturer and distributor of sutures which arose as a result of the acquisition of Peters Surgical in 2024.

During the year the Group entered into an agreement to take a controlling interest in PS Peters Surgical Indonesia, an Indonesia-based manufacturer and distributor of sutures.

Dividends

Amounts recognised as distributions to equity holders in the period:

Year ended 31 December	2025 £'000	2024 £'000
Final dividend for the year ended 31 December 2024 of 1.83p (2023: 1.66p) per Ordinary Share	3,954	3,556
Interim dividend for the year ended 31 December 2025 of 0.85p (2024: 0.77p) per Ordinary Share	1,837	1,645
	5,791	5,201
Proposed final dividend for the year ended 31 December 2025 of 2.01p (2024: 1.83p) per Ordinary Share	4,348	3,954

The proposed final dividend is subject to approval by the shareholders and has not been included as a liability in these Financial Statements.

Notes Forming Part of the Consolidated Financial Statements continued

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22. Share-based payments

Accounting policy:

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value, as determined at the grant date of equity-settled share-based payments, is expensed on a straight-line basis over the vesting period, based on the Group's estimate of options that will eventually vest. At each Statement of Financial Position date, the Group revises its estimate of the number of options expected to vest as a result of the effect of non-market based vesting conditions. The impact, if any, is recognised in the Income Statement with a corresponding adjustment to reserves.

Fair value is measured by use of a Black-Scholes Merton or Monte Carlo model. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions and behavioural considerations.

The charge for share-based payments under IFRS 2 arises across the following schemes:

	2025 £'000	2024 £'000
Unapproved Executive Share Option Scheme and Company Share Option Scheme	613	755
Long-Term Incentive Plan	2,105	1,098
Share Incentive Plan and Deferred Annual Bonus Scheme	1,422	1,233
	4,140	3,086

Unapproved Executive Share Option Scheme and Company Share Option Plan ('CSOP')

The following table reconciles the number of share options outstanding:

	2025 Number of Options	2024 Number of Options
Outstanding at beginning of the year	8,693,474	7,528,135
Issued	–	1,573,670
Exercised	(194,579)	(24,938)
Lapsed	(658,368)	(383,393)
Outstanding at end of the year	7,840,527	8,693,474
Exercisable at end of the year	3,310,391	2,592,848

The weighted average remaining contractual life of the options outstanding at 31 December 2025 is 6.4 years (2024: 7.3 years).

The weighted average exercise price of options exercised in the year was £2.09 (2024: £2.53).

The weighted average exercise price of options remaining is £2.30 (2024: £2.28) with a range of exercise prices from £1.82 to £3.29. The weighted average exercise price of options exercisable is £2.75 (2024: £2.58).

The fair value of the executive options is calculated based on a Black-Scholes Merton model.

Under the terms of the Company's Share Option Schemes, approved by shareholders in 2019, the Board may offer options to purchase Ordinary Shares in the Company to all employees of the Company at the market price on a date determined prior to the date of the offer. Individuals who are entitled to awards under the LTIP are not eligible to receive options under the Company's Share Option Schemes.

Performance targets are assessed over a three-year period from the date of grant. Once options have vested they can be exercised during the period up to ten years from the date of grant.

The expected volatility was determined by calculating the historic volatility of the Group's share price over the previous three years.

22. Share-based payments continued**Long Term Incentive Plan ('LTIP')**

The following table reconciles the number of share options outstanding:

	2025 Number of Options	2024 Number of Options
Outstanding at beginning of the year	4,087,524	2,839,886
Issued	2,021,986	1,520,761
Exercised	(772,314)	(193,047)
Lapsed	(305,380)	(80,076)
Outstanding at end of the year	5,031,816	4,087,524
Exercisable at end of the year	525,059	836,735

The exercise price of these options is £1 for each issue of LTIPs.

The weighted average exercise price of the Long-Term Incentive Plan in the year was £1.97 (2024: £2.10).

The weighted average remaining contractual life of the LTIPs outstanding at 31 December 2025 is 8.2 years (2024: 7.9 years).

The fair value of the LTIP options is calculated using the Monte Carlo method. The following table gives the assumptions applied to the options granted in the respective period:

	2025	2024
Share price at grant date	193p	190p
Exercise price	0p	0p
Expected life	2-3 yrs	3 yrs
Contractual life	10 yrs	10 yrs
Risk-free rate	3.65%	4.22%
Expected volatility	41%	36%
Expected dividend yield	1.35%	1.24%
Fair value of option	152p-185p	164p-183p

The expected volatility was determined by calculating the historic volatility of the Group's share price over the previous three years.

The entitlement to shares under the LTIP is subject to achieving the performance conditions referred

to in the Remuneration Report on Page 95. The numbers shown are maximum entitlements and the actual number of shares issued (if any) will depend on these performance conditions being achieved.

Share Incentive Plan ('SIP')

The following table reconciles the number of share options outstanding:

	2025 Number of Options	2024 Number of Options
Outstanding at beginning of the year	3,232,083	2,661,699
Issued	1,300,670	841,398
Exercised	(566,023)	(237,514)
Lapsed	(69,767)	(33,500)
Outstanding at end of the year	3,896,963	3,232,083
Exercisable at end of the year	944,812	935,718

The weighted average exercise price of the Share Incentive Plan in the year was £1.99 (2024: £2.05).

The exercise price of the matching shares is £nil.

The fair value of the SIP shares is calculated based on a Black-Scholes Merton model. The following table gives the assumptions applied to the options granted in the respective period:

	2025	2024
Share price at grant date	195p-217p	203p-232p
Exercise price	0p	0p
Expected life	5 yrs	5 yrs
Risk-free rate	3.65%	4.22%
Expected volatility	41%	36%
Expected dividend yield	1.35%	1.24%
Fair value of option	1.66p	171p-202p

The expected volatility was determined by calculating the historic volatility of the Group's share price over the previous three years.

The entitlement to shares under the SIP is subject to a three-year holding period. The actual number of shares that will be matched will depend on these performance conditions being met. Details on the SIP are given on Page 90.

22. Share-based payments continued**Deferred Annual Bonus Scheme ('DAB')**

The following table reconciles the number of share options outstanding:

	2025 Number of Options	2024 Number of Options
Outstanding at beginning of the year	126,624	127,144
Issued	–	–
Exercised	(28,908)	(520)
Lapsed	–	–
Outstanding at end of the year	97,716	126,624
Exercisable at end of the year	25,518	36,158

The weighted average exercise price of the Deferred Annual Bonus Plan options in the year was £2.03 (2024: £2.04).

The weighted average remaining contractual life of the DAB options outstanding at 31 December 2025 is 6.3 years (2024: 6.6 years).

The fair value of the DAB options is calculated based on a Black-Scholes Merton model.

The expected volatility was determined by calculating the historic volatility of the Group's share price over the previous three years.

The DAB scheme began on 21 May 2014. Participants compulsorily defer part of their bonus for the relevant financial year and they vest at the end of a three-year period from the time of grant.

23. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation. There are no other related party transactions to disclose.

The remuneration of the Directors, is set out in the Remuneration Committee Report on Pages 86 and 92. The remuneration of all key management personnel, which includes Directors, is disclosed in Note 7 to the Consolidated Financial Statements.

24. Audit exemption

The Company is entitled to exemption from audit for its subsidiaries under Section 479A of the Companies Act 2006 for the period ended 31 December 2025.

The Directors have applied this exemption for the following subsidiaries:

Company Name	Company number
Raleigh Adhesive Coatings Limited	02300965
Advanced Medical Solutions (Europe) Limited	08819564

Advanced Medical Solutions Group PLC will guarantee all outstanding liabilities that these subsidiaries are subject to as at the period ended 31 December 2025 in accordance with Section 479C of the Act, as amended by the Companies and Limited Liability Partnerships (Accounts and Audit Exemptions and Change of Accounting Framework) Regulations 2012.

25. Events after reporting period

As disclosed on Page 20, subsequent to 31 December 2025, potential site closures were announced internally in January 2026, with provisional closure dates for the affected sites in March 2027. The financial impact of site closures is subject to variations and is being assessed on an ongoing basis. There have been no other material events subsequent to 31 December 2025.

Company Statement of Financial Position

At 31 December 2025

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	Note	2025 £'000	2024 £'000
Non-current assets			
Investments in subsidiaries	3	169,344	169,344
Trade and other receivables	4	–	38,423
		169,344	207,767
Current assets			
Trade and other receivables	4	31,956	3,663
Cash and cash equivalents		1,183	6,037
Corporation tax debtor		1,664	1,529
		34,803	11,229
Current liabilities			
Trade and other payables	5	(11,423)	(10,255)
Borrowings		(5,572)	(4,755)
		(16,995)	(15,010)
Non-current liabilities			
Borrowings	6	(55,918)	(66,695)
		(55,918)	(66,695)
Net current assets		17,808	(3,781)
Net assets		131,234	137,291
Equity shareholders' funds			
Share capital	7	10,977	10,892
Share premium		37,844	37,525
Other reserves	7	18,945	14,870
Retained earnings		63,468	74,004
Equity attributable to equity holders of the parent		131,234	137,291

The Company reported a net loss for the year ended 31 December 2025 of £4.7 million (2024: loss of £2.6 million) which includes £nil other comprehensive income (2024: £nil).

The Financial Statements of Advanced Medical Solutions Group plc (registration number 2867684) on Pages 147 to 154 were approved by the Board of Directors and authorised for issue on 1 May 2026 and were signed on its behalf by:

Chris Meredith
Chief Executive Officer

Company Statement of Changes in Equity

At 31 December 2025

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	Note	Share capital £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Total £'000
At 1 January 2024		10,865	37,473	11,772	81,768	141,878
Share-based payments	8	–	–	3,086	–	3,086
Share options exercised		27	52	12	–	91
Total comprehensive expense		–	–	–	(2,563)	(2,563)
Dividends paid	7	–	–	–	(5,201)	(5,201)
At 31 December 2024		10,892	37,525	14,870	74,004	137,291
Share-based payments	8	–	–	4,140	–	4,140
Excess Deferred tax on share-based payments		–	–	(114)	–	(114)
Share options exercised		85	319	49	–	453
Total comprehensive expense		–	–	–	(4,745)	(4,745)
Dividends paid	7	–	–	–	(5,791)	(5,791)
At 31 December 2025		10,977	37,844	18,945	63,468	131,234

1. Material accounting policies

Basis of preparation

These Financial Statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101').

In preparing these Financial Statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards, but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken. The Financial Statements have been prepared on the historical cost basis of accounting except as disclosed in the accounting policies set out below.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, revenue, financial instruments, capital management, presentation of a Cash Flow Statement, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets, business combinations, discontinued operations and related party transactions.

As permitted by Section 408 of the Companies Act 2006, the Company has elected not to present its own Income Statement for the year. Advanced Medical Solutions Group plc reported a loss for the year ended 31 December 2025 of £4.7 million (2024: loss of £2.6 million) which includes £nil Other Comprehensive Income (2024: £nil).

The Auditor's remuneration for audit and other services is disclosed in Note 6 to the Consolidated Financial Statements.

Critical judgements in applying the Company's accounting policies and areas of key estimation uncertainty

In the process of applying the Company's accounting policies, which are described below, no judgements have been made by the Directors, nor do any areas of key estimation uncertainty exist that have a significant effect on the amounts recognised in the Financial Statements.

Investment in subsidiaries

Investments in subsidiaries are shown at cost less provision for impairment. The Company assesses investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the Company makes an estimate of the recoverable amount. If the recoverable amount of the investment is less than the carrying amount of the investment, the investment is considered to be impaired and is written down to its recoverable amount.

Foreign currencies

Transactions in currencies other than Pounds Sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each Statement of Financial Position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the Statement of Financial Position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Gains and losses arising on retranslation are included in the Income Statement for the period.

Finance income

Finance income relates to interest earned on cash and cash equivalents. Interest income is accrued on a time-basis, by reference to the principal outstanding and at the effective interest rate applicable.

Finance charges

Finance charges comprise interest payable on interest-bearing loans and borrowings and fair value losses on interest rate swap derivative financial instruments. Finance charges are recognised in the Income Statement on an effective interest method.

Taxation

Tax on the profit or loss for the period comprises current and deferred tax.

Share-based payments

The Company has applied the requirements of IFRS 2 Share-based payments.

The Company issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period. At each Statement of Financial Position date, the Company revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in the Income Statement such that the cumulative expense reflects the revised estimates with a corresponding adjustment to the equity-settled employee benefits reserve.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

1. Material accounting policies continued**Current tax continued**

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised when the contractual rights to the cash flows from the financial assets expire or are transferred. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Trade and other creditors

Trade and other creditors are non-interest bearing and recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

2. Staff costs

The average number of employees in the year was 19 (2024: 18), all of whom were classified as Administration (2024: same). The Directors' remuneration is detailed in Note 7 to the Consolidated Financial Statements.

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Staff costs for all employees, including Executive Directors, consists of:		
Wages and salaries including bonuses	4,083	4,687
Social security costs	820	508
Pension costs	118	122
Share-based payments (see Note 22 to the Consolidated Financial Statements)	4,140	3,086
	9,161	8,403

3. Investments in subsidiaries

	Investments in subsidiaries £'000
Cost	
At 1 January 2024	86,687
Additions	111,327
At 31 December 2024	198,014
Additions	–
At 31 December 2025	198,014
Provisions for impairment	
At 1 January 2024 and 2025	28,670
At 31 December 2024 and 2025	28,670
Net book value	
At 31 December 2023	58,017
At 31 December 2024	169,344
At 31 December 2025	169,344

In the prior year an investment of £64.7 million was made as the Company acquired Groupe Peters Surgical. An investment was also made of £46.6 million into Advanced Medical Solutions (Europe) Limited to facilitate its ability to provide loans to related parties.

An impairment assessment was performed on the investments in subsidiaries at 31 December 2025 with no impairment required in the year (2024: £nil). There are no quoted investments.

3. Investment in subsidiaries continued

The following were subsidiary undertakings at the end of the year and have all been included in the consolidated accounts.

Name	Principal place of business	Group interest	Nature of business	Registered address
Wholly owned subsidiaries:				
AFS Medical GmbH	Austria	100%	Distribution of medical products	Gewerbepark B17/II, Straße 1/3, 2524 Teesdorf, Austria
Resorba s.r.o.	Czech Republic	100%	Manufacture and sales office of medical products	Haltravska No. 9/578, 34401, Domazlice, Czech Republic
Advanced Medical Solutions Limited	England	100%*	Development and manufacture of medical products	Premier Park, 33 Road One, Winsford Industrial Estate, Winsford, Cheshire, CW7 3RT, United Kingdom
Advanced Medical Solutions (UK) Limited	England	100%*	Holding Company	Premier Park, 33 Road One, Winsford Industrial Estate, Winsford, Cheshire, CW7 3RT, United Kingdom
Advanced Medical Solutions Trustee Company Limited	England	100%*	Trustee Company	Premier Park, 33 Road One, Winsford Industrial Estate, Winsford, Cheshire, CW7 3RT, United Kingdom
Advanced Medical Solutions (Plymouth) Limited	England	100%*	Dormant	Premier Park, 33 Road One, Winsford Industrial Estate, Winsford, Cheshire, CW7 3RT, United Kingdom
Advanced Healthcare Systems Limited	England	100%	Dormant	Premier Park, 33 Road One, Winsford Industrial Estate, Winsford, Cheshire, CW7 3RT, United Kingdom
MedLogic Global Holdings Limited	England	100%	Holding Company	Premier Park, 33 Road One, Winsford Industrial Estate, Winsford, Cheshire, CW7 3RT, United Kingdom

Name	Principal place of business	Group interest	Nature of business	Registered address
Innovative Technologies Limited	England	100%	Dormant	Premier Park, 33 Road One, Winsford Industrial Estate, Winsford, Cheshire, CW7 3RT, United Kingdom
Advanced Medical Solutions (Europe) Limited	England	100%*	Providing financial support to other Group entities	Premier Park, 33 Road One, Winsford Industrial Estate, Winsford, Cheshire, CW7 3RT, United Kingdom
Raleigh Adhesive Coatings Limited	England	100%	Development and manufacture of medical products	Premier Park, 33 Road One, Winsford Industrial Estate, Winsford, Cheshire, CW7 3RT, United Kingdom
Biomatlante S.A	France	100%*	Development and manufacture of medical products	5, Rue Edouard Belin, 44360 Vigneux de Bretagne, France
Groupe Peters Surgical	France	100%	Holding Company	1 Cours de l'Île Seguin, 92100 Boulogne-Billancourt, Paris, France
Peters Surgical	France	100%	Development and manufacture of medical products	1 Cours de l'Île Seguin, 92100 Boulogne-Billancourt, Paris, France
Advanced Medical Solutions (Germany) GmbH	Germany	100%*	Holding Company	Am Flachmoor 16, 90475 Nuremberg, Germany
Catgut GmbH	Germany	100%	Development and manufacture of medical products	Gewerbepark 18 · 08258 Markneukirchen, Germany
MPN Medizin Produkte Neustadt GmbH	Germany	100%	Manufacture of medical products	Sierkdorfer Str. 15, 23730, Neustadt in Holstein, Germany
Resorba Medical GmbH	Germany	100%	Development and manufacture of medical products	Am Flachmoor 16, 90475 Nuremberg, Germany
Advanced Medical Solutions Saal GmbH	Germany	100%	Development and manufacture of medical products	24 Donaustraße, Saal an der Donau, Bavaria, Germany

3. Investment in subsidiaries continued

Name	Principal place of business	Group interest	Nature of business	Registered address
TNI Chirurgisches Nadelwerk GmbH	Germany	100%	Development and manufacture of medical products	Erfurter Straße 46 · 99334 Ichtershausen, Germany
Connexicon Medical Limited	Ireland	100%	Development and manufacture of medical products	Synergy Centre, TU Dublin, Tallaght, Dublin 24, D24 A386, Ireland
Peters Surgical India Private Limited	India	100%	Development and manufacture of medical products	E-25, B-1 Extn, Mcie Badapur, New Delhi, Delhi 110044, India
Advanced Medical Solutions Israel (Sealantis) Limited	Israel	100%	Development and manufacture of medical products	Malat Building, Technion City, Haifa, Israel 3200004
Peters Surgical Benelux S.A.	Luxembourg	100%	Distribution of medical products	Beelerstrooss 2 9991 Weiswampach, Luxembourg
Advanced Medical Solutions BV	Netherlands	100%*	Development and manufacture of medical products	Munnikenheiweg 35, 4879 NE Etten-Leur, Netherlands
Peters Surgical Polska SP Z.O.O.	Poland	100%	Distribution of medical products	Ul. Przasnyska 6b, 01-756 Warszawa, Poland
Resorba ooo	Russia	100%	Distribution of medical products	Fadeeva Str. 5, 125047 Moscow, Russia
Peters Surgical International Co. Limited	Thailand	100%	Development and manufacture of medical products	227 Lat Krabang Industrial Estate, Lat Krabang, Bangkok 10520, Thailand
Advanced Medical Solutions (USA) Inc	USA	100%	Marketing support of medical products	2711 Centerville Road, Suite 400, Wilmington, Newcastle, 19808, Delaware, USA
Vitalitec International Inc	USA	100%	Development and manufacture of medical products	10 Cordage Park # 200, Plymouth, MA 02360 USA

Subsidiaries not wholly owned:

Name	Principal place of business	Group interest	Nature of business	Registered address
SPA Sutural	Algeria	49%	Development and manufacture of medical products	Centre Regus, Centre commerciale Bab Ezzouar, 16024 Bab Ezzouar, Algeria
PT Peters Surgical Indonesia	Indonesia	49%	Development and manufacture of medical products	4B, Jl. Penjernihan I No. 38, Kelurahan Bendungan Hilir, Kecamatan Tanah Abang, Jakarta Pusat 10210, Indonesia

* Held directly by Advanced Medical Solutions Group PLC.

^ s.291 of German Commercial Code invoked: No consolidated financial statements prepared for the German companies.

The above table reflects the situation at the year-end. The Company is the ultimate parent within the Group.

4. Trade and other receivables

	2025 £'000	2024 £'000
Non-current assets		
Amounts due from Group undertakings	–	38,423
	2025 £'000	2024 £'000
Current assets		
Prepayments	145	96
Amounts due from Group undertakings	31,811	3,567
	31,956	3,663
	2025 £'000	2024 £'000
Amounts owed by Group undertakings		
At 1 January	44,330	36,901
Movement	(10,179)	7,429
At 31 December	34,151	44,330
Provisions for impairment		
At 1 January	2,340	2,340
At 31 December	2,340	2,340
Net book value		
At 31 December	31,811	41,990

Amounts owed by Group undertakings relates primarily to funds provided to Advanced Medical Solutions Limited, a related party, to make acquisitions. The borrowings are typically repayable on demand and attract no interest. A £30 million facility is available to Advanced Medical Solutions Limited until 31 December 2026 primarily to finance acquisitions. The Company also acts as the central treasury hub providing short-term working capital and longer-term funding to other Group entities depending on the specific needs of the individual entity. All amounts due from intercompany undertakings are unsecured.

An assessment was performed on the amount owed by Group undertakings with no provision required in the year ended 31 December 2025. (2024: £nil).

5. Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Borrowings		
Amounts owed to Group undertakings	7,933	4,981
Accruals and deferred income	3,490	5,274
	11,423	10,255

Amounts due to Group undertakings are repayable on demand and attract no interest expense. Amounts owed to Group undertakings have arisen as the Company acts as the central treasury hub for the Group, receiving and distributing funds between subsidiaries.

Deferred income is not significant and is therefore not presented separately.

6. Borrowings

	2025 £'000	2024 £'000
Borrowings owed by the Company		
Facility A borrowings	54,757	59,548
Facility B borrowings	5,973	11,902
Accrued interest	759	–
Total borrowings	61,489	71,450

The Company 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 term loan facility requires a £5 million repayment on the 1 July 2026 anniversary date and £5 million each anniversary date thereafter.

7. Equity

Details of the share capital of the Company as well as the nature and purpose of equity reserves are provided in Note 21 on Pages 142 and 143 in the Notes to the Group's accounts.

Other reserves contains investment in own shares and the share based payments reserve.

8. Share-based payments

The charge for share-based payments under IFRS 2 arises across the following schemes:

	2025 £'000	2024 £'000
Unapproved Executive Share Option Scheme and Company Share Option Scheme	613	755
Long-Term Incentive Plan	2,105	1,098
Share Incentive Plan and Deferred Annual Bonus Scheme	1,422	1,233
	4,140	3,086

Details on the share-based payments of the Company are provided in Note 22 on Pages 144 to 146 in the Notes to the Group's accounts.

9. Subsequent events

There have been no material events subsequent to the end of the reporting period.

Five-Year Summary

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	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Consolidated Income Statement					
Revenue	228.9	177.5	126.2	124.3	108.6
Profit from operations (pre-exceptional)	22.7	11.2	18.9	24.9	23.0
Profit attributable to equity holders of the parent (pre-exceptional)	10.0	7.1	15.9	20.4	17.5
Basic earnings per share (pre-exceptional)	4.6p	3.3p	7.4p	9.4p	8.1p
Consolidated Statement of Financial Position					
<i>Net assets employed</i>					
Non-current assets	255.4	262.2	166.9	149.2	134.5
Current assets	139.4	126.3	122.3	131.9	115.0
Total liabilities	(134.7)	(147.0)	(45.0)	(44.5)	(36.8)
Net assets	260.1	241.5	244.2	236.6	212.7
Equity attributable to equity holders of the parent	258.8	240.8	244.2	236.6	212.7
Non-controlling interest	1.3	0.7	–	–	–
Total equity	260.1	241.5	244.2	236.6	212.7

Alternative performance measures

The Group's performance is assessed using a number of financial measures which are not defined under IFRS and are therefore non-GAAP (or alternative) performance measures. The relevant IFRS measures are also presented where appropriate. Adjusted measures are believed by the Directors to provide the reader with additional information and an alternative year-on-year comparison as we believe this provides both management and investors with a more effective comparison of the Group's trading performance. The principles to identify adjusting items have been applied to the current and prior year comparative numbers on a consistent basis. Alternative performance measures are set out as follows:

- Constant currency measures revenue when excluding the effects of currency movements by retranslating non-pounds sterling sales using foreign exchange rates from the previous financial year. This metric is a key internal and external metric and is reconciled to statutory measures on Page 157.
- Adjusted profit before tax is shown before exceptional items, amortisation of acquired intangible assets, movement in long-term liabilities recognised on acquisition and unwind of Inventory fair value accounting as reconciled in the Financial Review (See Page 29). Adjusted profit before tax show the profitability and performance of the group and is a key internal and external metric.
- Adjusted EBITDA is shown before exceptional items, interest, amortisation, depreciation and tax as reconciled in the Financial Review (See Page 28). Adjusted segment EBITDA are reconciled on this page. Adjusted EBITDA show the profitability and performance of the group and is a key internal and external metric.
- Adjusted operating margin is shown by calculating adjusted operating profit as reconciled on this page before dividing by revenue. Adjusted operating profit and margin show the profitability and performance of the group and is a key internal and external metric.
- Gross margin percentages are calculated by dividing the relevant gross margin figure by revenue. Adjusted gross margin is reconciled to gross margin on this page and is a key internal and external metric.
- Adjusted earnings per share measures are derived from adjusted profit after tax with the rationale for their use being the same as for adjusted profit metrics and are reconciled to their IFRS equivalent in Note 12 to the consolidated financial statements.
- Adjusted income tax is shown before the tax effect on exceptional items, the movement in deferred tax on acquired intangibles and the tax effect on other adjusted items and is reconciled on this page and shows the impact on income tax of items regarded as adjusted items.
- Net debt is reconciled in Note 17 and provides a useful overview of the Group's financial position.

Further information regarding the profit adjusting items can be found in the notes to the Group Financial Statements:

- Exceptional items (Note 5)
- Amortisation of acquired intangible assets (Note 13)
- Movement in long-term acquisition liabilities (Note 9 and 10)
- Tax on adjusted items (Note 11)

	2025 £'000	2024 £'000
Reconciliation of operating profit to adjusted operating profit		
Profit before tax	17,783	9,823
Amortisation of acquired intangibles	10,313	7,804
Exceptional items	5,805	10,924
Unwind of inventory fair value accounting	–	1,726
Adjusted operating profit	33,901	30,277

	2025 £'000	2024 £'000
Reconciliation of Adjusted segment EBITDA to Adjusted EBITDA		
Adjusted surgical segment EBITDA	44,671	36,466
Adjusted Woundcare segment EBITDA	6,168	4,768
Unwind of inventory fair value accounting	–	1,726
Unallocated expenses	(975)	(2,789)
Adjusted EBITDA	49,864	40,171

Adjusted EBITDA is reconciled to operating profit in the Financial Review on Page 28.

Alternative performance measures continued

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	2025 £'000	2024 £'000
Reconciliation of gross margin to adjusted gross margin		
Gross margin	122,138	92,618
Unwind of inventory fair value accounting	–	1,726
Adjusted gross margin	122,138	94,344

	2025 £'000	2024 £'000
Reconciliation of Reported Income tax expense to adjusted Income tax		
Income tax	7,688	2,681
Tax on exceptional items	1,204	1,981
Movement in Deferred Tax on acquired intangibles	(926)	1,564
Tax on other adjusted items	12	312
Adjusted income tax	7,978	6,538

Reconciliation of constant currency

Constant currency performance is measured by re-translating 2025 revenues at the previous year's exchange rates

	2025 Re-translated £ million	2024 Reported £ million	Change at constant currency
Surgical Business Unit			
Advanced Closure	48.6	43.4	12%
Internal Fixation and Sealants	8.3	8	3%
Sutures, clips and VTO	82.7	50.4	64%
Biosurgical Devices	27.5	22.6	22%
Other Distributed	16.9	11.4	48%
Total	184	135.8	36%

	2025 Re-translated £ million	2024 Reported £ million	Change at constant currency
Woundcare Business Unit			
Infection and Exudate Management	42.3	36.9	15%
Other Woundcare	3.4	4.9	-30%
Total	45.7	41.8	9%

Reconciliation of Revenue excluding Peters Surgical

	2025 £ million	2024 £ million	Reported growth
Group revenue excluding Peters Surgical	154.8	140.3	10%
Peters Surgical	74.1	37.2	99%
Total Group revenue	228.9	177.5	29%

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