

**SYNECTICS**

**A Leader in Advanced Security  
and Surveillance Solutions**



**Synectics plc** Annual Report & Accounts 2025

**Seamless Security.  
Smarter Surveillance.  
Intelligent Insight.**

# Synectics plc\* (AIM: SNX) is a leader in advanced security and surveillance solutions that help protect people, property, and assets around the world.

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## Financial Highlights

### Revenue

£68.1m

(FY24: £55.8m)

### Adjusted EBITDA<sup>1</sup>

£8.5m

(FY24: £6.3m)

### Adjusted Diluted EPS<sup>2</sup>

28.0p

(FY24: 21.7p)

### Order Book

£26.5m

(FY24: £38.5m)

### Net Cash

£14.1m

(FY24: £9.6m)

### Total Dividend

5.0p

(FY24: 4.5p)

## Operational Highlights

### Synectic Systems Revenues up 21%

Driven by a significant increase in revenue from the leisure and hospitality sector.

→ Read more on pages 22 and 23

### Ocular Integration Revenues up 24%

Underpinned by solid growth across transport and critical infrastructure markets sector.

→ Read more on pages 24 and 25

### Major Gaming Project Delivered

Demonstrating Synectics' capability to deliver large-scale, mission-critical deployments internationally.

### Business-Wide Transformation Underway

Executing a transition to a scalable, product-led, and partner-enabled growth model, supported by an enhanced leadership structure within Synectic Systems.

→ Read more on page 22

### Award Recognition

Synergy DETECT named Winner in the Surveillance/CCTV Innovation category at the Benchmark Magazine Innovation Awards.

→ Read more on page 16

### CFO Appointment

Appointment of Paul Williams to the Board as Chief Financial Officer in August 2025.

\* Synectics plc is referred to as 'Synectics', the 'Company', and the 'Group' in this document.

1. Adjusted EBITDA represents profit before share-based payments, finance costs, tax, depreciation, amortisation, and non-underlying items.

2. Adjusted Earnings per Share (EPS) is based on profit after tax but before share-based payments and non-underlying items (see note 13 to the Consolidated Financial Statements).



For the latest news and information visit our website

→ [synecticsplc.com](https://synecticsplc.com)

At a Glance

# Advanced security and surveillance solutions

## Who We Are

Synectics delivers innovative solutions for customers where security is critical to operations, protecting people, property, and assets worldwide.

We transform their operations by uniting systems, technologies, and data – enhancing safety, streamlining processes, and empowering smarter decision-making and faster responses.

Our technical expertise, decades of experience, and strong partnerships set us apart, providing innovation and service that drive real value and long-term success.



## Where We Operate

We have nine sales and support hubs covering the UK & Ireland, North America, Europe, Asia-Pacific, and the Middle East.








## Our Purpose

Protecting the environments society depends on.

## Our Vision

To be the most trusted provider of intelligent, cyber-secure security and surveillance solutions for critical industries and the people they serve.

## Our Markets

- |  |   |   |  |   |
|--|---|---|--|---|
| <p> <b>Critical Infrastructure</b></p> <ul style="list-style-type: none"> <li>• Utilities</li> <li>• Custodial</li> <li>• Emergency Services</li> <li>• Healthcare</li> </ul> | <p> <b>Energy</b></p> <ul style="list-style-type: none"> <li>• Offshore Oil &amp; Gas</li> <li>• Onshore Oil &amp; Gas</li> <li>• Refineries</li> <li>• Vessels</li> <li>• Renewables</li> </ul> | <p> <b>Public Space</b></p> <ul style="list-style-type: none"> <li>• Smart Cities</li> <li>• Local Authorities</li> <li>• Education</li> <li>• Retail</li> </ul> | <p> <b>Transport</b></p> <ul style="list-style-type: none"> <li>• Transport Hubs</li> <li>• Mass Transit Vehicles</li> <li>• Mobility Infrastructure</li> </ul> | <p> <b>Leisure &amp; Hospitality</b></p> <ul style="list-style-type: none"> <li>• Casinos</li> <li>• Resorts</li> <li>• Stadiums &amp; Venues</li> <li>• Heritage</li> </ul> |
|--|---|---|--|---|

### Businesses

**2**  
Distinct businesses operating in growing markets

### Employees

**300+**  
Employees worldwide

### Partners

**15**  
Premium and 30+ Certified Partners

### Locations

**9**  
Sales and support hubs covering the UK & Ireland, North America, Europe, Asia-Pacific, and the Middle East

# Synectics is entering the next stage of its development from a position of **financial strength**



I am pleased to report strong results for the year. These results were delivered as a result of focused operational execution and careful cost management. Importantly, we closed the year with a record cash balance and no bank debt. The balance sheet strength provides the flexibility needed to support our ongoing investment priorities while keeping financial resilience.

Throughout the year, the Board worked closely with the CEO to review the Group's strategic positioning and operating model. It became clear that while Synectics has solid foundations, the business requires sharper focus and structural alignment to unlock its full potential. The Board fully supports the transition underway towards a more scalable, product-led, and partner-enabled business model.

FY25 was a year of both delivery and deliberate repositioning for Synectics. From a Board perspective, the priority has been to ensure that financial performance is matched by disciplined governance, thoughtful capital allocation, and a clear strategic direction for sustainable long-term growth.

Governance and oversight remain central to our approach. The Board continues to monitor progress against transformation milestones, commercial performance, risk management, and capital allocation to ensure that the strategy is executed with rigour and accountability.

We are committed to our progressive dividend policy, reflecting confidence in the underlying strength of the business and its long-term prospects.

The Board believes Synectics is entering the next stage of its development from a position of financial strength, strategic clarity, and improved operational focus. We are confident that the actions that have been taken will strengthen the Group's competitive position and deliver enhanced shareholder value over the medium term.

On behalf of the Board, I would like to thank our shareholders and stakeholders for their continued support and our employees for their commitment and professionalism in delivering these results and advancing the Group's long-term ambitions.

I look forward to updating you further on our progress in due course.

**Bob Holt OBE**  
Non-Executive Chair  
2 March 2026

# During FY25, we balanced **strong operational delivery** with early progress on reshaping the business



FY25 was a year of robust performance and the commencement of a strategic transition for Synectics.

We delivered solid financial results, reflecting resilience across our core markets and the delivery of a significant gaming contract, while simultaneously laying the next phase of our strategic and operational foundations, focused on delivering sustainable growth.

Synectics' capabilities go far beyond traditional CCTV. In an increasingly connected world faced with growing geopolitical uncertainty, we help critical industries to stay ahead of threats and add value to their operations by delivering intelligent, cyber-secure surveillance solutions that protect people, infrastructure, and operations. Our platform combines video management, cybersecurity, AI, and real-time insight with deep operational expertise – helping our customers across the world, detect threats, prevent loss, and improve performance.

As security and surveillance needs continue to evolve, so too does our business and our strategy. We are therefore focused on building scalable, product-led capabilities and a strong partner ecosystem, ensuring Synectics can deliver greater value to customers more efficiently and at a greater scale.

The progress we made in FY25 reflects the dedication and hard work of our teams, and I want to thank them for their commitment, resilience, and focus during such a pivotal time for the business.

## FY25: Delivery During Transition

During FY25, we balanced strong operational delivery with early progress on reshaping the business.

Revenue increased to £68.1 million (FY24: £55.8 million), supported by the successful delivery of a significant non-recurring gaming contract in South-East Asia, and Adjusted EBITDA grew to £8.5 million (FY24: £6.3 million). We entered FY26 with a solid order book and good pipeline visibility.

The year marked an important period of review, insight, and capability development for the Group. In my first year as CEO, we spent time examining our markets, products, and ways of working, challenging long-held assumptions and assessing the business' position to scale in a changing technology and customer environment. That work has shaped the future direction we are taking.

As security and surveillance needs continue to evolve, so too does our business and our strategy. We are therefore focused on building scalable, product-led capabilities and a strong partner ecosystem, ensuring Synectics can deliver greater value to customers more efficiently and at a greater scale.

### Sharpened Focus Through Strategic Transformation

Throughout FY25, we have evolved and expanded the strategy we first set out last year – moving from early direction-setting into focused execution of a business-wide transformation. What began as a strategic refresh has evolved into a clear plan to build a more scalable, product-led software business – one that serves customers with insight, clarity, and confidence.

This process has identified five clear priorities that will underpin our strategy and guide investment and execution across the business – our 5 "P" Strategy – **People**, customer-driven **Product**, **Partner**-led growth, market **Presence**, and **Productivity**. Together, these represent both the capabilities we are building and the enablers of future growth. This transformation will ultimately increase revenue, build margin resilience, and support our ability to scale through partners rather than internal resources.

→ Read more on pages 8 and 9

### Delivering Today, Investing for Tomorrow

I recognise that this transformation represents a shift from how we have historically operated. Whilst we continue to deliver for our customers, we are also investing in the capabilities that will allow us to drive value and repeat it at scale.

Our continued investment is essential if we are to build a business that scales – one where we can deliver more value without proportional increases in bespoke effort. We are increasing investment in technology development, partner enablement, internal processes, go-to-market execution, and brand capability. These internally funded investments will result in a net increase in the cost base in the short term, which will have an impact on our near-term profitability, but they are critical to the successful execution of our strategy and to building a business that delivers stronger, more predictable returns over the long term.

In parallel, we are also exploring selective bolt-on acquisitions aligned to our strategic priorities, where they can accelerate capability in these areas.

### Environmental, Social and Governance

We recognise that strong environmental, social and governance practices are integral to building long-term resilience and trust with our customers, partners, and stakeholders. During FY25, we continued to enhance our governance frameworks, embed risk management disciplines, and strengthen controls that support ethical decision-making across the Group. We are also focused on reducing our operational impact, improving our energy efficiency, and fostering an inclusive workplace where diverse perspectives are valued, and people can thrive.

As we move into FY26, we will further formalise our ESG approach, including setting clearer priorities and measurement frameworks that align with the expectations of our stakeholders and the markets we serve. These efforts will underpin how we deliver strategy, attract and retain talent, and create sustainable value for our investors and customers.

### Board

In August 2025, we welcomed Paul Williams to the Board as Chief Financial Officer. Paul brings valuable experience from across the software and technology sectors, alongside strong public company expertise. Since joining, he has worked closely with me and the wider Senior Leadership Team to support the next phase of the Group's strategic and operational development.

### Outlook

With our strategy firmly in place, we are focused on executing a business-wide transformation, shifting from a bespoke, project-by-project delivery model to a scalable, product-led software business with defined sector focus and a partner-centric global reach.

Group revenue performance in FY26 is expected to be around 10% lower than FY25 with growth offset by the absence of the significant one-off contract delivered in FY25, alongside increased investment aligned with our medium and long-term growth priorities. These investments, which are being funded from existing cash resources, are expected to drive mid-single-digit EBITDA margins in the current year and are essential to equipping the business for scalable, repeatable growth.

FY26 represents a pivotal execution year; one in which we expect to embed the structural, operational, and cultural changes required to support our new business model. We are confident that the benefits of this transformation will be evident from the end of FY26, with strong momentum expected in FY27 and FY28, as our investments translate into stronger commercial performance and improved operating leverage. Financial performance is expected to materially strengthen from the end of FY26 with double-digit revenue growth from FY27, when EBITDA is expected to exceed normalised FY25 levels once the impact of the non-recurring contract is excluded.

We entered FY26 with a strong balance sheet, solid order book, good pipeline visibility, and strong customer relationships. I am confident that our strategy positions Synectics well to deliver sustainable growth, stronger returns, and increased shareholder value over the years ahead.

**Amanda Larnder**  
Chief Executive Officer  
2 March 2026

# Delivering our transformation strategy

Our 5 “P” Strategy – *People*, customer-driven *Product*, *Partner-led Growth*, market *Presence*, and *Productivity* – represents both the capabilities we are building and the enablers of future growth.

At the heart of our transformation is building a culture of focus, ownership, and delivery that enables us to scale with pace and discipline. Combined with our broader investment in the key strategic priorities, these changes will support both top-line growth and long-term margin improvement.



## People

People are the foundation of our business, without which the strategy cannot be executed. As we make progress in reshaping the business to deliver scalable growth, success will increasingly depend on high-performing teams with the right skills, incentives, and mindset to execute our strategy. We are now developing a strong culture of excellence, collaboration, and accountability, which will enable faster execution, clearer prioritisation, higher-quality outcomes, and greater depth of relationships – both internally and with customers and partners.

We are investing in building and empowering teams to execute the strategy and deliver consistent, high-quality service for customers. During FY25, I have established a Senior Leadership Team for Synectic Systems that brings the expertise and experience needed to support our transformational strategy. These roles include the appointment of a Chief Commercial Officer, a Chief Operating Officer, and a Chief Technology Officer, all within our Synectic Systems division. We also appointed a Head of Global Channel Partners to drive a fundamental part of our strategy, building our partner ecosystem, and we will shortly welcome a Marketing Director into a newly created role.

During the year, we also became an accredited Living Wage employer in the UK, reinforcing our commitment to fair employment practices and to creating a workplace where people can thrive.

These changes reflect a broader focus on performance, execution, and creating a workplace where people can thrive. While progress has been made, we recognise that building the culture and capability required to support long-term growth is an ongoing journey and this will continue to be a focus for us across the medium term.

## Customer-Driven Product

Significantly, we are developing a product-led approach – one that delivers repeatable, insight-driven value to customers across multiple sectors, rather than a bespoke, project-by-project delivery model.

Innovation is central to our approach, and our product roadmap is being reshaped around market needs. During FY25, we developed a dedicated product strategy and product management capability, alongside a customer experience function, ensuring the roadmap is now informed by customer and partner insight and feedback.

A key priority for FY26, and where we are already making good progress, is the simplification of the configuration and deployment of our Synergy software platform. By the end of FY26 we will have reduced the average installation time for an average Synergy deployment from 20 days to 4.5 days, in turn reducing reliance on Synectics’ engineers for installation and significantly enhancing the ability of our partners to sell and deploy Synergy. This also will benefit both margins and productivity.

In parallel, we are progressing the re-engineering of our COEX camera range. In FY26, we expect to deliver meaningful cost reductions in response to increased competitive pressure, while simultaneously redesigning the core COEX product to support the next generation of high-performance product range tailored to the evolving needs of the energy market.

Over time, the business will also reduce its reliance on customised and hardware-heavy projects and increase its exposure to higher-margin software and recurring revenue streams. It is important to highlight that this does not mean imposing a single commercial model across all markets. While some sectors are more open to subscription-based solutions, others, particularly those that prefer on-premises solutions for security reasons, remain at an earlier stage of that transition. Our increased focus on an extended product offering also drives increased recurring revenue and thus enhanced revenue visibility.

## Partner-Led Growth

Strengthening and expanding our partner ecosystem is central to our growth ambitions.

We are expanding our go-to-market strategy to support greater scale through a broader ecosystem of partners, both systems integrators (‘SI’) and technology providers, who can extend our reach and deliver value in key sectors and geographies. In FY25, we launched a major expansion of our global SI partner programme, led by our Head of Global Channel Partners, which offers enhanced benefits and improved ways of working for all our partners.

In FY26, we will focus on further developing this programme, expanding the partner network to new partners, and embedding the tools, training and commercial alignment needed to drive partner-led success.

We are also at the early stages of building a technology partner ecosystem. These relationships provide access to complementary capabilities, accelerate product development, and enhance the overall value we deliver to customers, thereby expanding the number and scale of opportunities we can pursue.

As Synergy becomes simpler to deploy and integrate, we expect our growing partner ecosystem to play an increasingly central role in driving growth. This shift will allow us to reach more customers without increasing internal sales teams and delivery resources at the same rate – a critical step in making the business more scalable and efficient.

## Market Presence

We are fundamentally rebuilding how Synectics goes to market – with greater clarity, discipline, and alignment to our strategic direction. In previous years, our commercial efforts have been too fragmented, with limited use of data, inconsistent sales processes, and underdeveloped customer targeting. In response, we’ve launched a broad commercial transformation. Our priorities include creating a unified go-to-market strategy for our core sectors, introducing clearer customer segmentation, implementing a redesigned incentive structure, and building a more accountable, performance-led sales culture.

In parallel, we have begun to strengthen our account planning, pipeline management, and the role of data and tools in commercial decision-making. Our new Customer Success team is now operational, supporting the drive to improve customer experience and close the loop between customer feedback, product roadmap and delivery. We have also made progress in prioritising the sectors and customers that best align with our long-term strategic and commercial objectives.

In FY26, we will embed global, standardised sales methodologies and improve CRM discipline to drive greater consistency and visibility across commercial execution. Our new Marketing Director joins this month and will lead the build-out of our digital-first marketing engine, using AI-enabled tools to support pipeline growth and brand visibility. We are also progressing work on a global key accounts programme and streamlining our commercial offerings to make it easier for customers and partners to engage, buy, and deploy Synectics’ solutions.

These changes will create a more aligned, data-driven commercial organisation – one that is able to move faster, serve customers more consistently, and generate predictable revenue growth through both direct and partner-led channels.

## Productivity

Our plan involves building an operating model that supports faster, more efficient execution and a culture of delivery, where the structure, systems, and behaviours of the business are aligned to our long-term ambitions.

In FY25, we laid the groundwork for this shift. We improved core delivery processes, removed legacy friction in operations, and introduced performance management processes across the business. In FY26, this work will accelerate with the launch of a comprehensive operating model review to ensure Synectics can scale effectively across products, partners, and sectors. This will be underpinned by improved systems, better data visibility, and stronger accountability.

As part of this review, we are taking a more structured approach to how we adopt technology across the business. Our focus is on identifying the tools and systems that can help us deliver more efficiently, automate processes, and make better-informed decisions. Within this, AI will play a more defined role. In FY25, we applied AI in targeted use cases – supporting market discovery, assisting product development, and improving the bid process. In FY26, we will build on this foundation, defining where AI can unlock scalability and efficiency in both internal operations and how we serve customers.

At the heart of this transformation is a shift in mindset – building a culture of focus, ownership, and delivery that enables us to scale with pace and discipline. Combined with our broader investment in the key strategic priorities, these changes will support both top-line growth and long-term margin improvement.

# Cutting-edge technology and in-depth knowledge enable us to create **value and growth**

## What We Do

We specialise in creating security and surveillance solutions for some of the world's most challenging environments.

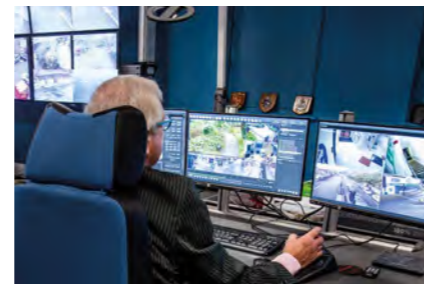
We operate in a specific number of sectors where security and surveillance needs are acute, and where our advanced technologies and specialist expertise deliver maximum value to customers.

## How We Do It

Synectics is comprised of two businesses, Synectic Systems and Ocular, each grounded in shared values that shape how we build and nurture relationships with our customers, collaborate on solutions, and forge partnerships.

Each business allows us to address a diverse range of customer needs across our target markets and geographies, often within complex or challenging environments where our specialised expertise provides significant value.

## Our Businesses



### SYNECTICS

Synectic Systems develops technology-led solutions for specialist markets globally – including critical infrastructure, energy, public space, transport, and leisure and hospitality.

Capabilities centre around its proprietary software platform, Synergy, and specialist COEX cameras for the energy market.



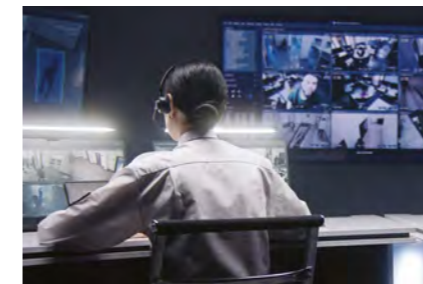
### Ocular

Ocular is an independent security systems integrator with expertise built over four decades, delivering security solutions for high-security, public space, transport, and infrastructure projects throughout the UK & Ireland.

Its strong partnerships with leading technology providers enables Ocular to keep at the forefront of technological advances and deliver innovative and reliable solutions tailored to customers' needs.



## Our Differentiators



### Industry Expertise

Our industry experience has been built through 40 years of implementation and delivering successful projects around the world.

### Proprietary Technology

We invest in our core IP, including Synergy software and COEX cameras, to remain at the forefront of innovation.

### Integrated Solutions

Our technology and strategic partnerships enable scalable, interoperable solutions for smarter, more efficient, and connected operations.

### Regulatory Excellence

Our solutions meet the most stringent regulatory standards, delivering a key competitive advantage while giving customers confidence and reducing risk.

### Customer Experience

We provide flexible solutions, ongoing upgrades, and dedicated support to enhance customer experience and build long-term relationships.

## How We Create Value



### Industry-Leading Innovation

By delivering the latest technology and third-party integrations, we're able to lead the way in advanced security and surveillance software within our core markets.

### Market-Specific Solutions

Our solutions are specially designed for markets with high barriers to entry due to stringent industry regulations and technical requirements.

### Large-Scale Projects

Our scalable, flexible solutions place us at the forefront of selection for some of the largest and most complex sites and projects in the world.

### Long-Term Partnerships

We prioritise building strong relationships with our customers and partners, providing ongoing support and tailored services that foster collaboration and trust.

## How We Deliver for Our Stakeholders



### Our People

- Rewarding work
- Well-being initiatives
- Development
- Inclusive culture

### Our Customers

- Technical excellence
- Reliability and peace of mind
- Flexible solutions
- Seamless integration

### Our Partners

- Global partner framework
- Training and support
- Growth opportunities
- Co-marketing

### Our Shareholders

- Trusted UK company
- Dividend paying
- Strong IP portfolio
- Financial strength

# Synectics is transforming to unlock **sustainable, scalable growth**



## Attractive Specialist Markets

- **Demanding markets:** complex, large-scale, and regulated markets where failure is not an option and customers value reliability, expertise, and compliance.
- **Large addressable market:** significant opportunities in core and adjacent markets.
- **Strong long-term growth drivers:** increasing geopolitical uncertainty, infrastructure modernisation, energy transition, regulatory scrutiny, and cyber-physical convergence are reinforcing demand.
- **High barriers to entry:** technology developed over years based on deep sector expertise and compliance with complex regulations.

## Differentiated, Product- Led Technology

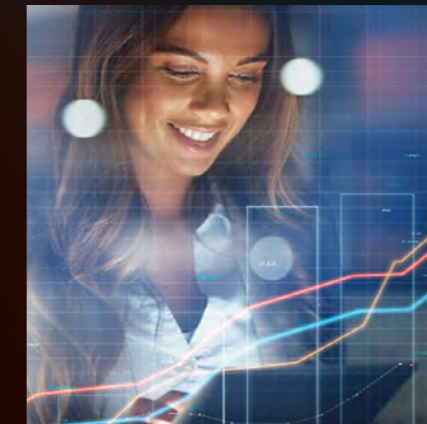
- **Technological advancement:** products at the forefront of technological advancement, integrating artificial intelligence and other cutting-edge capabilities.
- **Improved productisation:** simplifying deployment and creating repeatable, scalable products is underway.
- **Flexible solutions:** solutions specially designed for technical and regulatory requirements of specialist markets.
- **Seamless integration:** designed for interoperability with third-party systems to create connected, scalable, and intelligent solutions.
- **Cybersecurity capabilities:** robust security features to protect critical systems and ensure compliance with evolving cyber regulations, including advancing through NPSA CAPSS certification.

## A Trusted Brand

- **Proven track record:** strong reputation for delivering successful projects around the world.
- **Long-standing partners:** global partnerships and diversified channels network.
- **Strong customer retention:** repeat business and rolling software support agreements.
- **Blue-chip customers:** strong customer base across critical infrastructure, energy, public space, transport, and leisure and hospitality.

## Positioned for Long-Term Value Creation

With differentiated technology, defensible market positions, strengthened leadership, and a clear transformation strategy, Synectics is positioned to unlock sustainable, scalable growth and deliver long-term value for shareholders.



## Strengthened Leadership and Strategic Oversight

- **New CEO-led transformation:** clear strategic direction and disciplined focus on long-term value creation.
- **Enhanced Senior Leadership Team:** dedicated product, commercial, and operational leadership now in place.
- **Strong governance:** strong Board oversight and structured investment decision-making to ensure resources are deployed in line with strategic priorities.

## Financial Strength

- **Operating leverage potential:** product-led, partner-enabled delivery and simplified operating model expected to improve margins over time.
- **Investment for strategic acceleration:** investing in product innovation, commercial execution, and operating leverage, alongside disciplined evaluation of strategy-enabling bolt-on acquisitions.
- **Strong balance sheet:** £14 million cash, no debt.
- **Progressive dividend policy:** maintaining shareholder returns while investing for growth.

### In Action

#### West Midlands Police

## Boosting Public Safety with a Unified Surveillance Network

West Midlands Police has transformed its public safety operations by partnering with Ocular and Synectics to build a unified surveillance network that monitor, video from multiple agencies and private organisations. This system enables real-time access to over 2,000 cameras covering a 348 sq mile area and 2.8 million residents, helping them verify incidents swiftly and deploy resources correctly.

**“Integrating feeds from non-public organisations is increasingly vital, especially with the Terrorism Act 2025. Our setup simplifies this collaboration, breaking down previous barriers and supporting our strategy’s aim to build stronger community and stakeholder partnerships.”**

**CCTV Manager**  
IT & Digital, West Midlands Police



→ Read more online

# Operating in markets where security and surveillance are critical

Despite their diversity, they share key elements: extensive scale, intricate complexity, stringent regulations, and a need for rigorously applied, proven technologies.

Our dedication to these markets allows us to differentiate our offering by building flexible solutions that meet the unique security challenges that our customers face on a daily basis.



## Critical Infrastructure

We are poised for significant growth as investments in modernising and securing critical infrastructure surge. With rising threats, the demand for advanced security and surveillance solutions has never been greater.

Our solutions enhance threat detection, minimise downtime, and strengthen the resilience of essential services. Combined with our expertise, we are well-positioned to secure major projects in the UK and South-East Asia.

Additionally, we intend to leverage our strong presence in the custodial sector in Northern Ireland to expand market share in the UK.

### Target Markets

- Utilities
- Custodial
- Emergency Services
- Healthcare

### Market Drivers

- Urbanisation Growth
- Rising Security Threats
- Regulatory Compliance
- Economic Growth
- Technological Advancements

### Technology Trends

- Scalable, hybrid cloud solutions for centralised monitoring
- AI analytics for anomaly detection and predictive maintenance
- Advanced diagnostics and remote management tools
- Consolidating systems for improved cybersecurity



## Energy

Amid the surge in energy demand, the need to secure these facilities has intensified, driving demand for advanced surveillance solutions.

Our Synergy software and COEX cameras meet the growing need for remote monitoring, anomaly detection, and hazard identification. Powered by AI analytics and 4K technology, our solutions align with industry demands and position us as a preferred supplier.

As investment in renewable energy accelerates, our technology is ideally suited to support offshore wind farms and solar farms, and biomass storage facilities.

### Target Markets

- Offshore Oil & Gas
- Onshore Oil & Gas
- Refineries
- Vessels
- Renewables

### Market Drivers

- Expanding Energy Projects
- Global Energy Transition
- Regulatory Demands
- Environmental Concerns
- Growing Security Threats

### Technology Trends

- AI analytics for anomaly detection and safety compliance
- Remote monitoring for centralised oversight of uncrewed facilities
- Drone integration for rapid aerial inspections



## Public Space

With persistent threats to public safety, the demand for advanced surveillance solutions continues to rise.

The UAE and North America offer significant growth potential. We are also diversifying into adjacent sectors, such as healthcare and education, by building on the customer reference sites already in our portfolio. These sectors face similar challenges, including high footfall, multiple entry points, and complex estate management.

### Target Markets

- Smart Cities
- Local Authorities
- Education
- Retail

### Market Drivers

- Increasing Urban Populations
- Growing Security Threats
- Regulatory Compliance
- Infrastructure Development
- Digital Transformation

### Technology Trends

- AI analytics for crowd, behaviour, and safety monitoring
- Integrated access control providing streamlined security
- Unification of systems for improved operational efficiency
- Remote access for anytime, anywhere monitoring



## Transport

Our Synergy software and on-vehicle technologies enable transport operators to seamlessly connect, monitor, and control essential systems that play a pivotal role in ensuring passenger safety, security, and an unparalleled travel experience.

Our investment in real-time threat detection, operational efficiency, and incident management is crucial to differentiating our offer and ensures we'll meet the needs of operators in the future. These benefits, coupled with increasing investments in smart transportation initiatives, create a fertile ground for us to flourish in the vast potential of the transport market.

### Target Markets

- Transport Hubs
- Mass Transit Vehicles
- Mobility Infrastructure

### Market Drivers

- Infrastructure Investment
- Digital Transformation
- Urbanisation
- Population Growth
- Tourism Growth

### Technology Trends

- Scalable cloud/hybrid solutions for real-time monitoring
- AI analytics for traffic flow, safety, and threat detection
- Centralised systems for multi-site management
- Remote access for real-time monitoring from any location



## Leisure and Hospitality

The demand for robust surveillance solutions is rapidly increasing, driven by tighter regulatory frameworks and a growing recognition of the critical role these systems play in compliance and operational efficiency.

We are expanding into broader security and operations management solutions for major integrated resorts across South-East Asia and the UAE. South-East Asia also presents opportunities to collaborate with new partners, expanding our footprint in these high-potential markets.

### Target Markets

- Casinos
- Resorts
- Stadiums & Venues
- Heritage

### Market Drivers

- Regulatory Compliance
- Global Travel Growth
- Enhanced Guest Experience
- Fraud and Theft
- Growing Security Threats

### Technology Trends

- AI analytics for behaviour detection and fraud prevention
- Facial recognition for guest identification and VIP tracking
- Drone monitoring for aerial security of venues and attractions
- Unification of systems for improved operational efficiency

# Driving **innovation** across AI, mobile and cloud

Over the past year, we accelerated the evolution of our technology with major advancements in artificial intelligence, cloud services, mobility, and remote access.

### Preventing Crime with Synergy DETECT

This year saw further advancements of our AI Suite with Synergy DETECT delivering meaningful results for customers. Hackney Council has already saved thousands of pounds by using Synergy's AI-driven alerts to detect and respond swiftly to break-ins at one of their park's depots.

### Smarter Surveillance with Facial Recognition

We introduced Synergy's new Facial Recognition module, delivering real-time detection, live alerting, and sophisticated historical search capabilities. The module enables users to create detailed Persons of Interest profiles, manage complex watchlists, and explore trends through advanced analytics dashboards.

Together, these enhancements give operators the tools they need to identify emerging threats quickly and respond with greater accuracy and confidence.

### Enhancing Experiences with Visitor Management

We also launched Synergy's new Visitor Management solution, supporting organisations in welcoming, monitoring, and tracking guests directly from their control rooms.

The system ensures a seamless and secure visitor journey while improving traceability for operators and driving greater overall efficiency across facilities.

### Expanded Mobile Capabilities

Synergy's mobile app was released on iOS and now includes full Mobile Device Management support, bringing essential control room functionality to remote workers.

Operators can access video feeds, manage tasks, and monitor incidents while away from the control room, extending operational awareness into the field and enabling faster, more flexible responses.

**In Action**  
**Hackney Council**

## Transforming Public Safety with AI-Powered Video Analytics

**"Recently, Synergy DETECT alerted us to movement at our Hackney Marsh Parks Depot. Two individuals wearing balaclavas were attempting to break in. But thanks to the speed and accuracy of the system, police were on site before anything was stolen, saving us thousands of pounds."**

**Public Space Surveillance Service Manager,**  
Hackney Council



→ Read more online



Hackney Council partnered with Synectics to trial Synergy DETECT at Hackney Carnival, using AI-powered analytics to monitor crowds, detect incidents, and improve response times.

The successful trial led to Synergy DETECT becoming part of the borough's wider surveillance strategy, automating camera monitoring and allowing operators to focus on verified alerts. The technology now safeguards public spaces, council buildings, and depots, preventing theft and improving safety through intelligent object and PPE detection. Heat maps and behavioural analysis help identify problem areas, while mobile access enables faster, more efficient responses.



## Synergy DETECT Wins 2025 Innovation Award

**Synergy DETECT was named Winner in the Surveillance/ CCTV Innovation category at the Benchmark Innovation Awards 2025.**

Benchmark described Synergy DETECT as "an analytics-powered surveillance system designed for complex environments", noting that its "real-time insights and data processing capabilities set a new bar for situational awareness and proactive monitoring."

### Enhanced Incident Insights with Heat Mapping

Significant upgrades to Synergy's mapping capabilities this year have enabled users to visualise incident patterns using heat maps and hot spot identification. By correlating events with precise geographic coordinates, operators gain clearer insight into evolving risk areas and pressure points, helping them make more informed decisions.

### Next-Generation On-Vehicle Technology

Stagecoach began piloting our new On-Board Hub solution, a next-generation platform designed to improve fleet visibility, operational efficiency, and passenger experience.

The system provides a secure and scalable environment capable of running multiple third-party applications, including automatic vehicle location, CCTV feeds, safety sensors, and real-time passenger information.

### Major Upgrades to Transport Cloud Services

Our Cloud Platform has undergone a major 2025 UI/UX upgrade, introducing refreshed overview pages and an expanded suite of features. Enhancements include granular audit trail monitoring, deeper system-usage insights, automated daily vehicle and camera snapshots, faster notifications and reporting, and significantly strengthened incident-retrieval resiliency within the Cloud Evidence Locker.



Our Technology continued

# Investing in intelligent, secure and future-ready technology

Our technology investment strategy is designed to strengthen our market position, accelerate innovation, and meet our customers' evolving needs.

## AI Innovation

By combining edge and centralised analytics, we have developed a flexible architecture that allows AI capabilities to be applied to the most relevant segments of the camera estate at any given moment. This approach ensures that critical data is processed either locally for rapid response or centrally for deeper analysis, adapting dynamically to operational needs. As a result, our platform can be configured to allocate AI resources to areas requiring the highest levels of attention, maximising both efficiency and security across diverse environments.

We are also introducing AI-based Computer Vision within our transport solutions, supporting enhanced safety, situational awareness, and service performance.

## Cybersecurity

Maintaining the highest standards of system resilience remains a core priority. We are investing in our cybersecurity capabilities across our products to ensure customers can operate safely and with confidence amidst an increasingly complex threat landscape.

We are nearing completion of our Cyber Assurance of Physical Security Systems (CAPSS) certification, reinforcing our commitment to secure-by-design surveillance solutions. This milestone will strengthen our position in the UK market and support new commercial opportunities within critical infrastructure and public sector procurement.

## Mobile Development

Our mobile development strategy prioritises user-centric design, ensuring that our applications deliver intuitive, consistent experiences across devices. By leveraging cross-platform frameworks and advanced mobile technologies, we can enhance accessibility and performance for users on the go. This enables our customers to efficiently manage their duties, and feed video and photo data into ongoing incidents and makes major incident orchestration more efficient.

## Synergy Web

Continued investment in Synergy Web will enable even more seamless remote access, monitoring, and task management, improve operational efficiency, and broaden the usability of our platform across customer environments.

## Cloud

Broadening our value proposition to wider market regions around the world, ensuring that the data collected is presented with insights to aid the management of large transport infrastructure. Compliance with international and regional standards ensures our solutions will deliver value in accordance with regulation. The introduction of in-platform learning and training material, combined with the already intuitive interface, will drive further adoption and ensure customer retention is at its highest. The introduction of AI capabilities and a hardened platform disaster recovery capability will ensure our solution supports our customers in any eventuality.

## COEX Camera Range

We continue to innovate and build on our market-leading COEX cameras, incorporating advanced features to further differentiate our offering.

### Ease of Installation

We are investing in functionality that enables easy adoption and installation of our COEX cameras. Advances in our wireless connectivity will enable the rapid deployment of surveillance solutions in locations where traditional cabling would be costly or impractical, particularly in temporary and remote energy installations.

### Safety and Environmental Detection

Development in advanced video analytics that enhance safety assurance and environmental protection will deliver reassurance and compliance to our customers.

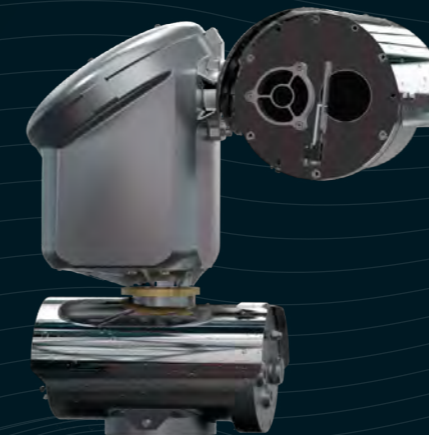
We are focusing on integrated gas, oil, and liquid leak detection to provide continuous monitoring with immediate visual context, enabling faster, more targeted responses to safety incidents and environmental risks. This capability supports earlier intervention, reduces the likelihood of unplanned shutdowns or regulatory breaches, and strengthens operational resilience and compliance.

### Predictive Monitoring

We are enhancing our thermal imaging technology through radiometric thermal monitoring capabilities to support predictive maintenance across equipment, processes, and critical infrastructure.

By providing accurate temperature measurements rather than relative heat indications, this technology enables threshold-based alerts that identify emerging issues before failure occurs.

This approach helps maintain safe operating conditions, reduces unplanned downtime, and supports safety compliance through auditable temperature data.



In Action

Wind Farm Substations

## Powering Safety in Offshore Renewables

Synectics secured a contract to supply its COEX camera range for a major offshore wind project located in the Dutch and German sectors of the North Sea.

The technology will be deployed on offshore substation platforms, providing continuous monitoring of critical areas and operational activities where safety, reliability, and security are paramount.



→ Read more online



These offshore substations play a vital role in the renewable energy infrastructure, acting as the link between offshore wind farms and onshore power networks. By enabling the safe and efficient transmission of electricity, they support the wider transition to cleaner, more sustainable energy sources.

The installation of COEX cameras ensures robust surveillance in a challenging offshore environment, helping operators maintain visibility, manage risk, and protect both people and assets. This project highlights Synectics' ability to deliver proven, specialist surveillance solutions that support complex infrastructure and contribute to the global shift towards renewable energy.

# Enabling strategy through culture, capability, and accountability

People are the foundation of our strategy and the enabler of our transformation into a more scalable, product-led software business.

As outlined in our 5 “P” Strategy, high-performing teams with the right skills, incentives, and mindset are critical to delivering customer-driven product innovation, partner-led growth, stronger market presence, and improved productivity.

During FY25, our focus has been on strengthening leadership, embedding performance disciplines, and building a culture of excellence, collaboration, and accountability to support faster execution and higher-quality outcomes across the Group.

### Strengthening Communication and Alignment

Clear, consistent communication is essential in a period of transformation. During FY25, we launched a new employee communication platform to improve visibility of strategy, progress, and performance across the Group. Many employees use the platform to access company updates, share knowledge, and connect with colleagues globally.

This investment has strengthened alignment with our strategic direction, enhanced collaboration, and supported greater transparency as we execute our multi-year transformation.

### Listening, Engagement, and Belonging

During the year, we expanded structured employee listening groups, achieving 80% participation across Ocular. Following positive feedback, this approach is now being rolled out across Synectic Systems and plc to ensure employee insight continues to inform decision-making at all levels.

In addition, we hosted our first UK Employee Summit, bringing together colleagues from across the Group to reinforce our vision, strategic priorities, and values. Through leadership updates, customer insights, and interactive workshops, teams explored how they can contribute to innovation, customer success, and operational excellence. The event strengthened the connection with our purpose and reinforced the collective responsibility for delivering our strategy.

### Living Our Values

Our culture is underpinned by four core values which guide decision-making and behaviour across the Group:

#### We are Human

We look at business in terms of people: our colleagues, our customers, and above all the people we keep safe.

#### We are Customer Driven

We are committed to our customers; our customers' needs guide everything we do.

#### We are Enterprising

We are creative and innovative; we are solution-led and relentless in our quest to find the right outcome.

#### We are Honourable

We do what we say we will do, and we do the right thing.

These values support the development of a high-performance culture grounded in integrity, collaboration, and customer focus.



### Recognition

Our progress in strengthening culture and people practices during the year was also externally recognised.

The Group was named a finalist at the Yorkshire Excellence in HR Awards, where we were nominated for 'HR Team of the Year – Private Sector'. We were also recognised at the Security & Fire Excellence Awards, reflecting the strength of our people, innovation, and sector leadership.

These acknowledgements provide independent validation of the progress made during FY25 and reinforce our commitment to building a resilient, accountable, and high-performing organisation capable of delivering our long-term strategy.

**“People are the foundation of our business, without which the strategy cannot be executed. As we make progress in reshaping the business to deliver scalable growth, success will increasingly depend on high-performing teams with the right skills, incentives, and mindset.”**



### Responsible Employment and Inclusion

We believe that strong performance and long-term resilience are built on fair and responsible employment practices. During FY25, we reinforced this commitment by becoming:

- A Living Wage Employer
- A Living Hours Employer
- A Disability Confident Employer
- Menopause positive (by signing the Menopause Workplace Pledge)

These milestones reflect our commitment to fairness, inclusion, and creating a workplace where people can thrive.

We also introduced the Synectics Volunteering Day, providing employees with one paid day each year to support a charity or community initiative of personal importance. The initiative was launched in memory of our former CEO, Paul Webb, reflecting our belief in responsible leadership and community contribution.



# Synectic Systems

Synectic Systems develops and delivers its proprietary, technology-led solutions to specialist markets globally – including critical infrastructure, energy, public space, transport, and leisure and hospitality – through local systems integrators and channel partners.

Capabilities centre around a proprietary software platform, Synergy, that is flexible around the unique requirements of each customer, and specialist hardware for the energy market built on our COEX camera range.

	FY25	FY24	Inc/(dec)
Revenues – Energy	£11.1m	£13.2m	(16)%
Revenues – Leisure & Hospitality	£24.0m	£13.1m	83%
Revenues – Public Space	£4.1m	£4.1m	1%
Revenues – Transport	£2.6m	£2.6m	2%
Revenues – Critical Infrastructure	£1.6m	£2.9m	(45)%
Total revenue <sup>1</sup>	£43.4m	£35.9m	21%
Gross margin	50.3%	49.4%	0.9 ppts
Adjusted EBITDA	£9.1m	£7.1m	28%
Adjusted EBITDA margin	21.1%	19.8%	1.3ppts
Underlying operating profit <sup>2</sup>	£7.6m	£6.1m	25%
Underlying operating margin	17.5%	17.0%	0.5 ppts

1. Including Intra-Group revenues (FY25: £1.7 million FY24: £1.4 million) (see note 3 to the Consolidated Financial Statements).  
 2. Before non-underlying costs (see note 6 to the Consolidated Financial Statements) and allocated central costs.

Synectic Systems delivered a solid performance in FY25, combining resilient trading across its core sectors with the successful execution of a significant gaming deployment in South-East Asia.

During the year, a new leadership team was established to drive the next phase of the business’s development. Dedicated product management and customer experience capabilities were created, the global systems integrator partner programme was expanded and enhanced, and a commercial transformation was initiated to improve execution discipline. Our continued focus on product innovation was reflected in Synergy DETECT being named Winner in the Surveillance/CCTV Innovation category at the Benchmark Innovation Awards 2025.

Long-term demand drivers across Synectic Systems’ core markets remain compelling. Within gaming and leisure, continued investment in large-scale integrated resorts and destination entertainment complexes is driving the need for advanced, scalable surveillance and operational intelligence platforms. Across energy and wider critical infrastructure, operators are prioritising resilience, asset protection, and cybersecurity, alongside investment in grid modernisation and renewable integration. During the year, we secured our first renewables contracts, marking an important milestone in expanding our traditional oil and gas focus into the broader energy market. In the Middle East, our newly established presence in the UAE continues to gain momentum with a local partner appointed, our demonstration facility established, a growing pipeline of opportunities, and SIRA certification nearing completion.

These trends, combined with increasing regulatory scrutiny and geopolitical uncertainty, are reinforcing demand for intelligent, cyber-secure surveillance solutions. Synectic Systems is well positioned to capitalise on these opportunities and is in the final stages of the NPSA’s Cyber Assurance of Physical Security Systems evaluation process for Synergy, further strengthening its credentials in highly regulated and security-sensitive environments.

The business is now focused on disciplined execution, improving delivery consistency, and strengthening commercial momentum across its priority sectors. With the foundations put in place during FY25, Synectic Systems enters FY26 with clear operational focus and enhanced leadership capability, as it continues to embed the changes required to support improved operational performance and commercial effectiveness over the medium term.

Synectic Systems delivered a strong performance during FY25, with revenues increasing by 21% to £43.4 million (FY24: £35.9 million).

Growth was driven primarily by a significant increase in revenue from the leisure and hospitality sector, with a major contract with a leading global casino operator in South-East Asia successfully delivered during the Period. The Group also secured a five-year extension to its existing contract with this same customer, valued at a minimum of US\$4.8 million, reflecting continued confidence in Synectic Systems and the scalability and long-term value of the Synergy platform. Further significant casino resort projects worth \$3 million in Philippines and North America were also delivered in FY25.

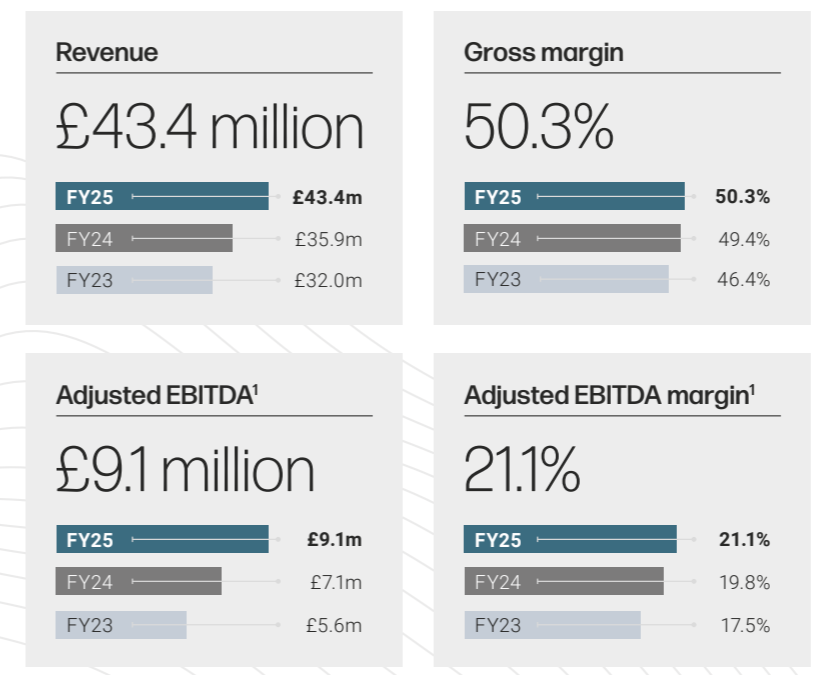
As previously communicated, performance in the energy sector was impacted by the deferral of a number of key oil and gas projects into 2026, however first contract wins in the renewables sector during the year, with delivery in FY25, and FY26, marked an important milestone in Synectic Systems’ strategic diversification into the broader energy market.

Underlying revenue in the critical infrastructure sector in FY25 was broadly consistent with the prior year, which included a significant non-repeating project with National Grid.

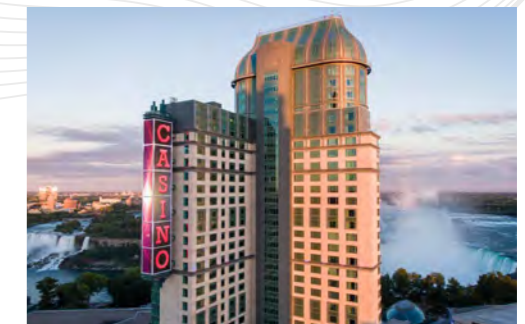
Gross margins increased to 50.3% (FY24: 49.4%), reflective of an adjusted mix of product and regional revenues during the period. Hardware margins narrowed slightly in a competitive marketplace, however, this was offset by a stronger margin contribution from ongoing support agreements. The APAC region benefited from strong margins on the significant gaming project completed during the year.

Adjusted EBITDA increased to £9.1 million (FY24: £7.1 million), with Adjusted EBITDA margins slightly up at 21.1% (FY24: 19.8%). Operating margin was broadly flat at 17.5% (FY24: 17.0%).

This performance reflects the positive impact from the major non-repeating gaming contract delivered in the Period, together with continued demand for our solutions in both new and existing markets, and across multiple territories. These positive factors are being partially offset by additional costs arising from the initial phases of a multi-year investment being made towards building scalable, product-led capabilities and a strong partner ecosystem; ensuring Synectic Systems can deliver greater value to customers, more efficiently, and at greater scale going forward.



1. Adjusted EBITDA represents profit before share-based payments, finance costs, tax, depreciation, amortisation, and non-underlying items.



**In Action**  
**Fallsview Casino and Casino Niagara**  
**Setting New Standards in Casino Surveillance**

Fallsview Casino Resort and Casino Niagara in Canada upgraded their legacy surveillance systems by installing Synergy. This unified solution allows operators to access and manage live and recorded footage from both sites via either control room, improving efficiency and consistency.

Synergy simplifies navigation between cameras, incident management, and footage review, and its intuitive, customisable CAD mapping adapts easily to changing casino layouts. Built-in redundancy and health dashboards safeguard against video loss and downtime. Its open architecture also supports future integrations and emerging technologies like AI to enhance security and investigative capabilities.

**“Being able to quickly and intuitively navigate between live cameras, easily create and manage incidents, and cut footage reviews from hours down to minutes. These things matter, and Synergy’s investigator-friendly design reflects that.”**

**Director of Surveillance**  
 Fallsview Casino Resort & Casino Niagara



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Business Review continued

# Ocular

Ocular delivers integrated solutions, service, and support directly to end-users in the UK and Ireland – principally within public space, transport, and national infrastructure – utilising a combination of the Group's proprietary technology and third-party products.

	FY25	FY24	Inc/(dec)
Revenues – Leisure & Hospitality	£1.1m	£1.1m	(1)%
Revenues – Public Space	£4.3m	£4.7m	(9)%
Revenues – Transport	£12.8m	£10.3m	25%
Revenues – Critical Infrastructure	£8.2m	£5.2m	57%
Total revenue	£26.4m	£21.3m	24%
Gross margin	27.7%	29.2%	(1.5) ppts
Adjusted EBITDA	£2.3m	£1.9m	22%
Adjusted EBITDA margin	8.6%	8.8%	(0.2) ppts
Underlying operating profit <sup>1</sup>	£1.8m	£1.6m	16%
Underlying operating margin	7.0%	7.4%	(0.4) ppts

1. Before non-underlying costs (see note 6 to the Consolidated Financial Statements) and allocated central costs.

Ocular delivered good revenue progression in FY25, with growth across both its on-vehicle and security markets. Following its strategy refresh and rebranding to Ocular in the second half of FY24, the business has continued to make steady progress executing its more focused sector-led strategy. Throughout FY25, Ocular strengthened its go-to-market discipline, embedding clearer market prioritisation, enhanced sales execution, and improved commercial alignment across the organisation. As a result, the qualified opportunity pipeline has increased by nearly 100% over FY25, supported by more structured customer segmentation and a deliberate focus on higher-quality opportunities aligned to Ocular's target sectors.

The leadership team has continued to build capability within the commercial function, improving account planning, pipeline management, and bid selectivity. This has led to greater visibility and control over revenue generation.

Market fundamentals remain positive, with sustained investment in UK transport infrastructure and an ongoing emphasis on security, safety, and system integration across public and regulated environments. Ocular remains well-positioned to benefit from these trends, leveraging its deep technical expertise and sector knowledge to deliver innovative, reliable, and scalable security solutions.

The business remains focused on developing its sector thought leadership and improving operational efficiency, providing a stronger foundation for sustainable growth and improved operational performance over the medium term.

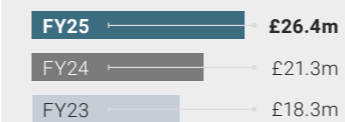
Ocular revenues increased by 24% to £26.4 million (FY24: £21.3 million), driven by solid growth in the transport and critical infrastructure sectors. Gross margin was 27.7% (FY24: 29.2%), reflecting the impact of a number of lower margin critical infrastructure projects. Underlying Adjusted EBITDA was £2.3 million (FY24: £1.9 million), with an Adjusted EBITDA margin broadly flat at 8.6% (FY24: 8.8%). Operating margin was also broadly flat at 7.0% (FY24: 7.4%).

Within transport, demand was supported by the transition to IP-based systems; increased investment in electric vehicle fleets; and growing requirements for connected technologies that enhance fleet oversight and the passenger experience. During the year, there were a number of notable wins including a five-year contract with Bus Éireann, Ireland's national bus service provider; and with the UK's largest bus and coach operator, Stagecoach, to pilot its new On-Board Hub solution alongside a five-year extension to its framework agreement to supply and install advanced CCTV systems integrated with Synectics' Cloud Transport Services on Stagecoach's new factory-built buses.

In critical infrastructure, revenue growth was underpinned by the delivery of large-scale projects with long-term customer, National Grid. Ocular also signed notable contracts in the year with West Midlands Police, for the installation of security systems across custodial suites and police stations.

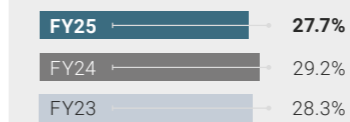
## Revenue

£26.4 million



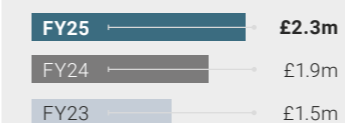
## Gross margin

27.7%



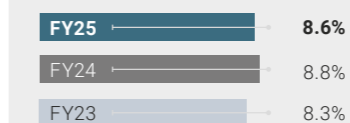
## Adjusted EBITDA<sup>1</sup>

£2.3 million



## Adjusted EBITDA margin<sup>1</sup>

8.6%



1. Adjusted EBITDA represents profit before share-based payments, finance costs, tax, depreciation, amortisation, and non-underlying items.



In Action

Stagecoach and Bus Éireann

## Safer, Smarter Bus Operations with Integrated Transport Technology

Ocular has strengthened its position in the transport sector through the deployment of advanced technology solutions with Stagecoach in the UK and Bus Éireann in Ireland. Working in close partnership with both operators, Ocular delivered integrated, on-vehicle platforms that unify CCTV, vehicle data, safety systems, and cloud-based services within a single, scalable environment.

Stagecoach is piloting Ocular's On-Board Hub, a next-generation platform designed to bring multiple on-vehicle systems together through a single interface. The pilot supports improved visibility across fleet operations, more efficient incident management, and a strong foundation for future service innovation.

For Bus Éireann, Ocular provided a cloud technology solution enabling centralised management of on-vehicle surveillance and data, improving operational oversight while ensuring systems can evolve as requirements change.

Across both deployments, Ocular's open, flexible architecture supports long-term adaptability, demonstrating its capability to deliver resilient, future-ready transport solutions for modern bus networks.

# Successful delivery of major casino contract pushes the Group to **strong results** and a significantly strengthened balance sheet



**“Performance was substantially ahead of FY24, with both businesses once again delivering double-digit year-on-year growth in revenue and Adjusted EBITDA.”**

## Group Results for the Year

Synectics delivered a robust financial performance in FY25, reporting growth in both revenue and Adjusted EBITDA. Revenue increased by 22% to £68.1 million (FY24: £55.8 million), reflecting the delivery of a significant non-recurring contract in South-East Asia, which contributed approximately £12 million during the year. Gross margin remained broadly flat at 42.8% (FY24: 42.9%). Adjusted EBITDA increased by 36.1% to £8.5 million (FY24: £6.3 million). Underlying profit before tax was £6.1 million (FY24: £4.7 million), while adjusted diluted earnings per share rose by 29% to 28.0 pence (FY24: 21.7 pence). These results reflect both strong trading performance and ongoing investment in our strategic priorities.

Non-underlying costs associated with the implementation of a new ERP system together with costs associated with transformation and restructuring in the year amounted to £0.65 million (FY24: £0.53 million).

As at 30 November 2025, the Group's order book stood at approximately £26.5 million (31 May 2025: £35.1 million; 30 November 2024: £38.5 million). The reduction from the prior year reflects the completion of the significant gaming contract in South-East Asia, together with some additional impact from global economic conditions, contributing to a delay in the timing of certain project approvals in the year, particularly in the oil and gas sector.

The Group ended the year with a cash balance of £14.1 million (31 May 2025: £12.1 million; 30 November 2024: £9.6 million), an inflow of £4.5 million. Adjusting for non-underlying cash items, capital expenditure, tax, and financing, free cash inflow in the period was £7.7 million (FY24: £7.0 million inflow).

The Group expects investment in the strategic initiatives outlined above to require around £3.3 million of cash during the coming year, with around £0.8 million of that impacting Adjusted EBITDA, and the remainder to be treated as either non-underlying cost or capital expenditure (in line with accounting standards). The Group will also support an investment in premises by Ocular during the year with the lease expiring on its current premises in December 2026, aiding future growth as the business has outgrown its current site.

The Group continues to generate cash from its operations, which together with a strong, debt-free balance sheet provides the working capital it needs to support its operations as well as the flexibility to fund its strategic investment programme whilst simultaneously exploring selective product and strategy enhancing bolt-on acquisition opportunities.

Continuing with our progressive dividend policy, in line with Adjusted EBITDA growth, the Board intends to pay an increased final dividend of 2.8 pence per share (FY24: 2.5 pence per share). With an interim dividend of 2.2 pence per share already paid in 2025, the proposed FY25 total dividend is 5 pence per share (FY24: 4.5 pence per share). The final dividend will be paid on 29 May 2026 to shareholders on the register at the close of business on 1 May 2026 with an ex-dividend date of 30 April 2026.

## Income Statement

Total revenue for the year to 30 November 2025 increased by 22.0% to £68.1 million (FY24: £55.8 million). Revenue split between our two business segments was as follows:

Revenue	2025 £000	2024 £000	Inc/(dec)	
			£000	%
Synectic Systems	43,403	35,881	7,522	21.0%
Ocular	26,431	21,349	5,082	23.8%
Intra-Group sales	(1,734)	(1,421)	(313)	22.0%
<b>Total revenue</b>	<b>68,100</b>	<b>55,809</b>	<b>12,291</b>	<b>22.0%</b>

Revenue in the Synectic Systems business of £43.4 million was £7.5 million (21.1%) ahead of FY24 driven in the main by growth in the leisure and hospitality sector. Revenue in the Ocular business increased by £5.1 million (23.8%) to £26.4 million with strong growth in the transport and critical infrastructure sectors.

Recurring revenue grew by 6.0% to £7.9 million (FY24: £7.5 million) representing approximately 11.6% (FY24: 13.4%) of sales.

Sales by sector	2025 £000	%	2024 £000	%	Inc/(dec)
					£000
Critical Infrastructure	9,797	14%	8,073	14%	1,724
Energy	11,102	16%	13,116	24%	(2,014)
Public Space	6,761	10%	7,787	14%	(1,026)
Transport	15,455	23%	12,448	22%	3,007
Leisure & Hospitality	24,985	37%	14,385	26%	10,600
<b>Total revenue</b>	<b>68,100</b>	<b>100%</b>	<b>55,809</b>	<b>100%</b>	<b>12,291</b>

Consolidated gross profit for FY25 increased by 21.8% to £29.2 million. Gross margin fell by 0.1 percentage points to 42.8%. In Synectic Systems, representing 61.2% of revenues, gross margins increased by 0.9% to 50.3% in the year. This has been offset by a slight fall in margin in Ocular as it begins to grow revenues in the lower margin critical infrastructure market.

The full segmental analysis is as follows:

Gross margin %	2025	2024	Inc/(dec)
Synectic Systems	50.3%	49.4%	0.9%
Ocular	27.7%	29.2%	(1.5)%
<b>Group</b>	<b>42.8%</b>	<b>42.9%</b>	<b>(0.1)%</b>

Underlying operating expenses in the year increased by 21.2% to £23.2 million due largely to staff cost increases, both inflationary and due to increases in headcount as the Group invests in the strategic initiatives designed to position it for more scalable growth going forward.

Operating expenses	2025 £000	2024 £000	Inc/(dec)	
			£000	%
<b>Underlying operating expenses</b>	<b>23,207</b>	<b>19,151</b>	<b>4,056</b>	<b>21.2%</b>
Non-underlying items:				
Costs in relation to new ERP system	351	–	351	
Restructuring and transformation costs	303	410	107	
Write-off of deferred consideration	–	100	(100)	
Pension buy-out costs	–	21	(21)	
Non-underlying operating expenses	654	531	123	
<b>Total operating expenses</b>	<b>23,861</b>	<b>19,682</b>	<b>4,179</b>	<b>21.2%</b>

## Chief Financial Officer's Report continued

Non-underlying operating expenses amounted to £0.7 million (FY24: £0.5 million) and related mainly to Group restructuring and transformation costs as well as costs in relation to the implementation of a new ERP system.

Underlying operating profit increased substantially to £6.0 million in FY25 compared to £4.8 million in FY24. Adjusted EBITDA increased by 36.1% to £8.5 million (FY24: £6.3 million), whilst the Group recorded an underlying profit before tax of £6.1 million (FY24: £4.7 million).

	2025 £000	2024 £000	Diff £000
<b>Underlying operating profit</b>			
Synectic Systems	7,609	6,068	1,541
Ocular	1,847	1,589	258
Central costs	(3,489)	(2,865)	(624)
Underlying operating profit	5,967	4,792	1,175
Share-based payment charge	569	107	462
Depreciation and amortisation	1,983	1,360	623
<b>Adjusted EBITDA</b>	<b>8,519</b>	<b>6,259</b>	<b>2,260</b>

A reconciliation of operating profit to profit before tax, by business, is as follows:

	2025 £000	2024 £000	Diff £000
<b>Operating profit</b>			
Synectic Systems	7,187	5,818	1,369
Ocular	1,615	1,386	229
Central costs	(3,489)	(2,943)	(546)
Operating profit	5,313	4,261	1,052
Net finance income (costs)	89	(87)	176
<b>Profit before tax</b>	<b>5,402</b>	<b>4,174</b>	<b>1,228</b>

In FY25, £4.5 million (FY24: £3.7 million) was spent on research & development. Of this, £1.5 million (FY24: £1.2 million) was capitalised and £3.0 million (FY24: £2.5 million) charged to the Income Statement.

The Group underlying operating margin increased to 8.8% (FY24: 8.6%), split by business as follows:

	2025	2024	Inc/(dec)
<b>Underlying operating margin</b>			
Synectic Systems	17.5%	17.0%	0.5%
Ocular	7.0%	7.4%	(0.4)%
<b>Group</b>	<b>8.8%</b>	<b>8.6%</b>	<b>0.2%</b>

The Group Adjusted EBITDA margin increased to 12.5% (FY24: 11.2%), split by business as follows:

	2025	2024	Inc/(dec)
<b>Adjusted EBITDA operating margin</b>			
Synectic Systems	21.1%	19.8%	1.3%
Ocular	8.6%	8.8%	(0.2)%
<b>Group</b>	<b>12.5%</b>	<b>11.2%</b>	<b>1.3%</b>

The Group operating margin increased to 7.8% (FY24: 7.6%), split by business as follows:

	2025	2024	Inc/(dec)
<b>Operating margin</b>			
Synectic Systems	16.6%	16.2%	0.4%
Ocular	6.1%	6.5%	(0.4)%
<b>Group</b>	<b>7.8%</b>	<b>7.6%</b>	<b>0.2%</b>

The effective rate of corporation tax for the year on an underlying basis is 31% (FY24: 22%). On a statutory basis, the effective rate was 31% (FY24: 24%). The effective rate is higher than the previous year due to the impact of prior year charges.

Adjusted basic earnings per share is 28.3p (FY24: 22.3p). Basic and diluted earnings per share were 22.0p and 21.8p respectively (FY24: 18.8p and 18.3p).

The Board adopts a progressive dividend policy and is proposing a final dividend of 2.8p in addition to the interim dividend paid in the year of 2.2p (FY24: 2.5p final dividend, 2.0p interim dividend).

## Statement of Financial Position

The net assets of the Group amounted to £43.7 million at 30 November 2025 (FY24: £41.3 million), summarised as follows:

	2025 £000	2024 £000
Property, plant and equipment (excluding right of use assets)	1,954	2,038
Right of use assets	1,581	1,763
Intangible assets	23,300	22,248
Non-current assets (excluding deferred tax assets)	26,835	26,049
Cash balances	14,141	9,559
Working capital	7,590	8,653
Net tax (liabilities)/assets (including deferred tax assets)	(1,130)	257
Lease liabilities	(1,654)	(1,890)
Provisions	(2,040)	(1,297)
<b>Net assets</b>	<b>43,742</b>	<b>41,331</b>

Total capital expenditure of £2.2 million has increased from £1.9 million in FY24 predominantly due to increased capitalised development costs and purchased software.

Working capital levels decreased by £1.1 million compared with the prior year.

	2025 £000	2024 £000
Stock	6,426	9,244
Trade and other debtors	11,021	14,124
Contract assets	5,237	5,378
Trade and other payables	(12,090)	(13,665)
Contract liabilities	(3,004)	(6,428)
<b>Total</b>	<b>7,590</b>	<b>8,653</b>

## Cash flow

The Group's cash balance increased in the year by £4.6 million from £9.6 million at the beginning of the year to £14.1 million at 30 November 2025. The net cash flow is shown in the table below:

	2025 £000	2024 £000
<b>Free cash flow</b>		
Operating cash flow before movement in working capital	7,989	6,087
Movements in working capital	1,431	2,476
Tax	(362)	(47)
Capital expenditure	(2,206)	(1,926)
Payments in respect of non-underlying items	819	366
<b>Free cash flow</b>	<b>7,671</b>	<b>6,956</b>
Lease payments and bank interest	(852)	(787)
Bank interest received	186	25
Dividends paid	(800)	(845)
Payments in respect of non-underlying items	(819)	(366)
Net payments on purchase and sale of own shares	(984)	-
Effect of exchange rate changes on cash	180	(28)
<b>Net cash flow</b>	<b>4,582</b>	<b>4,955</b>

The Group has generated significant cash flows from operations, with a high operating cash flow and further inflows from working capital movements.

## Chief Financial Officer's Report continued

**Going Concern**

The Financial Statements have been prepared on a going concern basis. The Directors have reviewed the Group's funding position and financial forecasts for the foreseeable future, which included scenario modelling and stress testing of budgets. See note 1 to the Consolidated Financial Statements for further detail around the testing performed.

**Use of Non-GAAP Financial Performance Measures**

Certain disclosures and analyses set out in this Annual Report and Accounts include measures which are not defined by Generally Accepted Accounting Practice ('GAAP') such as International Financial Reporting Standards ('IFRS'). We believe this information, along with comparable GAAP measurements, is useful to investors. Management uses these financial measures, along with the most directly comparable GAAP financial measures, to evaluate operating performance. Non-GAAP measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP. The primary non-GAAP financial measures we use are underlying operating profit and Adjusted EBITDA.

In the following table we provide a reconciliation of these and other non-GAAP measures, as defined in the Business Review on pages 22 to 25, to relevant GAAP measures:

**Underlying profit measures**

	2025 £000	2024 £000
<b>Underlying operating profit</b>		
Reported operating profit	5,313	4,261
Costs in relation to new ERP system	351	–
Costs associated with restructuring and transformation	303	410
Write-off of deferred consideration	–	100
Costs associated with buy-out of the defined benefit pension scheme	–	21
<b>Underlying operating profit</b>	<b>5,967</b>	<b>4,792</b>
<b>Adjusted EBITDA</b>		
Underlying operating profit (see above table)	5,967	4,792
Share-based payment charge	569	107
Depreciation and amortisation	1,983	1,360
<b>Adjusted EBITDA</b>	<b>8,519</b>	<b>6,259</b>
<b>Underlying profit before tax</b>		
Reported profit before tax	5,402	4,174
Costs in relation to new ERP system	351	–
Write-off of deferred consideration	–	100
Costs associated with restructuring and transformation	303	410
Costs associated with buy-out of the defined benefit pension scheme	–	21
<b>Underlying profit before tax</b>	<b>6,056</b>	<b>4,705</b>

A reconciliation of reported profits to non-underlying profits for each business is as follows:

**GAAP reconciliation**

	Gross profit		Operating profit	
	2025 £000	2024 £000	2025 £000	2024 £000
<b>Synectic Systems</b>				
<b>Underlying profit</b>				
Reported profit	21,840	17,711	7,187	5,818
Non-underlying items	–	–	422	250
<b>Underlying profit</b>	<b>21,840</b>	<b>17,711</b>	<b>7,609</b>	<b>6,068</b>

	Gross profit		Operating profit	
	2025 £000	2024 £000	2025 £000	2024 £000
<b>Ocular</b>				
<b>Underlying profit</b>				
Reported profit	7,334	6,232	1,615	1,386
Non-underlying items	–	–	232	203
<b>Underlying profit</b>	<b>7,334</b>	<b>6,232</b>	<b>1,847</b>	<b>1,589</b>

**Underlying EPS**

The Group monitors adjusted EPS. In calculating earnings for adjusted EPS, net profit is adjusted to eliminate the post-tax impact of non-underlying items and share-based payment charges. Note 13 to the Consolidated Financial Statements includes a reconciliation of earnings used for adjusted EPS.

**Net Cash**

Net cash is considered to be a non-GAAP measure as it is not defined in IFRS. The most directly comparable IFRS measure is the aggregate of loans and other borrowings (current and non-current) and cash and cash equivalents. This same calculation is used by the Group to measure net cash, excluding lease liabilities.

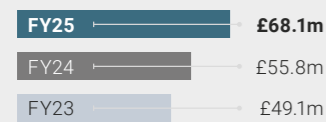
**Paul Williams**

Chief Financial Officer  
2 March 2026

Key Performance Indicators

Revenue

£68.1 million



Definition

Income earned from the delivery of goods and services.

Relevance

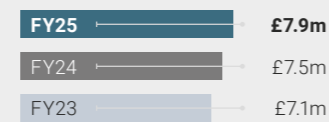
Revenue is a key indicator of the performance, growth, and market share of the business.

Performance

Revenue increased by 22.0% driven by strong growth in both businesses.

Recurring revenue

£7.9 million



Definition

Contracted annual revenue, typically software support, subscriptions, maintenance, and service contracts.

Relevance

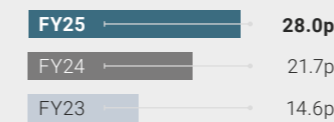
To enable us to track and assess the strength of the underlying contracted revenues of the business.

Performance

Recurring revenue has increased by 6.0%.

Adjusted diluted earnings per share

28.0p



Definition

Ratio of adjusted profit/(loss) after tax to weighted number of ordinary shares in issue and dilutive potential ordinary shares arising from share options.

Relevance

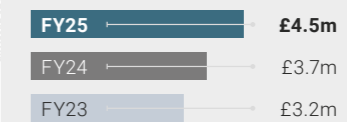
To enable us to track, assess, and compare the return for investors and to provide them with a measure of return to compare with other investment opportunities, using a measure that is more representative of our baseline performance.

Performance

Adjusted diluted earnings per share are reflective of the underlying profit performance.

Technology spend

£4.5 million



Definition

Expenditure on technology before any capitalisation or amortisation.

Relevance

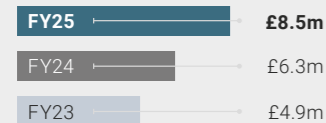
It is key to the business to continue to invest in our products to maintain our position as a technical leader in our industry in order to generate sustainable, profitable growth.

Performance

Investment in technology has increased in the year.

Adjusted EBITDA

£8.5 million



Definition

Profit before interest, taxation, depreciation, amortisation, share-based payment charges, and non-underlying items.

Relevance

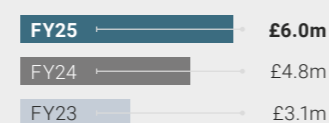
EBITDA is a measure of operational profitability before the potentially distorting effects of changes in interest, taxation, depreciation, and amortisation.

Performance

Adjusted EBITDA has increased by £2.2 million from £6.3 million in 2024 to £8.5 million in 2025. This highlights the strong trading performance in the year.

Underlying operating profit/(loss)

£6.0 million



Definition

Operating profit/(loss) before interest and non-underlying items.

Relevance

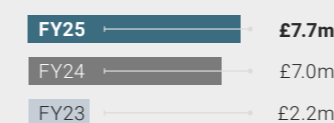
Underlying operating profit/(loss) helps us understand our performance excluding those items considered non-underlying to assess the baseline nature of profit or loss.

Performance

Underlying operating profit is up by £2.2 million from £4.8 million in 2024 to £6.0 million in 2025 reflecting increased revenues and continuing strong gross margins in both businesses.

Free cash flow

£7.7 million



Definition

Cash flow from operations (after tax) less capital expenditure, but before any payments in respect of non-underlying items.

Relevance

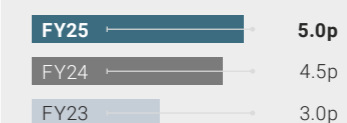
To understand the extent to which the business has generated cash from its trading activities, after replacing the capital assets integral in generating that cash flow, in order to decide whether to invest further in the business or return cash to shareholders.

Performance

Due to an improved profit performance and working capital movements, free cash flow increased to £7.7 million from £7.0 million in the prior year.

Total dividend

5.0p



Definition

Dividend per ordinary share.

Relevance

Dividend performance is key to shareholders and therefore the Group has a progressive dividend policy.

Performance






The increase in dividend per share from 4.5p in 2024 to 5.0p in 2025 is driven by the improved profitability of the Group.

# Our commitment to stakeholders as long-term partners is **key to sustainable growth and returns**

The Directors acknowledge their duty under Section 172(1) of the Companies Act 2006 and have acted in a way they consider, in good faith, has promoted the success of the Company for the benefit of its members as a whole. In making decisions throughout the year ended 30 November 2025, they have duly considered all the stakeholders and matters outlined in Section 172(1) (a-f).

The Company's values, together with internal policies and procedures, enable Synectics to uphold high standards of business conduct. Our commitment to the relationships with all stakeholders as true long-term partners is fundamental to the way we achieve sustainable growth and financial returns. Our engagement with them sets the context for the strategy set out on pages 8 and 9.

We consider our key stakeholders to be our people, partners, customers, investors, and the communities we operate in. Ongoing engagement with all our stakeholders is important in any strategic decision-making, with formal and informal feedback from stakeholders being shared at Board meetings and used to inform and influence key matters and decisions made by the Board during 2025.

	Why this stakeholder group is important	What is important to this stakeholder group
<b>Our People</b> 	They are our strength and the foundation of our success; we are committed to their health, safety, and well-being.	Recognition and appreciation. A work-life balance with importance being placed on their well-being.
<b>Our Partners</b> 	They enable us to create and deliver tailored customer solutions and enable the development of our technology programme.	The needs of their customers and the opportunities to deliver maximum operational benefit.
<b>Our Customers</b> 	They are at the heart of everything we do. We are driven by a deep understanding of our customers' needs and the challenges they must solve. By working in close partnership with them, we gain insights into their businesses, and proactively anticipate their needs, ensuring we deliver solutions that truly make a difference.	The delivery of solutions, which are at the forefront of technology, that will enable them to operate in the most efficient and effective way to provide peace of mind and not let them down when it matters most.
<b>Our Investors</b> 	They are vital for the future success of our business, providing funds which aid business growth and the generation of sustainable returns.	The accessibility and transparency of the Board, the articulation of the Group's strategic drivers, as well as maintaining regular dialogue and being kept up to date with all developments at the Company.
<b>Our Communities</b> 	They form the environment in which we operate. Supporting and engaging with communities allows us to create meaningful connections, contribute to local development, and build a sustainable future together.	Connections, support, and opportunities to thrive.

## Our engagement with this stakeholder group during 2025

- Enhanced communication and engagement through the launch of an employee communications platform. This strengthened visibility, collaboration, and alignment across the Group, alongside strong engagement outcomes including an Employee Opinion Survey Net Engagement Score of +14.
- Strengthened leadership, structure, and strategy by restructuring the Synectic Systems Senior Leadership Team, implemented targeted organisational changes in Germany, reshaped Ocular's sales and commercial functions, and introduced OKRs within Ocular to sharpen strategic focus and execution.
- Created and launched a new, three-tier channel Partner Programme, on a par with industry-leading expectations.
- This generated several articles in the security industry press, driving brand recognition and generating interest from a broader audience.
- Continued focus on carefully selected markets to develop distinctive expertise, strengthen customer understanding, and convert insight into differentiated solutions, with a strong emphasis on leading change, streamlining systems, and forming innovation partnerships with key customers.
- Our Synergy webinar series remained a key part of our customer engagement strategy, enabling customers to stay informed about the latest developments, capabilities, and enhancements. Our monthly customer newsletter also continued to deliver timely news and product insights, complemented by regular 'How To' videos to support customers in using Synergy.
- Maintained consistent Board engagement with a diverse range of investors throughout the year, participating in investor roadshows for both year-end and interim results, as well as undertaking additional proactive interactions beyond these key financial calendar events.
- Hosted two interactive webcast forums during the year, with presentation materials, regulatory announcements, and Company updates also available on the Company's website to keep existing investors informed and attract interest from the wider shareholder community.
- Continued to make employee donations of chocolate eggs at Easter and toys at Christmas to local charities working to alleviate the impact of poverty and deprivation on children, young people, and families in the community.
- Employees participated in the Sheffield 10k and raised £643 for Heart Research UK.
- Built specialist capability and global reach. Established new specialist teams, to enhance solution development and customer relationships, and expanded international presence through a key appointment in the UAE.
- Deepened listening, inclusion, and connection with our employees by delivering structured listening groups and hosted the first UK Employee Summit to reinforce Group vision and values, share ideas, and celebrate achievements.
- Onboarding of existing partners was very well received, with positive feedback on the new Partner Programme, its structure, and values received.
- Expanded use of the Partner Portal, enabled us to share exclusive webinars and sales and marketing assets with our partners, providing deeper insights into our products and the value they bring to them and their customers.
- Formed a new Global Customer Engagement team, dedicated to ensuring our existing customers are able to maximise the usage of our products and educate them on additional value-added modules they could procure to improve operational efficiencies. This team is also the front line for customer feedback on market trends, valuable new features etc which are fed back to our Ideas Portal. This allows both internal and customer stakeholders to vote on features, functions, and product extensions that are most valuable, which helps drive our roadmap.
- The 2025 Annual General Meeting provided all investors with the opportunity to hear directly from the Board, ask questions, and contribute to key decisions.
- The Board welcomed every opportunity to engage with both existing and prospective investors at these events and ensured that all feedback received was carefully reviewed and considered.
- Launched the Group's Volunteering Day, with employees dedicating time to support local charitable initiatives, including Christmas toy appeals, green space projects, community interest organisations, and local charities.
- Donated £1,500 to the charity Heart Research UK following a strong employee response rate to the Company's Employee Opinion Survey.

# We are committed to our ESG strategy

Protecting the environments society depends on is at the core of our business and is integral to delivering our purpose.

Every day, we support our customers to create a safer, more sustainable world. However, sustainability for Synectics extends beyond the reliable delivery of our solutions and day-to-day operations. It integrates the Environmental, Social and Governance 'ESG' considerations inherent in operating a technology-driven security and surveillance business. This year, we finalised Synectics' ESG strategy and determined the governance and management structure to deliver it.

Following our ESG materiality assessment in 2023 and the development of our ESG Framework in 2024, during 2025 we have further evolved our ESG strategic pillars to finalise our ESG roadmap and complete Phase 3(i): Implement.

We re-evaluated each strategic pillar and refined its focus to establish seven key ESG pillars. For each pillar, we identified specific actions and set clear deadlines for completion, allowing stakeholders to track our progress towards achieving our sustainability goals.

**Phase 1: Understand**

Materiality assessment completed. Results analysed and condensed into our key ESG topics.

**Phase 2 (i): Assess**

Begin a stocktake of our current ESG processes, policies, and practices.

**Phase 2 (ii): Develop**

Prepare an ESG framework which ensures compliance with regulations, procurement requirements, and adherence to best practice.

**Phase 3 (i): Implement**

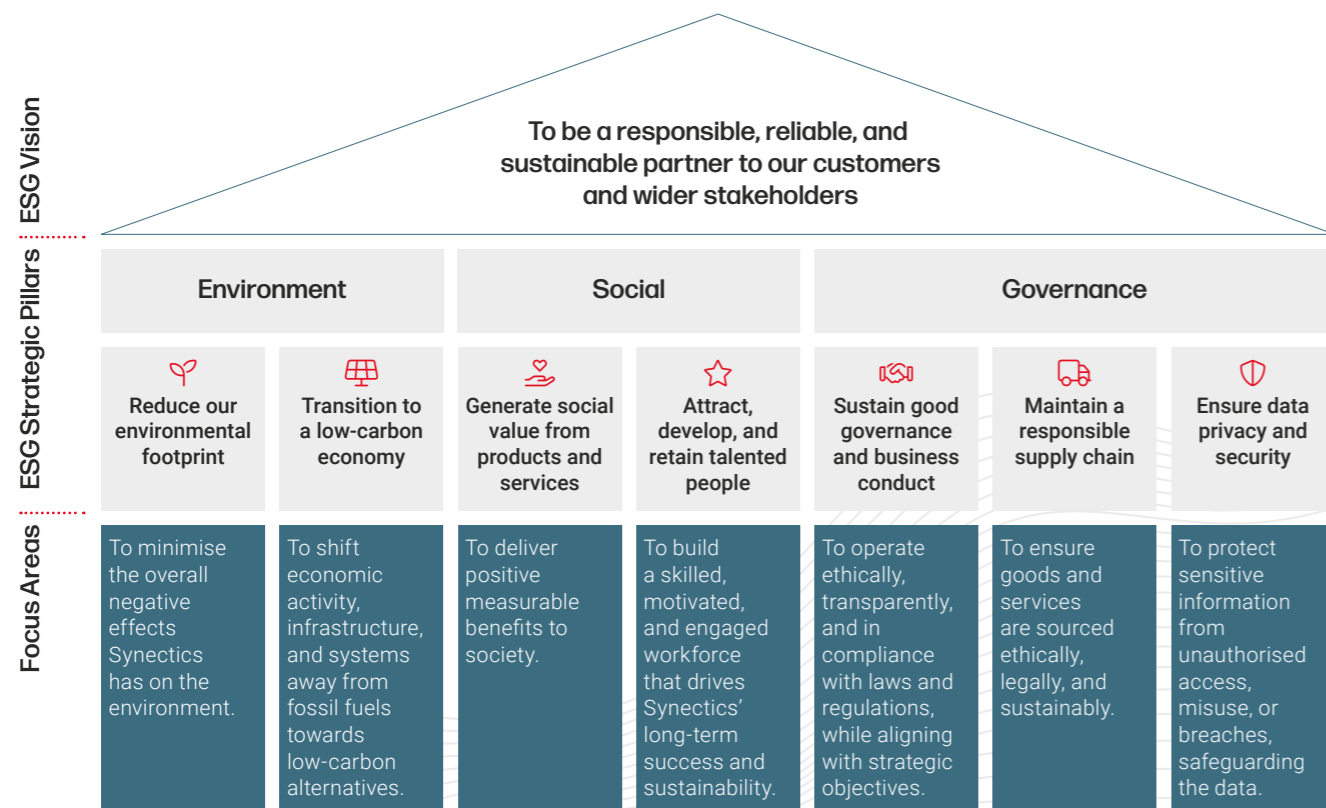
Develop the ESG roadmap and begin its implementation, integrating sustainability into the Group's governance, risk management, and operations.

**Phase 3 (ii): Targets**

Identify sustainability priorities and KPIs and set appropriate targets to report against going forward.

**Phase 4: Measure and Report**

Establish a process for data collection and constructive reporting.



Our environmental strategy	Pillar	FY25 highlights	Looking ahead
is delivered through two core pillars and is supplemented by our ISO 14001 certification which has allowed us to design and implement an environmental management system to continually improve our performance and engagement.	<b>Reduce our environmental footprint</b>	<ul style="list-style-type: none"> <li>Made improvements to waste segregation, including increased recycling of cardboard, plastics, and metals</li> </ul>	<ul style="list-style-type: none"> <li>Assessment of Synectics' environmental footprint</li> <li>Further optimisation of waste management to reduce landfill</li> </ul>
	<b>Transition to a low-carbon economy</b>	<ul style="list-style-type: none"> <li>Ongoing reduction of unnecessary travel, with virtual meetings used wherever practical</li> </ul>	<ul style="list-style-type: none"> <li>Monitor the introduction of IFRS S1 &amp; S2 and report in line with the requirements</li> <li>Consider the development of a carbon reduction plan and look towards net zero</li> </ul>

Our social strategy	Pillar	FY25 highlights	Looking ahead
is delivered through two core pillars and is further supported by our ISO 9001 and ISO 45001 certifications, which enable us to consistently deliver products and services that meet customer and regulatory requirements while proactively managing occupational health and safety risks to prevent work-related injury and ill health.	<b>Generate social value from products and services</b>	<ul style="list-style-type: none"> <li>Created an employee Volunteering Day, with employees dedicating time Volunteering Day to support local charitable initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Develop 'responsible surveillance' narrative and identify opportunities to participate in key forums and initiatives</li> <li>Incorporate social value into ESG policy, with further training and awareness across the business</li> </ul>
	<b>Attract, develop, and retain talented people</b>	<ul style="list-style-type: none"> <li>Achieved status as Living Wage Employer, Living Hours Employer, and a Disability Confident Employer</li> </ul>	<ul style="list-style-type: none"> <li>Continue to review and benchmark key employee policies to ensure they are relevant and competitive</li> <li>Review Synectics' values and employee proposition</li> </ul>

Our governance strategy	Pillar	FY25 highlights	Looking ahead
is delivered through three core pillars and is promoted through our internal policies and processes and our ISO 27001 certification, which has allowed us to manage and protect our information assets through an information security management system.	<b>Sustain good governance and business conduct</b>	<ul style="list-style-type: none"> <li>QCA 2023 analysis performed, and the Code's requirements implemented into reporting practices</li> </ul>	<ul style="list-style-type: none"> <li>Develop and deliver training modules to support the aims of governance policies</li> <li>Develop formal ESG/Sustainability policy</li> </ul>
	<b>Maintain a responsible supply chain</b>	<ul style="list-style-type: none"> <li>Performed a supply chain audit to identify environmental and social risks, and mitigations</li> </ul>	<ul style="list-style-type: none"> <li>Develop a sustainable sourcing policy</li> <li>Map customers that will be in scope of CSDDD requirements</li> </ul>
	<b>Ensure data privacy and security</b>	<ul style="list-style-type: none"> <li>Implemented Zscaler ZPA and ZIA, replacing VPN with a zero-trust model that delivers consistent on/off-network security and reduces the Group's attack surface</li> </ul>	<ul style="list-style-type: none"> <li>Obtain Cyber Essentials+ status for the Group</li> <li>Review and align Group policies to IASME Cyber Assurance and NIST CSF frameworks</li> </ul>

**Next Steps - Targets**

During 2026, targets for the actions under each strategic pillar will be set to enable us to measure, and report upon, progress. This will be done by the:

- alignment of materiality, risks, strategy, and KPIs.
- undertaking of further audits and reviews across the Group to set ESG targets.
- continual development of policies and other sustainability initiatives.

# Effective risk management and Board oversight supporting resilience and sustainability

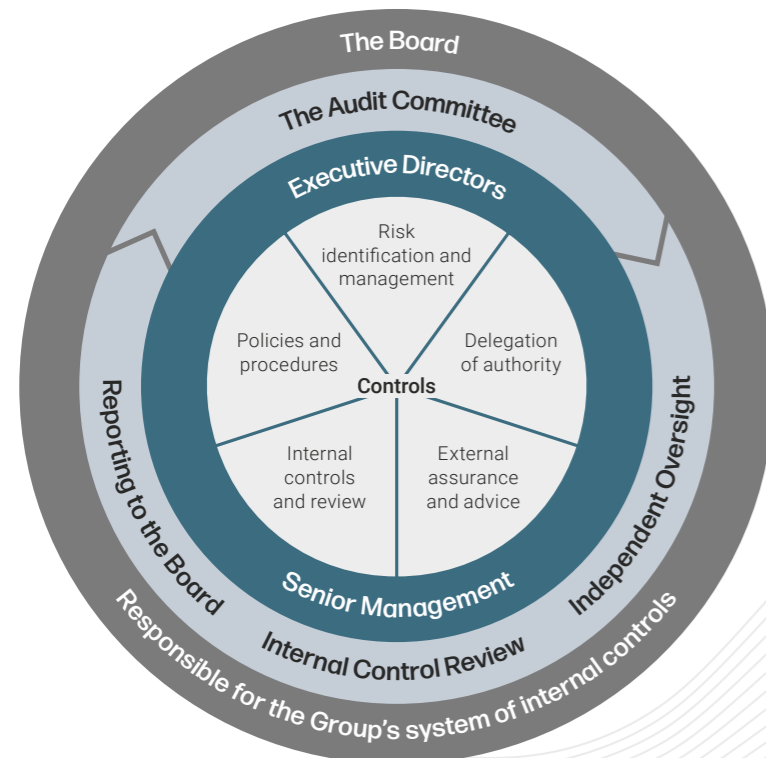
The Board has ultimate responsibility for maintaining a robust and effective risk management framework. Supported by the Audit Committee (the 'Committee'), it has established a formal risk management process, under which it identifies, reviews, and monitors the principal risks and uncertainties facing the Group and the effectiveness of the controls and procedures put in place to mitigate against them.

Operating in a fast-moving technology environment, the Group faces a broad range of strategic, operational, regulatory, and external risks. Effective risk management is central to safeguarding the interests of shareholders and wider stakeholders, supporting strategic decision making, and enabling long-term resilience and sustainable growth.

In line with the QCA Corporate Governance Code 2023, the Board, supported by the Committee, oversees the systems of risk management and internal control, recognising that responsible risk taking is essential to long-term value creation. Regular Board and Committee oversight enable clear accountability across the Executive Directors and senior management, formal reporting processes, and the integration of risk considerations being made as part of strategic planning, investment decisions, and operational management.

During the year, focus was placed on the Group's risk management framework, with work performed to improve its structure and processes. During 2026, further work will be undertaken to ensure that the risk management framework is embedded into the business so that it can be continuously monitored, allow controls to be reviewed, and enable the effectiveness of mitigations to be challenged.

The Group appreciates that whilst risks cannot be eliminated entirely, it can seek to manage them proportionately and responsibly, supported by a culture that encourages openness, early escalation, and continuous improvement.



## The Board

Has overall responsibility for embedding effective risk management and internal control systems throughout the Group.

## The Audit Committee

Supports the Board by providing independent oversight and challenge and reports regularly to the Board on material control issues, risk exposures, and recommended improvements.

## Executive Directors and Senior Management

Are responsible for implementing the Board-approved risk management framework and ensuring that risk management is embedded into day-to-day operations.

The system of internal control provides reasonable, but not absolute, assurance against material misstatement, loss, fraud, or failure to achieve strategic objectives.

All operational, contractual, and financial activities are conducted within a comprehensive financial planning, accounting, and reporting framework, supporting transparency and informed oversight.

The following section sets out the principal risks and uncertainties facing the Group and the actions in place to mitigate them.

**Key**

- ↑ Increased
- = No change
- ↓ Decreased

Risk	Mitigation
Factors that may impact Synectics	What we are doing to minimise the risk
<p><b>Attract and retain talented people</b></p> <p><b>Direction of risk in 2024</b> ↓</p> <p><b>Change in risk for 2025</b> =</p> <p>The continued future growth of Synectics depends on its ability to attract, motivate, and retain talented people.</p> <p>Due to the technical and specialist skills required by the Group, we are dependent on our employees including those with key engineering and technical skills.</p> <p>Market competition for key leadership and specialist talent has become increasingly strong, in particular:</p> <ul style="list-style-type: none"> <li>wage inflation is increasing;</li> <li>there is a skills shortage in technical roles; and</li> <li>the shift to remote and hybrid working has seen employees in lower-paid geographical regions work remotely in higher-paid areas such as London or even in other countries such as the US.</li> </ul>	<p>We have enhanced our recruitment and onboarding procedures, placing specific emphasis on attracting suitable candidates, nurturing talent from within the Group, and incorporating succession planning to ensure long-term leadership continuity. Our efforts extend to offering competitive remuneration packages and incentive structures, as demonstrated by enhancements to our benefits programme. We now have an established dedicated Learning &amp; Development platform to support career development for all employees.</p> <p>To gauge employee engagement, we conduct an annual survey supplemented by regular 'pulse' checks, with feedback and recommended actions reviewed by the Board and integrated into our strategy. Succession and talent planning linked to our Company strategy is a key consideration to ensure we have a robust pipeline of talent for critical roles.</p> <p>In 2026 we will be rolling out key initiatives to develop our managers and leaders.</p> <p>Furthermore, we have prioritised the well-being of our employees by rolling out measures to support their health and well-being, reinforcing our commitment to a sustainable and thriving workforce.</p>
<p><b>Exposure to specific market sectors</b></p> <p><b>Risk direction in 2024</b> =</p> <p><b>Change in risk for 2025</b> =</p> <p>A key strength of the Group is its capability to deliver bespoke solutions to customers operating in sectors with critical security requirements. The effectiveness of this strategy has resulted in revenues being concentrated across a relatively limited number of market segments, which exposes the Group to potential external market-specific risks.</p> <p>In addition, external factors, including changes in government policy or public sector investment priorities, may influence the timing and level of investment within the Group's core markets.</p>	<p>The Group operates two established businesses with distinct go-to-market models and growth objectives, providing a diversified revenue base across its targeted end markets. Adjacent markets, where our solutions offer a strong strategic fit, enable us to continue to develop our recurring revenue model to reduce reliance on any single market, geography, or customer. Risk is mitigated through diversification over time, while maintaining clear points of differentiation that create barriers to entry.</p> <p>During the year, this strategy was demonstrated through expansion into renewables via new product launches, entry into the tribal gaming sector as an aligned adjacent market, and the establishment of a presence in the UAE, extending the Group's geographic footprint. In parallel, the Group has strengthened its focus on business development to support scalable, sustainable growth within key sectors.</p>
<p><b>Product delivery</b></p> <p><b>Risk direction in 2024</b> =</p> <p><b>Change in risk for 2025</b> =</p> <p>Failure to deliver key projects in line with agreed costs and timelines could adversely impact the Group's future financial performance. Where the Group's services do not meet contractual standards, specifications or delivery schedules, there is a risk of cost overruns and exposure to contractual claims, which could result in financial and reputational harm.</p>	<p>All tenders that are submitted must comply with the Group's comprehensive risk assessment process. Large and/or higher risk project tenders are reviewed thoroughly by the Executive Directors and, where necessary, by the Board. The Group operates robust systems and procedures and maintains rigorous quality standards to ensure the monitoring and successful delivery of projects and service delivery.</p>

Risk	Mitigation
Factors that may impact Synectics	What we are doing to minimise the risk
<p><b>Product failure</b> Risk direction in 2024 =</p> <p>Change in risk for 2025 =</p>	<p>Product quality is closely monitored and reviewed across the Group, supported by ISO 27001 aligned processes, comprehensive product and code testing, and robust customer support. We maintain rigorous quality standards across our operations and expect the same of our suppliers, mitigating product liability risks through appropriate contractual arrangements wherever possible.</p>
<p><b>Technology development</b> Risk direction in 2024 =</p> <p>Change in risk for 2025 =</p>	<p>The Group continues to invest in customer-led R&amp;D and to strengthen its in-house development team to ensure its technology keeps pace with evolving market needs. This is supported by ISO 27001 aligned governance, SonarQube code analysis, internal penetration testing, and CREST-approved external testing, along with the use of AI-enabled development tools. The Board regularly reviews the product development roadmap to ensure investment and assurance processes remain aligned with customer and market requirements.</p>
<p><b>Business systems resilience</b> Risk direction in 2024 ↑</p> <p>Change in risk for 2025 =</p>	<p>In alignment with our commitment to enhance the resilience of our on-premises systems, we are implementing a new technical strategy with a focus on delivering secure and highly available hybrid cloud hosting solutions to meet the evolving needs of our businesses. We continue to enhance our broader business continuity plan, aiming to further reduce downtime in the event of a disaster. Additionally, we are addressing ageing business applications approaching end-of-life, with planned upgrades scheduled throughout FY26.</p>
<p><b>Cybersecurity</b> Risk direction in 2024 =</p> <p>Change in risk for 2025 =</p>	<p>We manage cyber risk with 24/7 Cybersecurity as a Service, delivered by an award-winning team for real-time monitoring, rapid threat response, and containment. As part of our IT strategy, we are investing in infrastructure enhancements, including refreshing all perimeter firewalls with next-generation firewalls and rolling out Zero Trust client solutions globally to secure access to applications and data. Our Zero Trust approach enforces strict identity verification and least-privilege access to reduce attack surfaces. Our ISO 27001 and Cyber Essentials Plus accreditations reflect our commitment to high security standards. We strengthen security with encryption, multi-factor authentication, regular audits, and an incident response plan. Ongoing cyber awareness training helps staff stay vigilant and supports regulatory compliance.</p>

Risk	Mitigation
Factors that may impact Synectics	What we are doing to minimise the risk
<p><b>Macro-economic disruption</b> Risk direction in 2024 ↑</p> <p>Change in risk for 2025 ↑</p>	<p>The Group has demonstrated resilience through the unprecedented challenges of recent years and has continued to deliver strong performance. A disciplined and proactive approach is taken to the ongoing monitoring and challenge of financial performance. The Group benefits from a strong presence in sectors that are considered relatively resilient to economic cycles, providing a stable platform for growth. Strategic focus remains on expanding the customer base and further diversifying revenue streams across sectors, thereby reducing reliance on any single market. To manage exposure to foreign exchange risk, the Group actively seeks to align costs with revenues and, where appropriate, utilises forward exchange contracts to hedge anticipated future cash flows.</p>
<p><b>Supply-chain and margin pressure</b> Risk direction in 2024 =</p> <p>Change in risk for 2025 ↑</p>	<p>The Group sources key technology components from a geographically diverse, international supplier base. Many components are highly specialised, customised, and subject to regulatory, customer, or certification requirements, meaning that identifying, approving, and qualifying alternative suppliers can be complex, and time-consuming. Supplier failure, capacity constraints, or delays in meeting required volumes or lead times could adversely impact the Group's ability to deliver to customers.</p> <p>The Group undertakes due diligence and formal approval processes for all new suppliers and, where possible, identifies and evaluates alternative sources for critical components. Regular communication is maintained with suppliers to strengthen relationships and proactively address supply chain risks. Supplier performance is closely monitored against delivery, quality, and compliance requirements. Rigorous stock management practices are applied, informed by detailed assessments of future product demand, to maintain appropriate inventory levels. Twelve-month rolling forecasts are provided to key suppliers to support capacity planning, reduce lead times, and mitigate supply disruption. In addition, suppliers are required to hold buffer stocks of critical components, and the Group maintains safety stock where necessary, with inventory levels reviewed regularly.</p>

**Strategic Report approval**

The Strategic Report on pages 1 to 41 has been approved by the Board.

By order of the Board

**Claire Stewart**

Company Secretary  
2 March 2026

# Driving sustainable value through integrity and leadership

## Dear shareholder,

On behalf of the Board, I am pleased to present our Corporate Governance Statement for the year ended 30 November 2025. Strong and effective governance is fundamental to delivering long-term, sustainable value for our shareholders and wider stakeholders. This year we have adopted the 2023 Quoted Companies Alliance 'QCA' Corporate Governance Code (the 'Code') having previously followed the 2018 QCA Corporate Governance Code. This Annual Report, together with the Corporate Governance section of the Company's website, explains how the principles of the Code are applied and outlines any areas where we have chosen to depart from the Code, along with our rationale. Our approach goes beyond compliance, focusing on how governance supports sustainable value creation and responsible leadership.

As Chair, I have overall responsibility for leading the Board and ensuring that effective corporate governance arrangements are aligned and support the Company's purpose and are embedded throughout the Group. I am responsible for overseeing the Board's operation as a balanced and independent decision-making body, setting the tone from the top in relation to culture, values, and ethical behaviour, and ensuring that appropriate governance, risk management, and internal control frameworks are maintained and that wider stakeholder views are appropriately considered. During the year, we appointed to the Board Paul Williams as Chief Financial Officer, adding further depth to our financial expertise. We regularly review the balance of skills, experience, and independence on the Board to ensure diversity of thought and robust oversight.

I am happy to report that the Board remains committed to maintaining high standards of integrity, accountability, and transparency. Governance is not simply about compliance; it is about ensuring that our structures, culture, and decision-making processes support our strategic ambitions, and reflect the evolving expectations of our investors, our people, and the markets in which we operate.

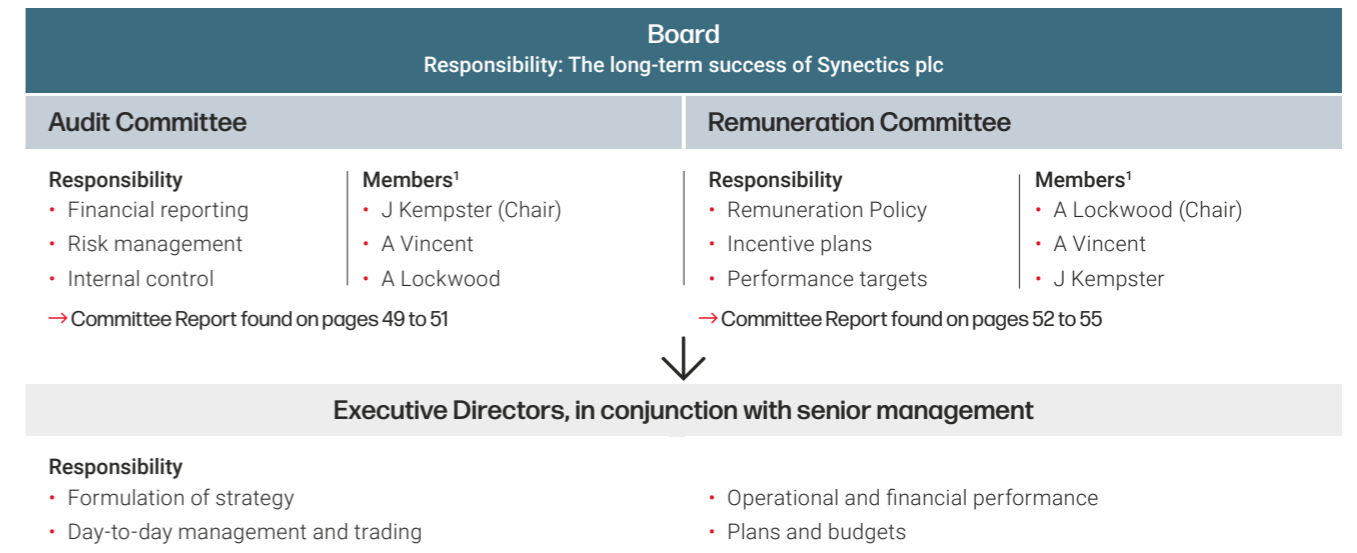
Central to the Code is the emphasis on purpose, culture, and long-term value creation. During the year, we continued to embed our purpose and values across the organisation, recognising that culture is a critical enabler of strategy. We strive to foster an environment where our people can thrive, where conduct reflects our values, and where risks are identified and managed proactively. These values inform decision-making and behaviour at all levels and are supported by internal policies that ensure fairness, inclusion, and ethical practices throughout the Group.

Constructive engagement with stakeholders is central to our governance framework. Throughout the year, we actively engaged with shareholders and other stakeholders on business performance and future strategy. These interactions took place through multiple channels, including the Annual Report, our website, presentations through Investor Meet Company, announcements to the London Stock Exchange, and direct dialogue with private and institutional investors. Insights from these engagements feed directly into Board discussions and help shape strategic decisions. Further details on stakeholder engagement can be found on pages 34 and 35 of this report.

I would like to thank my fellow Directors, our management team, and all employees for their dedication and professionalism throughout the year. Together, we strive to uphold the highest standards of governance, values, and behaviours, ensuring the integrity of our business and the long-term success of the Group.

**Bob Holt OBE**  
Non-Executive Chair  
2 March 2026

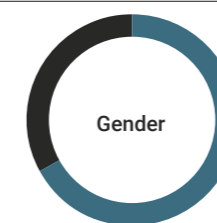
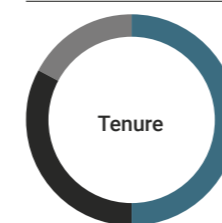
# Delivering strong, transparent governance that inspires lasting market confidence



Due to the size of the Board, there is no Nomination Committee. Instead, the function of a nomination committee is undertaken by the Board as a whole.

1. All members of the Committee have no personal or financial interests in the matters considered by the Committee.

## Board composition



0.3 years: 50%  
3-6 years: 33%  
6+ years: 17%

Male: 67%  
Female: 33%

## Board and Committee attendance

Board and Committee meetings are held regularly throughout the year. Prior to the start of each financial year, a schedule of dates for that year is compiled to allow an appropriate spread of meetings across the year, in line with the Company's half-year and full-year results and to ensure full attendance of Board members where possible. During the year, the Board met seven times and, in addition, participated in sessions on the Group's strategy and five-year plan.

The table below shows the number of scheduled Board and Committee meetings attended during the year:

	Board	Audit Committee	Remuneration Committee
B Holt	7 of 7	-	-
A Larnder	7 of 7	-	-
P Williams <sup>2</sup>	2 of 2	-	-
A Vincent	6 of 7	3 of 3	3 of 3
A Lockwood	7 of 7	3 of 3	3 of 3
J Kempster	7 of 7	3 of 3	3 of 3

2. Appointed to the Board on 26 August 2025.

These scheduled meetings were supplemented by additional calls where required.

At each Board meeting, a high-level update on the Group is delivered. In addition, the Board receives departmental reports, reviews business and financial performance, and considers key initiatives, health and safety, risks, and governance. Throughout the year, senior management and other employees are also invited by the Board and Committees to deliver presentations on proposed initiatives and progress on projects.

## The Board of Directors

# Governance strengthened by a Board with the right expertise, independence, and perspective

The Board comprises, in addition to the Chair, three Independent Non-Executive Directors and two Executive Directors. Membership of both the Audit Committee and Remuneration Committee is made up solely of the three Independent Non-Executive Directors.



**Bob Holt OBE**

Non-Executive Chair

Bob is a highly accomplished executive with over 35 years' experience in senior leadership roles across various sectors, including Revolution Beauty Group plc, Sureserve Group plc, and Mears Group PLC, where he guided the company through its successful IPO on AIM and played a pivotal role in establishing Mears as a market leader in its sector. Bob was awarded an OBE for his significant contributions to charity, having founded both The Footprints Foundation to support vulnerable individuals, both locally and internationally, and The Holt Trust, which provides grants to disabled and able-bodied young people under 25, helping them overcome barriers to achieving their full potential in amateur sports. Bob is also Non-Executive Chair of EARNZ plc.



**Amanda Larnder**

Chief Executive Officer

Amanda is an experienced executive with over 10 years' involvement in technology and manufacturing sectors. She was appointed as CEO in November 2024, having initially been appointed to the Board on 4 July 2022 as the Group's CFO. Amanda has gained significant knowledge of the Group and the sectors in which it operates through a number of years of experience in senior finance roles within the business. Prior to being appointed to the Board of Synectics, Amanda supported the board of directors of numerous companies through various transactions including sales of operations and IPOs. Amanda started her career with Ernst & Young and held senior management roles specialising in listed companies. She holds a degree in International Business and Modern Languages from Aston University and is a member of the Institute of Chartered Accountants of Scotland ('ICAS').



**Paul Williams**

Chief Financial Officer

Paul is a highly accomplished Chief Financial Officer, having gained significant experience across the IT and software sectors. He joins Synectics from CloudCall, a software and unified communications business which was quoted on AIM until January 2022 before exiting to US private equity, where he held the role of Chief Financial Officer for 12 years. Prior to his role at CloudCall, Paul was Chief Financial Officer for the Middle East and India subsidiaries of Columbus A/S, a Danish company providing IT software and services globally, and spent 12 years at ECsoft Group plc, an IT services and systems integrator, that was subsequently acquired by US-listed CIBER Inc. Paul joined ECsoft Group plc as UK Financial Controller, before assuming the role group-wide. He remained Group Financial Controller following the acquisition by CIBER Inc. and subsequently became Interim CFO of CIBER's international division. Paul began his career with British Rail and Railtrack and spent four years working with IBM as a financial analyst. Paul is a qualified accountant.



**Dr Alison Vincent CBE**

Independent Non-Executive Director

Dr Alison Vincent CBE is an experienced NED and Chair in multiple listed, private, and not for profit boards after 30 years of holding C-suite positions in Cisco, HSBC, and IBM. Alison is a non-executive director for SEI Investments Europe Ltd and Connected Places Catapult Ltd. She is the Chair of the Digital Twin Hub and is a lay member of council at Southampton University. Alison also chairs the MacRobert Award Committee, the UK's longest-running and most prestigious national prize for engineering innovation on behalf of the Royal Academy of Engineering. Alison has a PhD in cryptography and a BSc in Mathematics both from London University and is a Fellow of the Royal Academy of Engineering, the British Computer Society, and the Institution of Engineering and Technology.



**Andrew Lockwood**

Independent Non-Executive Director and Remuneration Committee Chair

Andrew has over 30 years' experience of leading, reshaping, and growing technology, telecommunications, and healthcare businesses. These roles have included leadership positions at BT, Capita plc, and Daisy Communications plc in the UK, as well as substantial exposure to international markets, including extensive time spent working in the United States at Inktomi Corp and Covad Communications. Most recently, Andrew held the role of CEO at KFM, a provider of technology-enabled healthcare support services. He is currently a Non-Executive Director and Chair of the Remuneration Committee at PCIP-PAL, an AIM-listed provider of SaaS solutions that empower companies to take payments from their customers securely.



**Jon Kempster**

Independent Non-Executive Director and Audit Committee Chair

Jon has more than 25 years' experience as a public company director. He is currently a Non-Executive Director of AIM-quoted Norman Broadbent plc, Cambridge Cognition Holdings plc, and Pennant International Group plc and a Director of Delta Pension Nominees Limited. Jon qualified as a chartered accountant with Price Waterhouse in 1990 and has held several board positions in both an executive and non-executive capacity, including at Wincanton plc, Frasers Group plc, Redcentric plc, and more recently Ted Baker plc and DX (Group) plc.

# Demonstrating strengthened governance in our first year of reporting against the 'QCA' Code 2023

## Quoted Companies Alliance 'QCA' Corporate Governance Code 2023 (the 'Code')

This is the Company's first year reporting against the Code, having previously applied the QCA Corporate Governance Code 2018 (the '2018 Code'). In preparation for this transition, the Company undertook a comprehensive gap analysis to assess the differences between the 2018 Code and the Code to evaluate the Company's governance arrangements against the requirements of the Code. Following this assessment, the Board resolved to adopt the Code with effect from 1 December 2024. In line with the Code's requirement to apply its principles, explain any departures, and publish related disclosures in the Annual Report, on the Company's website, or a combination of both, the Company has complied with the Code's recommendations with disclosures relating to principles 3, 4, 7, 8, and 10 available on the Company's website at [www.synecticsplc.com](http://www.synecticsplc.com), with the remaining disclosures being made in this report.

### Principle 1: Purpose, strategy, and business model

Synectics exists to protect what matters, where it matters most, through trusted, advanced security and surveillance capability. Our purpose is to deliver the most trusted advanced security and surveillance solutions to protect the world's most critical environments. Further information about this, and how we achieve it through our strategy and business model, can be found in the Strategic Report on pages 1 to 41.

### Principle 2: Corporate culture

The Board is responsible for establishing the Company's purpose, strategy, and values, and ensuring that these are aligned with and embedded within the Group's culture. Our culture is characterised by being Human, Customer Driven, Enterprising, and Honourable, values that guide all decision-making, interactions, and strategic priorities. The Board and senior management lead by example through visible leadership, regular engagement with employees and customers, and active sponsorship of initiatives that reinforce our culture, including capability development programmes and the first UK Employee Summit which was held in the year. Culture is embedded throughout the Group and is assessed by the Board through employee engagement data, insights from listening groups, and leadership reports. Our commitment to fairness and inclusion was strengthened during the year through our accreditations as a Living Wage, Living Hours, and Disability Confident Employer. Further information on how we have strengthened our culture during the year can be found on pages 20 and 21.

### Principle 3: Shareholder needs and expectations

The Board maintains proactive engagement with shareholders to understand and meet their expectations. The Executive Directors act as primary contacts for investors, analysts, and the media, meeting regularly with major shareholders, with the Chair and Committee Chairs supporting where requested. Engagement with investors takes place through full-year and half-year results presentations, ad hoc meetings, investor days demonstrating the Group's technology, and the AGM, where all shareholders can speak directly with the Board. Corporate information and announcements remain accessible on the Company's website, [www.synecticsplc.com](http://www.synecticsplc.com). As detailed on pages 36 and 37, the Group is continuing its work to enable future quantitative and qualitative ESG reporting and will detail this in next year's Annual Report and Accounts.

### Principle 4: Wider stakeholder interests

As detailed on pages 34 and 35, we consider our key stakeholders to be our people, partners, customers, investors, and the communities in which we operate. Understanding their respective needs is critical to the long-term success of the Group, and we continue to take a proactive and structured approach to engagement. Further information about how we identify our key relationships and obtain feedback can be found on the Company's website, [www.synecticsplc.com](http://www.synecticsplc.com).

The Company supports its culture through a comprehensive framework of policies and practices designed to promote integrity, fairness, and respect. These include policies on equality of opportunity, anti-discrimination, and expected standards of behaviour. The Group's Whistleblowing and Anti-Bribery and Corruption policies are reviewed annually and communicated throughout the organisation; no reports of non-compliance were received during the year.

The Company remains committed to acting responsibly and ethically in relation to human rights and opposes modern slavery in all its forms. The Board reviews the effectiveness of internal controls designed to mitigate modern slavery risks each year, supported by our published Modern Slavery Statement.

### Principle 5: Effective risk management, internal controls, and assurance activities

While the Board retains ultimate responsibility for risk management, oversight is delegated to the Audit Committee, with implementation carried out across the Group by the Executive Directors and senior management. Further details are provided in the Audit Committee Report on pages 49 to 51 and in the Risks and Risk Management section on pages 38 to 41. As work continues on defining ESG targets and establishing measurement frameworks, disclosures relating to the governance of climate-related risks and opportunities will be included in next year's Annual Report and Accounts.

### Principle 6: A well-functioning, balanced Board

During the year, Paul Williams was appointed to the Board as Chief Financial Officer, adding further depth to its financial expertise. Accordingly, the Board believes that it is now an appropriate size and is sufficiently independent, balanced, and contains a breadth of experience to provide effective oversight of the Group's strategy, performance, resources, and standards of conduct.

Details of the Directors can be found on pages 44 and 45.

All three Non-Executive Directors: Alison Vincent, Andrew Lockwood and Jon Kempster, are considered to be independent and are able to commit the required time necessary to fulfil their roles. They form an effective team with a blend of skill sets which meet the needs of the Company and are fully committed to working for the benefit of all shareholders and stakeholders. The Board is satisfied that there is a suitable balance between Company knowledge and independence in order to discharge its duties and responsibilities effectively.

The Group recognises the benefits of having a diverse Board, senior management team, and workforce in general and seeks to recruit and develop the best-qualified candidates to support and achieve the Group's long-term strategic and business objectives. The Group monitors and encourages diversity across the whole workforce in terms of gender, skills, culture, disability, and ethnicity and believes such diversity contributes to the success of the Group.

## Key activities and matters dealt with by the Board in 2025

December	February	April	May
<ul style="list-style-type: none"> <li>Approval of Group 2025 budgets and five-year plan</li> <li>General update</li> <li>Chief Financial Officer recruitment</li> </ul>	<ul style="list-style-type: none"> <li>Approval of final results and dividend policy</li> <li>Approval of Group risk registers and risk management</li> <li>Approval of Anti-Bribery and Corruption policy</li> <li>Approval of the approach to meeting the requirements of the Modern Slavery Act 2015</li> </ul>	<ul style="list-style-type: none"> <li>General update</li> <li>Review of QCA Code 2023 gap analysis</li> </ul>	<ul style="list-style-type: none"> <li>Reviewing and monitoring Group strategy and progress against business objectives</li> <li>Reviewing operational and financial performance of the Group</li> <li>Board and senior management succession planning and general recruitment and retention</li> </ul>
July	September	October	Additional calls
<ul style="list-style-type: none"> <li>Approval of interim results and dividend policy</li> <li>Approval of Whistleblowing and Anti-Bribery and Corruption policies</li> <li>Partner Programme update</li> <li>IT strategy update</li> </ul>	<ul style="list-style-type: none"> <li>Directors' AIM obligation training</li> <li>System's transformational update</li> <li>System's technology update and review of product development roadmap and technological developments in the industry</li> <li>Reviewing the findings of the 2025 Employee Opinion Survey</li> </ul>	<ul style="list-style-type: none"> <li>General update</li> <li>Review of implementation of the Economic Crime and Corporate Transparency Act 2023 'ECCTA'</li> </ul>	<ul style="list-style-type: none"> <li>Chief Financial Officer recruitment</li> <li>Business update</li> </ul>

**Principle 7: Directors' experience, skills, and capabilities**

The Board is satisfied that it has the necessary experience, skills, and capability to discharge its duties, with all Directors receiving regular and timely information on the Group's operational and financial performance, circulated in advance of meetings. The Group reports monthly on its performance against agreed targets, which the Board reviews at each meeting. The Board benefits from a range of highly experienced individuals whose sector-specific skills, personal qualities, and capabilities support delivery of the Company's strategy, and it is satisfied that collectively it maintains an effective and appropriate balance of skills and knowledge across technology, engineering, finance, international trading, innovation, sales, and marketing. The Executive and Non-Executive Directors' skill sets are complementary, providing a blend of commercial, operational, and financial expertise of sufficiently high calibre to ensure robust decision-making that meets fiduciary responsibilities to shareholders. Each Board member is responsible for maintaining their individual skill set through roles with other organisations and by staying informed on developments in relevant markets, attending conferences and training throughout the year, with formal training needs reviewed annually. All Directors are able to obtain independent professional advice in furtherance of their duties if required, and details of the Company's advisers are available on page 107 and on the Company's website at [www.synecticsplc.com](http://www.synecticsplc.com). In light of the requirements of the QCA Code, a review of the Board's experience, skills, and capabilities will be undertaken in 2026, and the results reported alongside the Board evaluation as detailed in Principle 8.

**Principle 8: Evaluate Board performance**

Following significant changes to the Board in 2024 and the appointment of a new Chief Financial Officer in August 2025, the Board agreed in the year that it was not appropriate to undertake a formal evaluation during 2025, as additional time was needed both for the Board to evolve and for new members to become fully embedded. A Board evaluation will therefore be carried out during 2026, with the outcomes reported in next year's Annual Report and Accounts.

**Principle 9: Establish a remuneration policy**

Synectics has, for a number of years, had in place and published as part of its Remuneration Committee Report a Remuneration Policy covering the Executive and Non-Executive Directors. This is reviewed annually by the Remuneration Committee to ensure that it reflects good market practice and is aligned with Synectics' strategy, culture, and purpose. Further details of the policy can be found on pages 53 and 54.

**Principle 10: Dialogue with shareholders and other key stakeholders**

We communicate with shareholders through our Annual Report, full-year and half-year announcements, various trading updates, the Annual General Meeting, and one-to-one meetings. Our corporate information (including all announcements, reports, and recordings of results presentations) is also available to shareholders, investors, and the public on the Company's website, [www.synecticsplc.com](http://www.synecticsplc.com).

# Ensuring integrity, transparency, and strong financial oversight



**Jon Kempster**  
Chair of the Audit Committee  
2 March 2026

**On behalf of the Audit Committee (the 'Committee'), I am pleased to present the Committee's report for the year ended 30 November 2025, which has been approved by the Board.**

During the year, the Committee has reviewed the integrity of the Group's financial reporting and has advised the Board that the 2025 Annual Report and Accounts, taken as a whole, is fair, balanced, and understandable. It provides shareholders with the information needed to assess the Company's position, performance, business model, and strategy. The Committee's activities are regularly monitored and updated to reflect regulatory and market developments. I would like to thank my fellow Committee members Dr Alison Vincent and Andrew Lockwood together with Paul Williams and Claire Stewart, the new Chief Financial Officer and Company Secretary respectively.

**Role and operation of the Committee**

The Committee is responsible for ensuring that the Company maintains a strong control environment. It provides effective governance over the Group's financial reporting, including oversight and review of the systems of internal control and risk management and the performance of internal and external audit functions.

The Committee's formal terms of reference, which are reviewed and approved annually, set out its duties delegated to the Committee by the Board. A copy of the terms of reference can be found on the Governance section of the Company's website at [www.synecticsplc.com](http://www.synecticsplc.com).

Neither the Executive Directors nor the Chair attend meetings of the Committee other than by invitation. The Committee invites the external auditor to attend certain meetings. The Committee is authorised by the Board to obtain external professional advice at the Group's expense to perform its duties.

**Summary of the Committee's responsibilities**

- Reviewing the half-year and annual Financial Statements and formal announcements relating to financial performance and advising the Board on whether they are fair, balanced, and understandable;
- Reviewing the external auditors' independence and considering the nature, scope, and results of the audit and reviewing the policy on any non-audit services that are provided by the external auditor and making recommendations to the Board on their appointment and remuneration;
- Reviewing compliance with legal requirements, accounting standards, and the AIM Rules;
- Ensuring that effective systems of internal financial and non-financial controls (including for the management of risk and whistleblowing) are maintained;
- Reviewing and agreeing the scope and work of the Group's internal audit activities and considering findings of internal investigations and management's response to these, and
- Reviewing the Committee's performance, constitution, and terms of reference to ensure it operates effectively and recommending any changes to the Board for approval.

### Key activities and matters dealt with by the Committee in 2025

February	July	October
<ul style="list-style-type: none"> <li>Review of Group risk registers and risk management</li> <li>Review of final results with the external auditor</li> <li>The suitability of the Group's accounting policies and practices</li> <li>The adoption of the outcomes of the assessments of goodwill impairment and going concern and recommending to the Board that it is appropriate to adopt those assumptions (see further information below)</li> <li>Approval of the Committee Report</li> </ul>	<ul style="list-style-type: none"> <li>Review of Group risk registers and risk management</li> <li>External auditor assessment</li> <li>Tender of external audit</li> <li>Review of interim results</li> <li>Review of the Whistleblowing, Anti-Bribery and Corruption and Non-Audit services policies</li> <li>Review of the Committee's terms of reference</li> </ul>	<ul style="list-style-type: none"> <li>Review of Group risk registers and risk management</li> <li>Review and approval of the external auditor's plan for 2025, which detailed the proposed audit scope and risk and assessment</li> </ul>

### Financial reporting

During the year, the Committee reviewed and recommended approval of the half-year and annual Financial Statements. As part of its review, the Committee interrogated the key judgements and accounting policies applied and considered the basis for estimates and assumptions underlying the Financial Statements.

The Committee recognises the importance of understanding changes in accounting policies and practice and receives regular updates from both the external auditor and the finance team on key changes in this area.

During the year, the Committee, management, and the external auditor considered and concluded on a number of matters in relation to the Financial Statements.

Those matters and what the Committee did to ensure that they had been appropriately addressed in the Financial Statements are set out below:

Area of focus	How the matter was addressed by the Committee
<b>Goodwill and investment impairment review</b>	The Committee reviewed management's report outlining the approach taken on impairment testing and the key assumptions and sensitivities supporting the conclusions. The Committee agreed with the conclusions reached on impairment.
<b>Going concern</b>	The Committee reviewed management's report outlining the assessment of going concern, giving consideration to the Group's forecast cash flows, liquidity requirements, and borrowing facilities. Following this review the Committee agreed that the going concern basis of accounting continues to be appropriate.
<b>Non-underlying items</b>	The Committee considered the presentation of the Consolidated Financial Statements and the appropriateness of the presentation of non-underlying items. The Committee reviewed the nature, timing, and significance of the non-underlying items identified and concurred with management that the treatment was appropriate and consistently applied across years. See note 6 to the Consolidated Financial Statements for an analysis of non-underlying items.

### Risk management and internal control

The Committee also has responsibility for reporting to the Board on whether the Group's key control policies and procedures remain appropriate and that it is operating a robust and effective control environment.

#### Risk management

The Committee, on behalf of the Board, ensures that the Group's principal risks and uncertainties have been appropriately identified and assessed. It reviews those key risks and the quality of the assurance on the effectiveness of the controls that mitigate those risks, allowing it to conclude on the principal risks disclosed on pages 38 to 41.

#### Effective internal control

Operating policies, procedures, and controls are in place across the Group and have been in place throughout the year under review. These policies ensure the accuracy and reliability of financial reporting and the preparation of Financial Statements including the consolidation process.

The controls relating to financial reporting include:

- an appropriately qualified management structure, with clear lines of responsibility;
- a comprehensive annual budgeting process, which is approved by the Board;
- close management of the day-to-day activities of the Group by the Executive Directors;
- detailed monthly reporting of performance, against budget and forecast; and
- central control over key areas such as contract risk assessment, capital expenditure authorisation, and banking facilities.

The Committee, having considered the controls in place during 2025, have concluded the risk management and related control systems in place are effective. Details of the system of internal control, the principal risks facing the Group, and the strategies put in place to mitigate them are set out in the Risks and Risk Management section on pages 38 to 41.

#### Whistleblowing & anti-bribery

The Group has in place a Whistleblowing Policy and process whereby an employee of the Group may, in confidence, raise concerns about possible improprieties in financial reporting or other matters. The Group also has in place an Anti-Bribery & Corruption Policy which sets out its zero-tolerance position and provides information and guidance to those working for the Group on how to recognise and deal with bribery and corruption issues. Both whistleblowing and bribery are standing agenda items for discussion at Board meetings, and the policies are reviewed annually by the Committee. The Committee is comfortable that both policies are operating effectively.

#### External audit

The Committee has responsibility to ensure that there is a sufficiently robust and effective external audit through considering the independence of the external auditor, the appointment and reappointment of the external auditor, and all reports from the external auditor.

### Tender of the external audit

During the year, a tender of the external audit contract took place. Following a competitive and comprehensive process, overseen by the Committee, the Board appointed PKF Littlejohn LLP ('PKF') as external auditor for the period to 30 November 2025. The tender process, which included the incumbent external auditor RSM UK Audit LLP ('RSM'), was carried out as part of the Board's commitment to best corporate governance practice. The Committee was impressed throughout the process with PKF's experience, audit approach, and credentials. RSM confirmed there were no circumstances which should be brought to the attention of members or creditors of the Company. The Committee recommends the appointment of PKF as external auditor of the Group, subject to approval by shareholders at the 2026 Annual General Meeting.

#### Audit independence

The Committee and the Board place great emphasis on the objectivity of the external auditor in its reporting to shareholders. When required, the external audit partner is present at Committee meetings to ensure full communication of matters relating to the audit. The overall performance of the external auditor is reviewed annually by the Committee, considering the views of management, and feedback is provided when necessary to senior members of the audit firm unrelated to the audit. The Committee also has discussions with the external auditor, without management being present, on the adequacy of controls and on any judgemental areas. The scope of the forthcoming year's external audit is discussed in advance by the Committee. Audit fees are approved by the Committee.

Assignments of non-audit work have been, and are subject to, controls by management that have been agreed by the Committee so that audit independence is not compromised.

Other than the external audit, the Committee is required to give prior approval of work carried out by the auditor and its associates with a value more than £50,000. Part of this review is to determine that other potential providers of the services have been adequately considered. These controls provide the Committee with confidence in the independence of the auditor in its reporting on the audit of the Group.

#### Non-audit services

The independence and objectivity of the non-audit services provided to the Group are safeguarded by the Group's non-audit services policy. The policy on engaging the external auditor for non-audit services has always been designed to ensure that such engagements do not result in the creation of a mutuality of interest between the auditor and the Group, that a transparent process and reporting structure is established to enable the Committee to monitor policy compliance, and that unnecessary restrictions on the engagement of the auditor for non-audit services are avoided where the provision of advice is commercially sensible and is more cost-effective than other providers. Compliance with the policy is actively managed and an analysis of non-audit services is reviewed throughout the year. During the year ended 30 November 2025, no non-audit services were provided to the Group (FY24: nil).

# Ensuring performance-led remuneration that is fair to employees and aligned with shareholder interests



**Andrew Lockwood**

Chair of the Remuneration Committee  
2 March 2026

On behalf of the Remuneration Committee (the 'Committee'), I am pleased to present my report as Chair of the Committee for the year ended 30 November 2025, which has been approved by the Board.

As an AIM-listed company, the information provided is disclosed to fulfil the requirements of AIM Rule 19. The Company is not required to comply with Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. This information is unaudited, except where stated.

## Role and operation of the Committee

The Committee operates within the remit delegated by the Board, which is set out in formal terms of reference. The remuneration of Non-Executive Directors is a matter for the Chair of the Board and the Executive Directors. No Director or manager is involved in any decision regarding their own remuneration. A copy of the terms of reference can be obtained from the Governance section of our website at [www.synecticsplc.com](http://www.synecticsplc.com).

Neither the Executive Directors nor the Chair of the Board attend meetings of the Committee other than by invitation and are not present at any discussion of their own remuneration.

As Committee Chair, I formally report to the Board on the Committee's proceedings, ensure that a report of the Remuneration Policy and practices is published in the Annual Report and Accounts, and ensure that each year a report of the Committee, which contains the Directors' remuneration, is put to shareholders for approval at the AGM.

The Committee is authorised by the Board to seek any information it requires from any employee of the Group in order to perform its duties and to obtain external professional advice at the Group's expense. During the year, the Committee sought advice from FIT Remuneration Consultants LLP in respect of its 2025 share awards and dilution position.

This is the Company's first year reporting against the 2023 QCA Code which requires a company to establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy, and culture. As stated in the Corporate Governance Report, Synectics has for a number of years already published its Remuneration Policy, put to a shareholder vote at the Annual General Meeting, and will continue to do so.

Finally, I would like to thank my fellow Committee members Dr Alison Vincent and Jonathan Kempster together with Claire Stewart, the Company Secretary, for their support during the year.

## Summary of the Committee's responsibilities

- Making recommendations to the Board for approval of overall Group remuneration policies, and the specific remuneration each year for all Directors and the senior management team, including bonuses, incentive payments, and share awards.
- Ensuring Executive Directors and the senior management team are provided with appropriate incentives to encourage enhanced performance in a fair and reasonable manner.
- Reviewing the design of share incentive plans for approval by the Board and determining the policy on annual awards to Executive Directors and senior management and reviewing progress made against performance targets and agreeing incentive awards.
- Reviewing the Committee's performance, constitution and terms of reference to ensure it operates effectively and recommending any changes to the Board for approval.

## Key activities and matters dealt with by the Committee in 2025

February	May	July
<ul style="list-style-type: none"> <li>• Recruitment and remuneration of new Chief Financial Officer</li> <li>• Approval of the Committee Report</li> <li>• Approval and payment of Chief Executive Officer 2024 bonus</li> <li>• Approval of the vesting of 2022 PSP awards</li> <li>• Discussion of 2025 share awards</li> </ul>	<ul style="list-style-type: none"> <li>• Vesting of 2022 PSP awards</li> <li>• Discussion of 2025 share awards</li> </ul>	<ul style="list-style-type: none"> <li>• Review of the Share Dealing Policy and code</li> <li>• Review of Committee's terms of reference</li> <li>• Update on Mr Webb's vested awards</li> <li>• Discussion of 2025 share awards</li> </ul>

## Remuneration policy for Executive Directors

Executive Directors are employed by the Group and are required to devote substantially the whole of their time to its affairs. The policy of the Board is to provide competitive packages reflective of the industry in which it operates to attract, retain, and motivate high-calibre individuals as Executive Directors and to ensure that their remuneration packages (consisting of basic salary, performance-related bonuses, pension arrangements, and other benefits including interests in share schemes) reflect their responsibilities, performance, and experience, and encourage and reward superior performance. The policy also seeks to ensure that Executive Directors are rewarded fairly for their individual contributions to the Group's performance and to encourage appropriate behaviours in line with the Group's attitude to risk.

In setting performance-related pay targets and performance conditions and levels of remuneration for Executive Directors, Synectics has engaged in a dialogue with its significant shareholders where required. This report sets out clearly how the Remuneration Policy has been implemented and the rationale for those decisions is set out below.

<b>Basic salary</b>	The Group aims to pay competitive market salaries and to recognise individual development and progression through the annual salary and personal review processes. Salaries are reviewed annually.
<b>Annual performance-related bonuses</b>	In line with the scheme covering other senior members of staff, performance-related bonuses for the Executive Directors are based on the achievement of specific financial targets for the Group and agreed personal objectives.
<b>Pension arrangements</b>	The Group makes contributions into money purchase schemes on behalf of the Executive Directors. Pension payments are based only on basic salary.
<b>Other benefits</b>	These principally comprise car benefits, life assurance, and membership of the Group's healthcare scheme.
<b>Long-term incentive arrangements</b>	The Group operates various share schemes in which the Executive Directors participate. Details of the share schemes are given in note 23 to the Consolidated Financial Statements. Directors' interests in shares in the Company are detailed in the shareholdings disclosure on page 57.

Executive Directors are not automatically entitled to compensation payments for loss of office, other than payment in lieu of their contractual notice period, if legally required. They do not hold directorships in other companies unrelated to the Group and, accordingly, no remuneration is due to the Group.

## Remuneration policy for Non-Executive Directors

Non-Executive Directors are independent of the Group and are expected to spend an average of approximately two days a month on the Group's business. They are not restricted from undertaking additional directorships, subject to avoiding any conflicts of interest.

After considering recommendations from the Chair, the Board determines the remuneration of the Non-Executive Directors excluding the Chair. The remuneration of the Chair is determined by the Committee.

## Remuneration Committee Report

Non-Executive Directors receive fees which are reviewed annually in light of their responsibilities, experience, and contribution to the Group's affairs, as well as market rates. Non-Executive Directors do not receive any performance-related pay or rewards, and the Group does not deduct for, or contribute to, a pension.

During the year, an exercise was undertaken to benchmark the fees of the Non-Executive Directors, which resulted in an increase in fees to £37,500 with a further £2,500 for chairing a Committee.

**Service contracts**

There are no Directors' service contracts with notice periods more than one year. The notice periods under the service agreements for Executive Directors and letters of appointment for Non-Executive Directors are as follows:

	Notice period
B Holt	6 months
A Larnder	12 months
P Williams	6 months
A Vincent	3 months
A Lockwood	3 months
J Kempster	3 months

**Remuneration report**

Details of the Directors' emoluments are presented below.

	Salary and fees £000	Bonuses <sup>1</sup> £000	Benefits £000	2025 Total (excl. pension) £000	2024 Total (excl. pension) £000	2025 Pension allowance <sup>2</sup> £000	2024 Pension allowance <sup>2</sup> £000
<b>Chairs</b>							
B Holt <sup>3</sup>	70	–	–	70	42	–	–
S Coggins <sup>4</sup>	–	–	–	–	37 <sup>5</sup>	–	–
<b>Executive Directors</b>							
A Larnder <sup>6</sup>	292	127	–	419	260	28	15
P Williams <sup>7</sup>	55	–	3	58	–	4	–
P Webb <sup>8</sup>	–	–	–	–	360	–	24
<b>Non-Executive Directors</b>							
A Vincent	37	–	–	37	32	–	–
A Lockwood	40	–	–	40	35	–	–
J Kempster <sup>9</sup>	40	–	–	40	15	–	–
<b>Total</b>	534	127	3	664	781	32	39

- Bonuses are paid or accrued based on the achievement of agreed personal objectives and corporate performance metrics.
- Pension allowance includes the Company contribution for the Director to the Group's defined contribution pension scheme.
- Appointed as Chair on 24 April 2024.
- Appointed Interim Chair on 20 October 2023 and resigned as Interim Chair on 24 April 2024.
- Includes £8,750 PILON.
- Appointed as Interim Chief Executive Officer on 26 August 2024 and Chief Executive Officer on 18 November 2024.
- Appointed as Chief Financial Officer on 26 August 2025.
- Passed away on 25 August 2024.
- Appointed as Independent Non-Executive Director on 1 July 2024.

**Share schemes**

Directors' interests in the Company's share schemes are presented below.

**Performance Share Plan 'PSP'**

Amanda Larnder held interests in the Company's shares at 30 November 2025 through awards made under the PSP, which was established on 9 October 2012. Further information about the PSP is set out in note 23 to the Consolidated Financial Statements.

Date awarded	Number of shares
1 August 2022	62,000
25 March 2024	40,000

On 11 March 2025, the performance criteria for the first tranche of the PSP award made on 1 August 2022 was met, and it vested in full. With effect from 1 August 2025, it could be exercised. On 1 September 2025, Amanda Larnder exercised the first tranche of PSP awards made on 1 August 2022 at a price of £3.15 per share. In order to satisfy the tax liability due under the exercise, the Company implemented a net settlement arrangement. As such, 29,140 shares were withheld from Amanda Larnder, the value of which was paid by the Company to HM Revenue & Customs 'HMRC' on her behalf. Following this, Amanda Larnder was issued 32,860 shares, which she held.

Date awarded	Number of shares vested	Number of shares exercised	Exercise price	Number of shares withheld (for tax liability)	Number of shares issued (net of tax liability)	Number of shares sold
1 August 2022	62,000	62,000	£3.15	29,140	32,860	–

**Executive Growth Plan 'EGP'**

Amanda Larnder also held interests in the Company's shares at 30 November 2025 through participation in the EGP, which was established in 2024. Further information about the EGP is set out in note 23 to the Consolidated Financial Statements.

Date awarded	Number of shares
18 November 2024	1,000,000

**Chair's Award**

Bob Holt held interests in the Company's shares at 30 November 2025 through a one-off award made to him upon his appointment. Further information, including performance conditions, is set out in note 23 to the Consolidated Financial Statements.

Date awarded	Number of shares
24 April 2024	350,000

The mid-market prices of the Company's shares at the beginning and end of the financial year were as follows:

	Ordinary shares of 20p each
At 1 December 2024	305.0p
At 30 November 2025	277.5p

The maximum and minimum share prices during the financial year were as follows:

	Ordinary shares of 20p each
Maximum	372.0p
Minimum	232.5p

# Building long-term shareholder value through transparent governance and trusted technology leadership

The following matters are reported by the Directors in accordance with the Companies Act 2006 requirements in force at the date of this Annual Report and Accounts.

## Principal activities

The principal activities of Synectics plc (the 'Company') and its global subsidiary companies (the 'Group') are set out within the Strategic Report on pages 1 to 41.

## Review of business and future developments

The Consolidated Income Statement for the year ended 30 November 2025 is set out on page 64.

A review of the Group's business activities during the year and its prospects for the future can be found in the Strategic Report on pages 1 to 41. The Strategic Report together with the Introduction to Governance, Governance at a Glance, the Board of Directors, the Corporate Governance Report, the Audit Committee Report and the Remuneration Committee Report, are incorporated into this report by reference and should be read as part of this report.

## Key Performance Indicators

The Directors measure the Group's performance principally using the following financial indicators (as reflected in this Annual Report):

- revenue;
- underlying operating profit;
- Adjusted EBITDA;
- adjusted diluted earnings per share;
- recurring revenue;
- free cash flow;
- dividend level; and
- technology spend.

## Principal risks and uncertainties

Details of the principal risks and uncertainties considered by the Board to affect the Group, and the related risk mitigation actions, are given on pages 38 to 41.

## Group results and dividends

The consolidated profit after tax for the year was £3,706,000 (FY24: £3,179,000).

The Directors recommend the payment of a final dividend of 2.8p per share (FY24: 2.5p), totalling around £476,200. Subject to approval, this is expected to be paid on 29 May 2026 to shareholders on the register as at the close of business on 1 May 2026. An interim dividend of 2.2p was paid during the year (FY24: 2.0p). Total dividends for the year were 5.0p (FY24: 4.5p).

## Financial instruments

Details of financial instruments to which the Group is a party and the Group's financial risk management and objectives and policies are shown in note 29 to the Consolidated Financial Statements.

## Fixed assets

In the opinion of the Directors, there is no material difference between the book value and the current open market value of the Group's interest in land and buildings.

## Research & development expenditure

The Group has continued to invest in research & development of both software and hardware products for surveillance applications during the year incurring total costs of £4.5 million (FY24: £3.7 million), of which £3.0 million (FY24: £2.5 million) has been expensed to the Income Statement and £1.5 million capitalised (FY24: £1.2 million).

## Share capital

The Company's issued ordinary share capital comprises a single class of ordinary shares of 20p each, with 17,794,439 shares in issue and listed on AIM of the London Stock Exchange as at 30 November 2025. No shares were held in treasury; however, 787,296 shares were held by the Company's Employee Benefit Trust ('EBT'). Details of movements in the issued share capital can be found in note 22 to the Consolidated Financial Statements.

Each share, with the exception of those held by the EBT which waives dividends over all the shares as they are not specifically allocated to employees, carries the right to one vote at general meetings of the Company. All issued shares are fully paid up and carry no additional obligations or special rights. There are no restrictions on transfers of shares in the Company, or on the exercise of voting rights attached to them, other than those which may from time to time be applicable under existing laws and regulations.

## Employee share plans

During the year, the Company has remained within its headroom limits for the issue of new shares for share plans as set out in the rules of the plans. The Company uses an EBT to acquire partnership shares (at the end of each accumulation period) and dividend shares in the market, when permitted. Details of movements in the employee share plans can be found in note 23 to the Consolidated Financial Statements.

## Directors' interests

Interests of the Directors and their connected persons in the issued share capital of the Company as at 30 November 2025 were as follows:

	2025 Number of shares held	2025 Interests in share schemes	2025 Total interests in shares	2024 Total interests in shares
B Holt	–	350,000	350,000	350,000
A Larnder	37,186	1,102,000	1,139,186	1,168,326
P Williams	–	–	–	–
A Vincent	–	–	–	–
A Lockwood	15,323	–	15,323	8,659
J Kempster	–	–	–	–
	<b>52,509</b>	<b>1,452,000</b>	<b>1,504,509</b>	<b>1,526,985</b>

There has been no change in the interests of the Directors and their connected persons in the issued share capital of the Company from those set out in the table above to 2 March 2026.

## Significant shareholdings

As at the close of the market on 2 March 2026, the Company was aware of the following holdings, excluding Directors' holdings, of 3% or more of the Company's total issued share capital:

	Number of shares	% of total voting rights
Whitehall Associated SA	4,500,000	25.29
Downing	1,392,530	7.83
Interactive Investor	1,336,914	7.51
Dowgate Capital	1,229,551	6.91
Hargreaves Lansdown Asset Mgt	976,736	5.49
Mr Michael J McHale	910,000	5.11
Synectics Employees' Share Trust	787,296	4.42
A J Bell Securities	591,456	3.32
GPIM	550,377	3.09

## Board of Directors

Bob Holt, Amanda Larnder, Alison Vincent, Andrew Lockwood, and Jon Kempster were in office throughout the financial year ended 30 November 2025. On 26 August 2025, Paul Williams was appointed as Chief Financial Officer. All the Directors are standing for election or re-election at the next Annual General Meeting ('AGM') and their details and biographies can be found on pages 44 to 45 and at [www.synecticsplc.com](http://www.synecticsplc.com).

The powers of the Company's Directors and rules that apply to changes in the Directors are set out in the Company's Articles of Association (the 'Articles'). Any changes to the Articles require the consent of the Company's shareholders.

## Directors' indemnity

As permitted by the Articles, each of the Directors has the benefit of an indemnity which is a qualifying third-party indemnity as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the financial year and is currently in force.

## Conflicts of interest

The Articles permit the Board to consider and, if it sees fit, authorise situations where a Director has an interest that conflicts, or may possibly conflict, with the interests of the Group ('Situational Conflicts'). The Board operates an effective formal system for Directors to declare Situational Conflicts and for them to be authorised by the non-conflicted Directors if thought appropriate and subject to limits or conditions.

## Related party transactions

Internal controls are in place to ensure that any related party transactions involving Directors or their connected persons are carried out on an arm's length basis and are properly recorded. Details of any related party transactions are given in note 26 to the Consolidated Financial Statements.

## Essential contracts or arrangements

The Group has several contractual agreements with suppliers in support of its business activities. Whilst the loss of certain of these arrangements may cause temporary disruption, there are none, for which mitigation plans have not been put in place, which are individually considered to be essential to the Group's business.

## Change of control provisions

There are no significant agreements which contain provisions entitling other parties to exercise termination or other rights in the event of a change of control of the Group, and no provisions in the Directors' service agreements or employees' contracts that provide for compensation for loss of office or employment occurring because of a takeover.

## Employee engagement

The Group employed an average of 302 people in 2025 (FY24: 292).

The Group's employees are the strength and the foundation of its success, and regular engagement through various media, email, focus groups, monthly bulletins, team briefings, and an annual Employee Opinion Survey enables the Directors to take into account the interests of employees when making decisions throughout the year. Further information about how the Group engages with employees can be found on pages 20, 21 and 24.

The Group operates an HMRC-approved share incentive plan to encourage employees to take a greater interest in the Group's performance through share ownership. Details of the plan are set out in note 23 to the Consolidated Financial Statements.

### Policy on payment of suppliers

The Group's policy during the year was to pay suppliers in accordance with agreed terms. At 30 November 2025, the Group had 16 days' purchases outstanding in trade payables (FY24: 60 days').

### Charitable donations and activity

The Group made donations amounting to £3,450 (FY24: £1,678) to charitable causes during the year.

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

The Directors have reviewed the obligations to report under the SECR requirements and have concluded that no individual entity within the Group is obliged to report individually according to the thresholds. No data has therefore been included within this report. The Directors do, however, acknowledge their environmental responsibility and seek to minimise the impact that the Group makes wherever possible. Further information can be found in the Sustainability report on pages 36 and 37.

### Going concern

The Directors have considered the Group's current activities and future prospects, financial performance, liquidity position, and risks and uncertainties affecting the business, which are set out in the Strategic Report, in assessing the appropriateness of the going concern assumption. The Directors continue to monitor the effects of global events on the business and will react accordingly if any material risks arise.

When assessing the going concern assumption, the Directors have reviewed the year-to-date actual results, as well as detailed financial forecasts and the Group's funding position for the period through to August 2027. This review includes in-depth scenario modelling and stress testing of budget and strategy planning.

Although FY25 benefited from the large gaming contract in Asia, opportunities continue to emerge in the Gaming sector, particularly in the Asia and North America markets.

In the Oil & Gas sector, a number of projects were delayed from 2025 into 2026, further improving our confidence in the oil & gas outlook for 2026.

Transport & Infrastructure is expected to grow, supported by National Grid and other infrastructure opportunities as well as high volumes and upgrades with multiple bus operators and breakthroughs in US Public Space and Asia-Pacific Transport.

There have been significant investment, predominantly in the Synectic Systems division, in both people and products in 2025. This has strengthened our leadership team, increased sales capability, and added to our development team (including in AI) and marketing team. Along with the roll out of our partnership programme we believe these investments will expand our presence in existing and new sectors, and reflect confidence in the external market opportunity and Synectics' ability to exploit this. Product streamlining and simplification plans will improve deployability, removing friction from our partner channel and enabling us to take advantage of partner-led sales expansion in 2026 and beyond.

### Forecasting and stress testing

The Directors have undertaken a rigorous budgeting and forecasting process with management to understand the impact of the economic environment on the future of the Group. The assumptions used in the financial forecasts are based on recent financial performance, and management's extensive industry experience and reflect expectations of future market conditions.

The base case shows a positive cash balance throughout the year with no requirement to utilise the £3 million overdraft facility. Sensitivity and stress testing have been performed on the base case model; various plausible but severe downside scenarios were applied which considered general downturns resulting in reductions in revenue and margins, and the related impact on working capital. Under these downsides, the Directors have not considered any mitigating factors that would be applied. The scenario testing applied confirmed that, even with no mitigating factors, the overdraft facility would not need to be utilised and that there would be sufficient headroom within the facility throughout the outlook period. The base case was then reverse-stress tested and the level of deterioration required for the Group to become close to the banking headroom was deemed to be highly unlikely.

### Cash and funding position

Positive cash balances were maintained throughout the year and ended the year at £14.1 million (FY24: £9.6 million). Undrawn overdraft facilities of £3 million were held throughout the year. Despite the central forecast indicating that the Group should not need to draw upon the overdraft facilities for the foreseeable future, management is in the process of renewing, as a matter of prudence, the overdraft facility of £3 million with HSBC Bank until February 2027. Whilst the renewal process is still underway at the time of signing these accounts, the bank has indicated that the facilities are expected to renew as previously.

### Conclusion

Based on the analysis above, the Group has sufficient liquidity headroom throughout the forecast period and therefore the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the outlook period without material uncertainty. Accordingly, the Directors conclude it is appropriate to continue to adopt the going concern basis in preparing the Financial Statements.

### Annual General Meeting ('AGM')

The notice convening the AGM is distributed separately to shareholders at least 21 working days before the meeting. Separate resolutions are proposed on each substantially separate issue. The proxy results from the 2026 AGM will be made available on the Company's website after the meeting.

### External auditor

PKF Littlejohn LLP ('PKF') have been appointed by the Board upon the recommendation of the Audit Committee as the Company's external auditor following an external audit tender during the year. Accordingly, a resolution for the appointment of PKF as external auditor of the Company is to be proposed at the forthcoming AGM.

### Strategic Report

The information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has, in respect of future developments and risks and uncertainties, together with a statement on engagement with suppliers, customers, and others, been included in the Strategic Report in accordance with section 414C(11) of the Companies Act 2006 (Strategic and Directors' Reports) Regulations 2013.

### Disclosure of information to the external auditor

Having made the required enquiries, so far as the Directors are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which PKF is unaware and each Director has taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to ensure that PKF is aware of that information.

### Directors' responsibility statement

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

Company law requires the Directors to prepare Group and Company Financial Statements for each financial year. The Directors have elected under company law and are required by the AIM Rules of the London Stock Exchange to prepare Group Financial Statements in accordance with UK-adopted International Accounting Standards and have elected under company law to prepare the Company Financial Statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law).

The Group Financial Statements are required by law and UK-adopted International Accounting Standards to present fairly the financial position and performance of the Group. The Companies Act 2006 provides in relation to such Financial Statements that references in the relevant part of that Act to Financial Statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

In preparing each of the Group and 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;
- for the Group Financial Statements, state whether they have been prepared in accordance with UK-adopted International Accounting Standards;

- ensure that the Financial Statements state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Legislation in the UK governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

### Forward-looking statements

This report may contain certain statements about the future outlook for Synectics plc. Although the Directors believe their expectations are based on reasonable assumptions, any statements about future outlook may be influenced by factors that could cause actual outcomes and results to be materially different.

The Directors' Report has been approved by the Board.

By order of the Board

### Claire Stewart

Company Secretary  
2 March 2026

## Independent Auditor's Report



## To the Members of Synectics plc

## Opinion

We have audited the financial statements of Synectics Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 November 2025 which comprise the Consolidated Income Statement and Statement of Comprehensive Income, the Consolidated and Parent Company Statement of Financial Position, the Consolidated and Parent Company Statement of Changes in Equity, the Consolidated Statements of Cash Flows, and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 November 2025 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

## 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 parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

- We obtained an understanding of the business model, objectives, strategies and related business risk, the measurement and review of the entity's financial performance including forecasting and budgeting processes and the entity's risk assessment process;

- We assessed Directors' assumptions into the going concern model including the reliability of underlying data used to make the assumptions, whether assumptions and changes to assumptions from prior years are appropriate and consistent with each other;
- We ensured the mathematical accuracy of the forecasts provided, and compared the forecasts with recent historical financial information to consider the accuracy of historical forecasting;
- We evaluated the base case of the cash forecast prepared by the Directors and performed appropriate audit procedures around the various stressed scenarios;
- We assessed adequacy and appropriateness of disclosures in the financial statements regarding the going concern assessment.

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 or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## Our application of materiality

The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. The materiality applied to the group financial statements was £510,000 based on 0.75% of the total revenue. The performance materiality for the group was set at £331,000, which is 65% of overall materiality. We have selected 65% based on our risk assessment of the control environment.

The materiality applied to the parent company financial statements was £483,000, based on 2% of net assets, but subsequently capped in line with 95% of Group performance materiality. The performance materiality for the parent was set at £314,000, which is 65% of overall materiality. We have selected 65% based on our risk assessment of the control environment.

We consider revenue to be the most significant determinant of the group's financial position and performance used by shareholders as this drives profitability.

We agreed with those charged with governance that we would report all differences identified during the course of our audit in excess of £25,000 for the group financial statements, and £24,000 for the parent company financial statements. We also agreed to report any other differences below that threshold that we believe warrant reporting on qualitative grounds.

For each component in scope of the audit, we allocated a performance materiality that was less than the Group performance materiality. The range of performance materiality allocated across the components was between £132,400 and £314,000.

## Our approach to the audit

In designing our audit approach, we determined materiality and assessed the risk of material misstatement in the Group Financial Statements. In particular, we looked at areas involving significant accounting estimates and judgements by the directors and considered future events that are inherently uncertain including the recognition and valuation of intangible assets. Procedures were then performed to address the risks identified and for the most significant assessed risks of misstatement, the procedures performed are outlined below in the key audit matters section of this report. We also assessed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

In addition to the Company, we identified three material components, which were subject to a full scope audit conducted directly by us, and three which were subject to specific audit procedures.

## Key audit matters

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

## Key Audit Matter How our scope addressed this matter

## Revenue recognition (note 4 of the Consolidated Financial Statements)

Under ISA (UK) 240, there is a rebuttable presumption that revenue recognition is a significant fraud risk.

Given the complexity and variability of the terms and performance obligations across each component, there is a risk of incorrect cut-off where the revenue recognition may not necessarily meet the requirements of IFRS 15.

We note the cut-off risk is specifically in relation to long term contracts which span the accounting reference date; and where an assessment is required to ascertain the stage of completion and likely outcome of the project to determine the correct revenue and profit to be recognised in each accounting period.

We have assessed this to be a key audit matter given the estimates and judgements required when assessing the revenue to be recognised for each contract.

Our work in this area included:

- Obtaining an understanding of the processes and relevant controls used to record revenue transactions by reviewing process notes and performing walkthroughs on the transactions observing the process and point of sale.
- Reviewing commercial arrangements and agreements to determine the point of meeting performance obligations and revenue recognition for different types of despatch, delivery and collection terms.
- Performing test of details and assessing for a sample of transactions if revenue was recorded in the correct period. The sample will be selected based from a population of revenue transactions either side of the balance sheet date based on relevant terms of business, dispatch or delivery documentation as appropriate for each jurisdiction.
- Testing a sample of contract assets to supporting documentation, including sales invoices, to ascertain the accuracy of the balance recorded and post year end recoverability.
- A retrospective review of the outcome of contracts in progress at the prior year end to assess the accuracy of the estimates applied in the prior period.
- Reviewing material journal entries that were posted to revenue accounts and obtaining supporting evidence to test the appropriateness of revenue recognition.
- Reviewing the accounting policy and disclosures to ensure the varying performance obligations are appropriately disclosed and presented in the financial statements.

## Impairment of Goodwill (note 15 of the Consolidated Financial Statements)

In accordance with IAS 36, Goodwill must be tested for impairment annually or when indicators arise. This assessment involves significant management judgement in estimating future cash flows, discount rates, and CGU allocation and therefore carry a high inherent risk of misstatements. We have therefore assessed this to be a key audit matter.

Our work in this area included:

- Obtaining an understanding of the design and implementation surrounding the Group's processes and controls with respect to the impairment assessment of brands and goodwill.
- Obtaining management's assessment of cash-generating units (CGUs) as part of the impairment assessment and ensuring this is in line with the criteria outlined in IAS 36 (including allocation of assets, liabilities, revenues and costs to separate CGUs).
- Comparing forecasted performance with post period end actuals in order to assess management's accuracy with respect to forecasting.
- Substantiating, challenging and ultimately gaining comfort over the assumptions used in the value in use calculation against market data and industry benchmarks (such as revenue growth rates, estimated overhead costs and perpetuity growth rates).
- Use of audit specialists to assess the appropriateness of discount rates used and whether risk adjustments based on specific CGUs is appropriate/relevant.
- Assessing management's sensitivity analysis using market data and industry outlooks while summarising the quantitative impact on the year-end intangible asset and goodwill balance.

## Independent Auditor's Report

### 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 group and parent company 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.

### Opinions on other matters prescribed by 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.

### Matters on which we are required to report by exception

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

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

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

### Responsibilities of directors

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

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

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

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:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and industry experience. We also selected a specific audit team based on experience with auditing entities within this industry facing similar audit and business risks.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from:
  - Companies Act 2006;
  - AIM Rules;
  - HM Revenue and Customs; and
  - International Financial Reporting Standards (IFRS).

- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
  - Making enquiries of management regarding potential instances of non-compliance;
  - Reviewing Board minutes during the year and post-year end;
  - Reviewing the legal and professional fee ledger accounts; and
  - Reviewing Regulatory News Service announcements during the year and post-year end,
- We also identified the risks of material misstatement of the financial statements due to fraud. Aside from the non-rebuttable presumption of a risk of fraud arising from management override of controls, we also considered there to be a risk of fraud related to revenue recognition. This has been addressed as described within the Key audit matters section above.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals, reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### Use of our report

This report is made solely to the 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.

### Joseph Archer (Senior Statutory Auditor)

For and on behalf of PKF Littlejohn LLP  
Statutory Auditor

15 Westferry Circus  
Canary Wharf  
London E14 4HD  
2 March 2026

## Consolidated Income Statement

For the year ended 30 November 2025

	Note	2025			2024		
		Underlying £000	Non- underlying items <sup>3</sup> (note 6) £000	Total £000	Underlying £000	Non- underlying items <sup>3</sup> (note 6) £000	Total £000
<b>Revenue</b>	3,4	<b>68,100</b>	–	<b>68,100</b>	55,809	–	55,809
Cost of sales		(38,926)	–	(38,926)	(31,866)	–	(31,866)
<b>Gross profit</b>		<b>29,174</b>	–	<b>29,174</b>	23,943	–	23,943
Operating expenses		(23,207)	(654)	(23,861)	(19,151)	(531)	(19,682)
<b>Adjusted EBITDA<sup>1</sup></b>	2	<b>8,519</b>	<b>(654)</b>	<b>7,865</b>	6,259	(531)	5,728
Share-based payment charge		(569)	–	(569)	(107)	–	(107)
Depreciation and amortisation		(1,983)	–	(1,983)	(1,360)	–	(1,360)
<b>Operating profit</b>		<b>5,967</b>	<b>(654)</b>	<b>5,313</b>	4,792	(531)	4,261
Finance income	9	186	–	186	25	–	25
Finance costs	10	(97)	–	(97)	(112)	–	(112)
<b>Profit before tax</b>		<b>6,056</b>	<b>(654)</b>	<b>5,402</b>	4,705	(531)	4,174
Income tax (charge)/credit	11	(1,860)	164	(1,696)	(1,049)	54	(995)
<b>Profit for the year</b>		<b>4,196</b>	<b>(490)</b>	<b>3,706</b>	3,656	(477)	3,179
<b>Earnings per share</b>	13						
<b>Basic</b>				<b>22.0p</b>			18.8p
<b>Diluted</b>				<b>21.8p</b>			18.3p
<b>Adjusted basic<sup>2</sup></b>				<b>28.3p</b>			22.3p
<b>Adjusted diluted<sup>2</sup></b>				<b>28.0p</b>			21.7p

1. Adjusted EBITDA represents profit before finance income and costs, tax, depreciation, amortisation, and share-based payment charge (non-IFRS measure).

2. Adjusted earnings per share excludes non-underlying items and share-based payment charges (non-IFRS measure).

3. Non-IFRS measure.

## Consolidated Statement of Comprehensive Income

For the year ended 30 November 2025

	2025 £000	2024 £000
Profit for the year	<b>3,706</b>	3,179
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Exchange differences on translation of foreign operations	(210)	83
Gains (losses) on net investment in a foreign operation taken to equity	170	(119)
	(40)	(36)
Tax on items that may be reclassified	(42)	30
<b>Total comprehensive income for the year</b>	<b>3,624</b>	3,173
<b>Total comprehensive income for the year attributable to equity holders of the Parent</b>	<b>3,624</b>	3,173

## Consolidated Statement of Financial Position

As at 30 November 2025

	Note	2025 £000	2024 £000
<b>Non-current assets</b>			
Property, plant and equipment	14	<b>3,535</b>	3,801
Intangible assets	15	<b>23,300</b>	22,248
Deferred tax assets	11	<b>1,097</b>	1,488
		<b>27,932</b>	27,537
<b>Current assets</b>			
Inventories	16	<b>6,426</b>	9,244
Trade and other receivables	17	<b>11,021</b>	14,124
Contract assets	4	<b>5,237</b>	5,378
Cash and cash equivalents	18	<b>14,141</b>	9,559
		<b>36,825</b>	38,305
<b>Total assets</b>		<b>64,757</b>	65,842
<b>Current liabilities</b>			
Trade and other payables	19	<b>(12,090)</b>	(13,665)
Contract liabilities	4	<b>(3,004)</b>	(6,428)
Lease liabilities	20	<b>(643)</b>	(701)
Tax liabilities		<b>(1,159)</b>	(268)
Current provisions	21	<b>(993)</b>	(556)
		<b>(17,889)</b>	(21,618)
<b>Non-current liabilities</b>			
Non-current provisions	21	<b>(1,047)</b>	(741)
Lease liabilities	20	<b>(1,011)</b>	(1,189)
Deferred tax liabilities	11	<b>(1,068)</b>	(963)
		<b>(3,126)</b>	(2,893)
<b>Total liabilities</b>		<b>(21,015)</b>	(24,511)
<b>Net assets</b>		<b>43,742</b>	41,331
<b>Equity attributable to equity holders of the Parent Company</b>			
Called up share capital	22	<b>3,559</b>	3,559
Share premium account		<b>16,043</b>	16,043
Merger reserve		<b>9,971</b>	9,971
Other reserves		<b>(2,216)</b>	(1,417)
Currency translation reserve		<b>824</b>	906
Retained earnings		<b>15,561</b>	12,269
<b>Total equity</b>		<b>43,742</b>	41,331

The Financial Statements on pages 64 to 98 were approved and authorised for issue by the Board of Directors on 2 March 2026 and were signed on its behalf by:

**Paul Williams**  
Chief Financial Officer

Company number: 01740011

## Consolidated Statement of Changes in Equity

For the year ended 30 November 2025

	Called up share capital £000	Share premium account £000	Merger reserve £000	Other reserves £000	Currency translation reserve £000	Retained earnings £000	Total £000
At 1 December 2023	3,559	16,043	9,971	(1,436)	912	9,828	38,877
Profit for the year	-	-	-	-	-	3,179	3,179
<b>Other comprehensive income</b>							
Currency translation adjustment	-	-	-	-	(36)	-	(36)
Tax relating to components of other comprehensive income	-	-	-	-	30	-	30
<b>Total other comprehensive income</b>	-	-	-	-	(6)	-	(6)
<b>Total comprehensive income for the year</b>	-	-	-	-	(6)	3,179	3,173
<b>Transactions with owners in their capacity as owners</b>							
Dividends paid	-	-	-	-	-	(845)	(845)
Share scheme interests realised in the year	-	-	-	19	-	-	19
Credit in relation to share-based payments (note 24)	-	-	-	-	-	107	107
At 30 November 2024	3,559	16,043	9,971	(1,417)	906	12,269	41,331
Profit for the year	-	-	-	-	-	3,706	3,706
<b>Other comprehensive income</b>							
Currency translation adjustment	-	-	-	-	(40)	-	(40)
Tax relating to components of other comprehensive income	-	-	-	-	(42)	-	(42)
<b>Total other comprehensive income</b>	-	-	-	-	(82)	-	(82)
<b>Total comprehensive income for the year</b>	-	-	-	-	(82)	3,706	3,624
<b>Transactions with owners in their capacity as owners</b>							
Dividends paid	-	-	-	-	-	(800)	(800)
Share scheme interests realised in the year	-	-	-	(799)	-	(183)	(982)
Credit in relation to share-based payments (note 24)	-	-	-	-	-	569	569
<b>At 30 November 2025</b>	<b>3,559</b>	<b>16,043</b>	<b>9,971</b>	<b>(2,216)</b>	<b>824</b>	<b>15,561</b>	<b>43,742</b>

## Consolidated Cash Flow Statement

For the year ended 30 November 2025

	2025 £000	2024 £000
<b>Cash flows from operating activities</b>		
Profit for the year	3,706	3,179
Income tax charge	1,696	995
Finance income	(186)	(25)
Finance costs	97	112
Depreciation and amortisation charge	1,983	1,360
Loss on disposal of non-current assets	20	-
Net foreign exchange differences	260	191
Non-underlying items	654	531
Cash flow relating to non-underlying items incurred in current or previous years	(819)	(366)
Movement in provisions and other non-cash movement	9	3
Share-based payment charge	569	107
<b>Operating cash inflow before movement in working capital</b>	<b>7,989</b>	<b>6,087</b>
Decrease/(increase) in inventories	3,391	(4,292)
Decrease in receivables and contract assets	3,158	1,132
(Decrease)/increase in payables and contract liabilities	(5,118)	5,636
<b>Cash generated from operations</b>	<b>9,420</b>	<b>8,563</b>
Tax paid	(362)	(47)
<b>Net cash generated from operating activities</b>	<b>9,058</b>	<b>8,516</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(327)	(407)
Capitalised development costs	(1,459)	(1,193)
Purchased software	(420)	(326)
<b>Net cash used in investing activities</b>	<b>(2,206)</b>	<b>(1,926)</b>
<b>Cash flows from financing activities</b>		
Lease payments	(851)	(754)
Interest received	186	25
Other interest paid	(1)	(33)
Proceeds from sale of own shares	144	-
Share scheme outflows <sup>1</sup>	(1,128)	-
Dividends paid to equity holders of the parent	(800)	(845)
<b>Net cash used in financing activities</b>	<b>(2,450)</b>	<b>(1,607)</b>
<b>Net increase in cash and cash equivalents</b>	<b>4,402</b>	<b>4,983</b>
<b>Effect of exchange rates on cash and cash equivalents</b>	<b>180</b>	<b>(28)</b>
Cash and cash equivalents at the beginning of the year	9,559	4,604
<b>Cash and cash equivalents at the end of the year</b>	<b>14,141</b>	<b>9,559</b>

1. Includes cash settlement on exercise of share awards and purchase of shares by the EBT.

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

## 1 Principal accounting policies

### General information

Synectics plc (the 'Company') is a public limited company incorporated in England and Wales and domiciled in the UK and is listed on AIM. The Company's registered address is at Synectics House, 3-4 Broadfield Close, Sheffield S8 0XN. The main activities of the Company and its subsidiaries (the 'Group') are the provision of specialist video based electronic surveillance solutions and technology, for use in high security applications, extreme or hazardous environments, and integrated transport applications.

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been applied consistently to all the periods presented unless otherwise stated.

### Basis of preparation

These Financial Statements have been prepared in accordance with UK-adopted International Accounting Standards ('IAS') in conformity with the requirements of the Companies Act 2006. The Company has elected to prepare its Parent Company Financial Statements in accordance with Financial Reporting Standard ('FRS') 101 'Reduced Disclosure Framework'; these are presented on pages 99 to 106. The Consolidated Financial Statements of the Group as at and for the year ended 30 November 2025 comprise the Company and its subsidiaries.

These Financial Statements have been prepared using the historical cost convention except where the measurement of balances at fair value is required as set out below. The following policies are those that the Group considers to be its principal accounting policies in respect of its consolidated results. The Consolidated Financial Statements are presented in GBP, which is the functional currency of the Group, and the Financial Statements are rounded to the nearest thousand (£000).

The following new standards became applicable to the Group for the current reporting period and the Group changed its accounting policies, and where applicable, made retrospective adjustments as a result of adopting:

- amendments to IAS 21: 'The Effects of Changes in Foreign Exchange Rate: Lack of Exchangeability'

The amendment above did not have a material impact on the Financial Statements.

### New standards and interpretations not yet adopted

Accounting standards that have recently been issued or amended but are not yet mandatory have not been early adopted by the Group for the annual reporting period ended 30 November 2025.

The following standards and interpretations are relevant and applicable in future periods but are not expected to have a significant impact on the Consolidated Financial Statements:

- amendments to IFRS 18: 'Presentation and Disclosure in Financial Statements'
- amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures: Classification and Measurement of Financial Instruments,
- Annual Improvements to IFRS standards – Volume 11
- amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency'.

### Basis of consolidation

The Consolidated Financial Statements incorporate the assets and liabilities of all subsidiaries of Synectics plc as at 30 November 2025 and the results of all its subsidiaries for the year then ended. Synectics plc and its subsidiaries together are referred to in these Financial Statements as the 'consolidated entity' or 'the Group'.

### Subsidiaries

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

### Change in subsidiary ownership and loss of control

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

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

### Transactions eliminated on consolidation

Intra-Group balances and transactions, and any unrealised income and expenses arising from intra-Group transactions, are eliminated.

### Foreign currency

The individual Financial Statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the Consolidated Financial Statements, the results and financial position of each Group entity are expressed in sterling (£), which is the presentation currency for the Consolidated Financial Statements.

In preparing the Financial Statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each Statement of Financial Position date, monetary items denominated in foreign currencies are retranslated at the prevailing rates. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in the Consolidated Income Statement in the period in which they arise.

Exchange differences arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the translation reserve, to the extent that the hedge is effective, with any non-effective element being recognised in the profit or loss account. When the hedged part of a net investment is disposed of, the associated cumulative amount in equity is recycled to profit or loss as an adjustment to the profit or loss on disposal.

For the purpose of presenting Consolidated Financial Statements, the assets and liabilities of the Group's foreign operations are expressed in sterling using exchange rates prevailing at the Statement of Financial Position date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as equity and recognised in the Group's foreign currency translation reserve. Such exchange differences are recognised in the Consolidated Income Statement in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are held in the functional currency of those operations, are treated as assets and liabilities of the foreign operation and translated at the rates prevailing at the Statement of Financial Position date.

### Going concern

The Directors have considered the Group's current activities and future prospects, financial performance, liquidity position, and risks and uncertainties affecting the business, which are set out in the Strategic Report, in assessing the appropriateness of the going concern assumption. The Directors continue to monitor the effects of global events on the business and will react accordingly if any material risks arise.

When assessing the going concern assumption, the Directors have reviewed the year-to-date actual results, as well as detailed financial forecasts and the Group's funding position for the period through to August 2027. This review includes in-depth scenario modelling and stress testing of budget and strategy planning.

Although FY25 benefited from the large gaming contract in Asia, opportunities continue to emerge in the Gaming sector, particularly in the Asia and North America markets.

In the Oil & Gas sector, a number of projects were delayed from 2025 into 2026 further improving our confidence in the oil & gas outlook for 2026.

Transport & Infrastructure is expected to grow supported by National Grid and other infrastructure opportunities as well as high volumes and upgrades with multiple bus operators and breakthroughs in US Public Space and Asia-Pacific Transport.

There has been significant investment, predominantly in the Systems division, in both people and products in 2025. This has strengthened our leadership team, increased sales capability, and added to our development team (including in AI) and marketing team. Along with the roll out of our partnership programme we believe these investments will expand our presence in existing and new sectors, and reflects confidence in the external market opportunity and Synectics' ability to exploit this. Product streamlining and simplification plans will improve deployability, removing friction from our partner channel and enabling us to take advantage of partner-led sales expansion in 2026 and beyond.

### Forecasting and stress testing

The Directors have undertaken a rigorous budgeting and forecasting process with management to understand the impact of the economic environment on the future of the Group. The assumptions used in the financial forecasts are based on recent financial performance and management's extensive industry experience, and reflect expectations of future market conditions.

The base case shows a positive cash balance throughout the year with no requirement to utilise the £3 million overdraft facility. Sensitivity and stress testing has been performed on the base case model; various plausible but severe downside scenarios were applied which considered general downturns resulting in reductions in revenue and margins and the related impact on working capital. Under these downsides, the Directors have not considered any mitigating factors that would be applied. The scenario testing applied confirmed that, even with no mitigating factors, the overdraft facility would not need to be utilised and that there would be sufficient headroom within the facility throughout the outlook period. The base case was then reverse stress tested and the level of deterioration required for the Group to become close to the banking headroom was deemed to be highly unlikely.

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

## Cash and funding position

Positive cash balances were maintained throughout the year and ended the year at £14.1 million (FY24: £9.6 million). Undrawn overdraft facilities of £3 million were held throughout the year. Despite the central forecast indicating that the Group should not need to draw upon the overdraft facilities for the foreseeable future, management is in the process of renewing, as a matter of prudence, the overdraft facility of £3 million with HSBC Bank until February 2027. Whilst the renewal process is still underway at the time of signing these accounts, the bank has indicated that the facilities are expected to renew as previously.

## Conclusion

Based on the analysis above, the Group has sufficient liquidity headroom throughout the forecast period and therefore the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the outlook period without material uncertainty. Accordingly, the Directors conclude it is appropriate to continue to adopt the going concern basis in preparing the Financial Statements.

## Goodwill

Goodwill is recorded at cost, being the excess of the cost of acquisition over the fair value at the date of acquisition of the Group's share of identifiable assets, liabilities, and contingent liabilities, less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ('CGUs') expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill would not be reversed in a subsequent period.

## Revenue

Revenue represents income derived from contracts for the provision of goods and services, over time or at a point in time, by the Group, to customers in exchange for consideration in the ordinary course of the Group's activities.

## Performance obligations

Upon approval by the parties to a contract, the contract is assessed to identify each promise to transfer either a distinct good or service. Goods and services are distinct and accounted for as separate performance obligations in the contract if the customer can benefit from them either on their own or together with other resources that are readily available to the customer and they are separately identifiable in the contract.

The Group has determined that most of its contracts (both installation and maintenance) include a single performance obligation as the promises within the contracts are generally not separately identifiable within the contract.

The Group provides warranties to its customers to give them assurance that its products will function in line with agreed-upon specifications. Warranties only represent separate performance obligations where they are deemed to be service-type warranties.

## Transaction price

At the start of the contract, the total transaction price is estimated as the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods and services to the customer, excluding sales taxes. Variable consideration, such as discounts, liquidated damages or penalties, is included based on the expected value or most likely amount only to the extent that it is highly probable that there will not be a reversal in the amount of cumulative revenue recognised. The transaction price does not include estimates of consideration resulting from contract modifications, such as change orders, until they have been approved by the parties to the contract. The total transaction price is allocated to the performance obligations identified in the contract in proportion to their relative stand-alone selling prices.

## Revenue and profit recognition

Revenue is recognised as performance obligations are satisfied as control of the goods and services is transferred to the customer.

For each performance obligation within a contract, the Group determines whether it is satisfied over time or at a point in time. Performance obligations are satisfied over time if one of the following criteria is satisfied:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and it has an enforceable right to payment for performance completed to date.

The Group has determined that most of its contracts satisfy the over time criteria, either because the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs (typically support or maintenance contracts) or the Group's performance does not create an asset with an alternative use to the Group and it has an enforceable right to payment for performance completed to date (typically installation contracts).

For each performance method to be recognised over time, the Group recognises revenue using an input method, based on costs incurred or as a proportion of estimated total contract costs or physical proportion of contract work completed in relation to the total. Revenue and attributable margin are calculated by reference to reliable estimates of transaction price and total expected costs and are therefore recognised progressively as costs are incurred or work is completed.

If the over time criteria for revenue recognition are not met, revenue is recognised at the point in time that control is transferred to the customer, which is usually when legal title passes to the customer and the business has the right to payment.

If it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately as an expense.

## Software licences

The Group has determined that sales of software licences are not distinct within the context of the contract and are not the predominant component of the combined performance obligation. Therefore, revenue in relation to software licences is recognised as part of the single performance obligation.

## Contract modifications

The Group's contracts can be amended for changes in customers' requirements and specifications. A contract modification exists when the parties to the contract approve a modification that either changes existing or creates new enforceable rights and obligations. The effect of a contract modification on the transaction price and the Group's measure of progress towards the satisfaction of the performance obligation to which it relates is recognised in one of the following ways:

1. prospectively, as an additional, separate contract;
2. prospectively, as a termination of the existing contract and creation of a new contract; or
3. as part of the original contract using a cumulative catch-up.

The majority of the Group's contract modifications are treated in line with point 3 above (for example, a change in the specification of the distinct goods or services for a partially completed contract), although the facts and circumstances of any contract modification are considered individually as the types of modifications will vary contract by contract and may result in different accounting outcomes.

## Warranty arrangements

The Group provides both assurance and service-type warranties. Assurance-type warranties are accounted for in accordance with IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'; an estimate of costs is expensed as a provision. Revenue in relation to service-type warranties is deferred over the term of the warranty and no cost provision is made.

## Costs of obtaining a contract

The incremental costs of obtaining a contract with a customer are recognised as an asset if the Group expects to recover them. The Group incurs costs such as bid cost, legal fees, and sales commission when it enters into a new contract.

Judgement is applied by the Group when determining what costs qualify to be capitalised, in particular when considering whether these costs are incremental and whether they are expected to be recoverable. For example, the Group considers which type of sales commissions are incremental to the cost of obtaining specific contracts and the point in time when the costs will be capitalised.

The Group applies the practical expedient within IFRS 15 not to capitalise costs on contracts that are less than one year in length.

Costs incurred prior to winning a contract are not capitalised, but expensed as incurred.

## Contract balances

An unconditional right to consideration is disclosed as a receivable and a conditional right to consideration is disclosed separately as a contract asset. In addition, any obligation of the Group to transfer goods or services to a customer for which consideration has already been received is disclosed separately as a contract liability.

## Retirement benefit costs

Group employees are members of various pension schemes, all of which operate on a money purchase basis. Contributions to these schemes are charged to the Consolidated Income Statement as an expense when employees have rendered service entitling them to the contributions.

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

## Share-based payments

In accordance with IFRS 2, equity-settled share-based payments are measured at fair value at the date of grant. The fair value is recognised as an employee expense on a straight-line basis over the vesting period, based on the Group's estimate of the number of shares that will eventually vest. The fair value of the options granted is calculated using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted, with an adjustment, based on a Monte Carlo simulation, to reflect the percentage reduction necessary as a result of the market-based performance conditions.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction.

Transactions of the Company-sponsored Executive Shared Ownership Plan are treated as being those of the Company and are therefore reflected in the Company and Consolidated Financial Statements. In particular, the scheme's purchases of shares in the Company are debited directly to equity, within 'Other reserves'.

## Taxation

The income tax credit/expense is the sum of current tax and deferred tax.

### Current tax

The tax currently payable is based on taxable profit/(loss) for the year. Taxable profit/(loss) differs from profit/(loss) as reported in the Consolidated 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 Statement of Financial Position date.

### Deferred tax

Deferred tax is recognised 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 Statement of Financial Position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or 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.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, 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 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.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Statement of Financial Position 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 reporting date, to recover or settle the carrying amount of its assets and liabilities.

Tax assets and liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities and when they relate to income taxes levied by the same taxation authority, and the Group intends to settle its tax assets and liabilities on a net basis.

### Current and deferred tax for the period

Current and deferred tax are recognised as an expense or income in the Consolidated Income Statement, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

## Non-underlying items

The Group discloses certain financial information both including and excluding non-underlying items. The presentation of information excluding non-underlying items allows a better understanding of the underlying trading performance of the Group and provides consistency with the Group's internal management reporting. Non-underlying items are identified by virtue of their size, nature, or incidence and the Directors consider that these items should be separately identified so as to facilitate comparison with prior periods and to assess the underlying trends in the financial performance of the Group.

## Current and non-current classification

Assets and liabilities are presented in the Consolidated Statement of Financial Position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

## Dividends

Dividends proposed by the Directors and unpaid at the end of the year are not recognised in the Financial Statements until they have been approved by shareholders at a general meeting of the Company. Interim dividends are recognised when they are paid.

## Property, plant and equipment

All property, plant and equipment (including right of use assets) are stated at cost less accumulated depreciation.

Depreciation is calculated so as to write off the cost of property, plant and equipment, other than freehold land which is not depreciated, less their estimated residual values, on a straight-line basis over the estimated useful life, commencing on the first day of the month after being brought into use. The principal annual rates used for this purpose are:

- Freehold buildings – 2%
- Leasehold property and right of use assets – the shorter of the term of the lease or the useful economic life of the asset
- Plant, machinery and equipment – 10% to 33%

Residual values, remaining useful lives, and depreciation methods are reviewed annually and adjusted if appropriate.

Gains or losses on disposal are included in the Consolidated Income Statement.

## Research & development costs

Research costs are expensed as incurred in the Consolidated Income Statement.

Development costs are capitalised and held as 'Intangible assets' in the Consolidated Statement of Financial Position when the costs relate to a clearly defined project; the costs are separately identifiable; the outcome of such a project has been assessed with reasonable certainty as to its technical feasibility and its ultimate commercial viability; the aggregate of the deferred costs plus all future expected costs in bringing the product to market is exceeded by the future expected sales revenue; and adequate resources are expected to exist to enable the project to be completed. Amortisation is charged to operating expenses over the useful life of the product, from the commencement of commercial sales, which is usually over a period of three to five years.

Amortisation periods and methods are reviewed annually and adjusted if appropriate.

This policy includes judgements regarding the initial recognition of the asset based upon market research and expected future net revenues. It also includes estimations regarding the period of amortisation.

Development costs that do not meet these criteria are expensed to the Consolidated Income Statement as incurred.

## Other intangible assets

Other intangible assets, such as purchased computer software and acquired intangibles, are shown at historical cost less accumulated amortisation and impairment losses.

Amortisation is charged to operating expenses in the Consolidated Income Statement on a straight-line basis from the date the assets are available for use over the estimated useful lives of the intangible asset. The useful life of purchased software is three to five years.

Amortisation periods and methods are reviewed annually and adjusted if appropriate.

## Impairment of tangible and intangible assets

At each Statement of Financial Position date, the Group reviews the carrying amounts of its tangible and intangible assets, other than goodwill, 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 in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the Cash Generating Unit ('CGU') to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs.

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

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

The future cash flows used in the value-in-use calculations are based on the latest five-year financial plans approved by the Board. Expectations about future growth reflect the expectations of growth in the markets in which the CGU operates. The discount rate is derived from the Group's post-tax weighted average cost of capital, which is assessed each year. The discount rate used in each CGU is adjusted to reflect the Group's small market capitalisation. The Directors perform sensitivity analysis to determine whether any reasonably possible change in the key assumptions on which the recoverable amounts are based would cause the CGUs' carrying amounts to exceed the recoverable amounts.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but only to the extent 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 CGU) in prior years. A reversal of an impairment loss is recognised immediately in income. Goodwill is assessed for impairment on an annual basis.

## Inventories

Inventories are valued at the lower of cost and net realisable value on a first in first out basis. In the case of finished goods, cost includes all direct expenditure and production overheads based on the normal level of activity. Where necessary, an appropriate allowance is made for obsolete, slow-moving, and defective inventories.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## Provisions

Provisions are recognised in the Consolidated Statement of Financial Position when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Statement of Financial Position date, taking into account the risks and uncertainties surrounding the obligation.

## Warranty provisions

The Group provides both assurance and service-type warranties. Assurance-type warranties are accounted for in accordance with IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'; an estimate of costs is expensed as a provision. Revenue in relation to service-type warranties is deferred over the term of the warranty and no cost provision is made.

## Dilapidations provisions

Dilapidations are recognised where there is a present obligation to repair and restore leased properties to their preoccupancy state at the end of the lease term. The provision is based on best estimates for individual properties, with reference to previous experience and size of leased property. The term is measured in accordance with the outstanding length of leases or the expected timing of specific obligations.

## Financial instruments

The Group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability, or an equity instrument in accordance with the substance of the contractual arrangement. Hedge accounting is undertaken by the Group in respect of a balance sheet hedge of a net investment in a foreign subsidiary.

## Financial assets

### Cash and cash equivalents

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits and bank current accounts.

### Trade and other receivables and contract assets

Trade receivables and contract assets are initially recognised at fair value; they are subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. The carrying amount of these balances approximates to fair value due to the short maturity of amounts receivable.

Trade and other receivables and contract assets are assessed for impairment using an expected credit loss ('ECL') model. The Group applies a simplified approach in calculating ECLs; therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs, at initial recognition and at each subsequent reporting date. The Group has established a provision matrix that is based on its historical experience over a period of 24 months before 30 November 2025, adjusted for forward-looking factors such as the economy and particular market issues. All reasonable and supportable information that is relevant and available without undue cost or effort is considered. The provision rates are based on days past due for groupings of various customer segments (i.e. by geography and business activities). Once recognised, trade receivables and contract assets are continuously monitored and updated.

## Forward contracts

The Group enters into forward contracts from time to time in order to mitigate the Group's exposure to the risk arising from fluctuation in currency exchange rates. Open forward contracts are measured at fair value through profit and loss. There were no forward contracts in place during the current or prior year.

## Financial liabilities

### Trade and other payables and lease liabilities

Trade and other payables and lease liabilities are initially recognised at fair value. Subsequent to initial recognition, they are measured at amortised cost. The carrying amount of these balances approximates to fair value due to the short maturity of amounts payable.

### Loans and borrowings

Loans and borrowings comprise bank overdrafts.

## Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously. To meet these criteria, the right of set-off must not be contingent on a future event and must be legally enforceable in all of the following circumstances: the normal course of business, the event of default, and the event of insolvency or bankruptcy of the Group and all of the counterparties.

## Leases

The Group considers whether a contract is (or contains) a lease, defined as "a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration". In applying this definition the Group assesses whether the contract meets three key evaluations, which are whether: (a) the contract contains an identified asset either explicitly identified in the contract or implicitly by being identified at the time the asset is made available for use; (b) the Group obtains substantially all economic benefits throughout the period of use; and (c) the Group has the right to direct the use of the asset.

Upon lease commencement, the Group recognises a right of use ('ROU') asset and a lease liability. The ROU asset is recognised at cost, consisting of the initial measurement of the lease liability, any direct costs incurred in arranging the lease, and any net payments made in advance of commencement. The Group depreciates the ROU asset on a straight-line basis from commencement to the earlier of the end of its useful life or the end of the lease term. The Group assesses the ROU asset for impairment when any indicators are present. At commencement, the Group measures the lease liability as the present value of future lease payments, discounted at the interest rate implicit in the lease (if readily available) or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability consist of fixed payments and amounts arising from options that are reasonably certain to be exercised. Service payments are recognised in the Consolidated Income Statement in line with their usage. Subsequent to initial measurement, the liability will be reduced by the value of payments made and increased by accrued interest.

The Group has used the election not to apply IFRS 16 to short-term leases or leases of low-value assets. Payments in relation to these are expensed on a straight-line basis over the lease term.

The Group has elected to apply the practical expedient in IFRS 16 paragraph 15 not to separate non-lease components such as service charges from lease rental charges.

## Critical accounting estimates and judgements

The preparation of the Financial Statements in conformity with IFRS requires management to make judgements, estimates, and assumptions that affect the reported amounts in the Financial Statements. Management continually evaluates its judgements, estimates, and associated assumptions based on historical experience and on other various factors, including expectations of future events that management believes to be reasonable under the circumstances. As the use of estimates is inherent in financial reporting, actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if both current and future periods are affected.

Management has discussed its significant estimates and associated disclosures with the Audit Committee. The judgements, estimates, and assumptions that have significant risk of causing a material adjustment to the Financial Statements or are areas involving a higher degree of judgement or complexity are described below:

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

## Estimates

### Revenue recognition (note 4)

The ultimate profitability of contracts is based on estimates of revenue and costs which are reliant on the knowledge and experience of the Group's project managers and finance and commercial professionals. Material changes in these estimates could affect the timing of profitability of individual contracts. Revenue and cost estimates are reviewed and updated monthly.

### Impairment of goodwill (note 15)

Goodwill recognised in a business combination does not generate cash flows independently of other assets or groups of assets. As a result, the recoverable amount, being the value in use, is determined at a CGU level. The determination of the CGU is judgemental and for goodwill impairment purposes represents the lowest level within the business at which the goodwill is monitored for internal management purposes and cannot be larger than an operating segment. The relevant CGUs are deemed to be Synectic Systems and Ocular, which are no larger than the segments identified in the Group's segmental reporting.

Determining whether goodwill is impaired requires an estimation of the value in use of the CGUs to which goodwill is allocated. The value-in-use calculation includes estimates about future financial performance and long-term growth rates and requires management to select a suitable discount rate in order to calculate the present value of those cash flows. The key assumptions used in the impairment review and sensitivity analysis are disclosed in note 15 to the Consolidated Financial Statements.

## Judgements

### Revenue recognition (note 4)

The Group determined that the promises within its contracts are not distinct within the context of the contract. The Group is providing a significant integration service which results in additional or combined functionality. In addition, the promises are highly inter-related. Consequently, the Group has determined that most of its contracts include a single performance obligation.

### Provisions (note 21)

Judgement is required in assessing the level of provisions required against assets, including slow-moving and potentially obsolete inventory, and for liabilities including onerous property obligations and warranties. The Directors use information available at the balance sheet date to determine the level of provisions required and consider whether further information received after the balance sheet date impacts these provisions.

### Non-underlying items (note 6)

Judgement is required in determining which items, by virtue of their size, nature, or incidence, should be separately identified and disclosed as non-underlying items. The Directors assess which items of a non-recurring nature detailed in the Group's internal management reporting are of sufficient significance as to warrant separate presentation to provide a better understanding of the trading performance of the Group.

### Share-based payments (note 24)

In determining the fair value of equity-settled share-based payments and the related charge to the Consolidated Statement of Comprehensive Income, the Group makes assumptions about future events and market conditions. Judgement must be made as to the likely number of shares that will vest and the fair value of each award granted. The fair value is determined using the Black-Scholes valuation model. At each year end, the Group revises its estimate of the number of options that are expected to become exercisable. It recognises the impact of the revision of the original estimates, if any, in the Consolidated Statement of Comprehensive Income with a corresponding adjustment to equity.

### Taxation (note 11)

Judgement is required in determining the provision for taxes due to complexity of legislation and the international nature of operations.

### Recognition of deferred tax assets (note 11)

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

### Lease term (note 20)

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

## 2 Alternative performance measures

Adjusted EBITDA and Adjusted EBIT are now key performance measures for the Group and are derived as follows:

	2025			2024		
	Underlying £'000	Non- underlying items (note 6) £'000	Total £000	Underlying £'000	Non- underlying items (note 6) £'000	Total £'000
Profit before tax	6,056	(654)	5,402	4,705	(531)	4,174
Add back:						
Finance income and costs	(89)	–	(89)	87	–	87
Share-based payments	569	–	569	107	–	107
Adjusted EBIT	6,536	(654)	5,882	4,899	(531)	4,368
Depreciation	1,166	–	1,166	969	–	969
Amortisation	817	–	817	391	–	391
Adjusted EBITDA	8,519	(654)	7,865	6,259	(531)	5,728

Adjusted EPS:

The Group monitors adjusted EPS. In calculating earnings for adjusted EPS, net profit is adjusted to eliminate the post-tax impact of non-underlying items and the share-based payment charge. Note 13 to the Consolidated Financial Statements includes a reconciliation of earnings used for adjusted EPS (non-IFRS measure).

## 3 Segmental analysis

For management purposes, the Group is organised into business units as follows:

- Synectic Systems which develops and delivers its proprietary, technology-led solutions to specialist markets globally – including oil & gas, gaming, transport, critical infrastructure, and public space – through local systems integrators and channel partners. Capabilities centre around a proprietary software platform, Synergy, that is tailored to the unique requirements of each client; and specialist hardware for oil & gas markets.
- Ocular which delivers integrated solutions, service, and support directly to end-users in the UK and Ireland – principally within public space, transport, and national infrastructure – utilising a combination of proprietary technology and third-party products.

The operating segment reporting format reflects the differing economic characteristics and nature of the services provided by the Group and is the basis on which strategic and operating decisions are made by the Chief Operating Decision Maker ("CODM").

The Executive Directors are the CODM as they monitor the operating results of the business units separately for the purpose of making decisions about resource allocation and performance assessment.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Consolidated Financial Statements. Intersegment transactions were made at market rate and relate to the sale of equipment and licences by Synectic Systems to Ocular and are eliminated on consolidation.

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

	2025				2024			
	Synectic Systems £000	Ocular £000	Central £000	Total £000	Synectic Systems £000	Ocular £000	Central £000	Total £000
<b>Revenue</b>								
External customers	43,403	26,431	–	69,834	35,881	21,349	–	57,230
Intra-Group	(1,734)	–	–	(1,734)	(1,421)	–	–	(1,421)
	<b>41,669</b>	<b>26,431</b>	<b>–</b>	<b>68,100</b>	34,460	21,349	–	55,809
<b>Expenses</b>								
Cost of inventories recognised as an expense	(14,453)	(14,488)	20	(28,921)	(12,114)	(10,850)	(81)	(23,045)
Movement in inventories provision recognised as an expense	(478)	(180)	–	(658)	(290)	(40)	–	(330)
Employee benefit expenses	(12,777)	(6,342)	(2,141)	(21,260)	(11,393)	(5,650)	(1,923)	(18,966)
Loss on disposal of assets	–	(20)	–	(20)	–	–	–	–
Net foreign exchange profit (loss)	120	34	6	160	(171)	11	(40)	(200)
Rental income received	–	51	–	51	–	46	–	46
Payroll support	–	–	–	–	242	–	–	242
Other	(4,942)	(3,203)	(788)	(8,933)	(3,621)	(2,987)	(689)	(7,297)
<b>Adjusted EBITDA</b>	<b>9,139</b>	<b>2,283</b>	<b>(2,903)</b>	<b>8,519</b>	7,113	1,879	(2,733)	6,259
Amortisation of intangible assets	811	(1)	(5)	(817)	(380)	(2)	(9)	(391)
Depreciation of intangible assets	(692)	(435)	(39)	(1,116)	(642)	(288)	(39)	(969)
Share-based payment charges	(27)	–	(542)	(569)	(23)	–	(84)	(107)
<b>Underlying operating profit</b>	<b>7,609</b>	<b>1,847</b>	<b>(3,489)</b>	<b>5,967</b>	6,068	1,589	(2,865)	4,792
<b>Non-underlying items</b>								
ERP implementation costs	(207)	(144)	–	(351)	–	–	–	–
Write-off of deferred consideration	–	–	–	–	–	(100)	–	(100)
Pension buy-out costs	–	–	–	–	–	–	(21)	(21)
Restructuring and transformation costs	(215)	(88)	–	(303)	(250)	(103)	(57)	(410)
<b>Total operating profit</b>	<b>7,187</b>	<b>1,615</b>	<b>(3,489)</b>	<b>5,313</b>	5,818	1,386	(2,943)	4,261
Total assets	23,453	9,314	–	32,767	24,912	10,455	–	35,367
Total liabilities	(15,365)	(7,028)	–	(22,393)	(17,132)	(6,131)	–	(23,263)
Total segmental net assets	8,088	2,286	–	10,374	7,780	4,324	–	12,104
Goodwill	–	–	19,638	19,638	–	–	19,645	19,645
Cash and borrowings	–	–	14,141	14,141	–	–	9,559	9,559
Unallocated	–	–	(411)	(411)	–	–	23	23
<b>Total net assets</b>	<b>8,088</b>	<b>2,286</b>	<b>33,368</b>	<b>43,742</b>	7,780	4,324	29,227	41,331

Payroll support is a Covid-related employee retention credit received in the US.

Revenue from one external customer amounted to £14.3 million, representing more than 10% of the Group's total revenue. These revenues were generated within the Synectic Systems division. No customers contributed more than 10% in the prior year.

Net assets attributed to each business segment represent the net external operating assets of the respective businesses excluding goodwill, bank balances, and debt which are shown as unallocated amounts, together with central assets and liabilities.

## 4 Revenue from contracts with customers

### Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue by sector:

	Synectic Systems £000	Ocular £000	2025 £000	Synectic Systems £000	Ocular £000	2024 £000
<b>Revenue by sector 2025</b>						
Energy	11,102	–	11,102	13,116	–	13,116
Leisure & Hospitality	23,860	1,125	24,985	13,249	1,136	14,385
Public Space	2,488	4,273	6,761	3,105	4,682	7,787
Transport	2,616	12,839	15,455	2,139	10,309	12,448
Critical Infrastructure	1,603	8,194	9,797	2,851	5,222	8,073
	<b>41,669</b>	<b>26,431</b>	<b>68,100</b>	34,460	21,349	55,809

Set out below is a reconciliation of the timing of revenue showing goods transferred at a point in time and services transferred over time:

	Synectic Systems £000	Ocular £000	2025 £000	Synectic Systems £000	Ocular £000	2024 £000
<b>Timing of revenue recognition 2025</b>						
Revenue transferred at a point in time	7,321	12,620	19,941	6,886	10,321	17,207
Revenue transferred over time	34,348	13,811	48,159	27,574	11,028	38,602
Intra-Group	1,734	–	1,734	1,421	–	1,421
	<b>43,403</b>	<b>26,431</b>	<b>69,834</b>	35,881	21,349	57,230

### Contract balances

	2025 £000	2024 £000
Contract assets	5,237	5,378
Contract liabilities	(3,004)	(6,428)

Contract assets relate to revenue earned from ongoing contracts not yet invoiced. Contract liabilities relate to payments in advance of revenue recognition in relation to ongoing projects and multi-year service and maintenance contracts. As such, the balance on these accounts varies and depends on: (i) the number of ongoing projects at the year-end; and (ii) the timing of payments under the terms of each individual contract, with payment sometimes before and sometimes after satisfaction of the corresponding performance obligation.

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

## Contract balances continued

The £3.4 million decrease in contract liabilities is mainly driven by the advanced invoicing in the prior year on a large project within Synectic Systems.

No expected credit loss has been recognised in relation to the contract assets as the Group's historical and forward-looking experience shows that no credit losses have been incurred

£5.9 million (FY24: £2.2 million) of the contract liabilities balance at 1 December 2024 was recognised as revenue during the year. No revenue was recognised in the current year in relation to performance obligations satisfied, or partially satisfied in previous years.

## Performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 November 2025 that are expected to be recognised over more than one year is £3.2 million (FY24: £3.5 million). These performance obligations relate predominantly to the provision of service and maintenance contracts and are as follows:

	2025 £000	2024 £000
Less than two years	1,682	1,786
Two to five years	1,488	1,660
More than five years	–	55

The Group has taken advantage of the practical expedient within IFRS 15 not to disclose the amount of the remaining performance obligations for contracts with original expected duration of less than one year.

## 5 Net operating expenses

	2025 £000	2024 £000
Distribution costs	407	343
Administrative expenses (before non-underlying items)	22,800	18,808
Non-underlying items (note 6)	654	531
Total administrative expenses	23,454	19,339
	23,861	19,682

Net operating expenses and net operating profit are after charging £3,017,000 (FY24: £2,501,000) in relation to research & development costs.

## 6 Non-underlying items

	2025 £000	2024 £000
Costs associated with new ERP system	351	–
Costs associated with transformation and restructuring	303	410
Write-off of deferred consideration	–	100
Costs associated with the buy-out of the defined benefit pension scheme	–	21
	654	531

Costs associated with transformation and restructuring reflect organisational realignment undertaken during the year to support a more scalable operating model and better align the business to its strategic priorities.

As at 30 November 2022, a deferred consideration asset was recognised in relation to the contingent consideration payable on the sale of SSS Management Services Ltd ('SSS'). The consideration was contingent on certain performance criteria of SSS in the 12 months following the sale, which have not been met. Therefore, the consideration will no longer be received, and the asset has been written off in the prior year.

Costs associated with the buy-out of the defined benefit pension scheme represent costs incurred by the Group in relation to winding up the scheme, which has now been fully wound up.

## 7 Auditor's remuneration

	2025 £000	2024 £000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	66	106
Fees payable to the Company's auditor for other services to the Group:		
– the audit of the Company's subsidiaries pursuant to legislation	132	158
Non-audit services	–	–
	198	264

## 8 Staff costs and Directors' remuneration

The average number of persons (including Executive Directors) employed by the Group during the year was:

	2025 Number	2024 Number
<b>Reportable segment (note 3)</b>		
Synectic Systems	178	172
Ocular	99	96
Central	25	24
	302	292

	2025 £000	2024 £000
<b>Staff costs</b>		
Wages and salaries	18,496	16,670
Social security costs	1,994	1,628
Pension costs	770	668
Share-based payment charge (note 24)	569	107
	21,829	19,073

The Directors consider that the key management personnel of the business comprises its Board of Directors, whose remuneration is shown in the Remuneration Committee Report on pages 52 to 55. Details of the remuneration for key management personnel are set out in note 26 to the Consolidated Financial Statements.

## 9 Finance income

	2025 £000	2024 £000
Other interest	–	4
Bank interest	186	21
	186	25

## 10 Finance costs

	2025 £000	2024 £000
Other interest payable	1	33
Interest payable on lease liabilities	96	79
	97	112

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

## 11 Taxation

Tax charge	2025 £000	2024 £000
<b>Current income tax</b>		
UK tax	7	–
Overseas tax	1,022	346
Adjustments in respect of prior periods	225	(96)
<b>Total current tax charge</b>	<b>1,254</b>	250
<b>Deferred tax</b>		
Origination and reversal of temporary differences	248	727
Adjustments in respect of prior periods	194	18
<b>Total deferred tax charge</b>	<b>442</b>	745
<b>Income tax charge reported in the Consolidated Income Statement</b>	<b>1,696</b>	995

Further analysed as tax relating to:

Underlying profit	1,860	1,049
Non-underlying items	(164)	(54)

### Reconciliation of tax charge for the year

The corporation tax assessed for the year differs from the standard rate of corporation tax in the UK of 25% (FY24: 25%). The differences are explained below:

	2025 £000	2024 £000
Profit before tax	5,402	4,174
Tax on profit on ordinary activities before tax at standard rate of 25% (FY24: 25%)	1,351	1,044
Effects of:		
Differences in overseas tax rates	(470)	(172)
Tax losses not recognised	6	84
Group relief surrendered	543	–
Utilisation of previously unrecognised tax losses	(229)	(2)
Research & development	(79)	(99)
Other differences	5	–
Effect of changes in tax rates and tax laws	(23)	39
Expenses not deductible for tax purposes	173	179
Adjustment in respect of prior periods	419	(78)
<b>Total tax charge for the year</b>	<b>1,696</b>	995

The Group's tax rate is sensitive to a geographic mix of profits and reflects a combination of higher rates in the UK and US and lower rates in Singapore and Macau along with R&D tax relief in the UK. The Group's effective tax rate before adjustments in respect of prior years has fallen in 2025 as the proportion of taxable profits is higher in Singapore.

## Deferred tax

The deferred tax in the Consolidated Statement of Financial Position relates to the following:

Deferred tax (liability)/asset	Property, plant and equipment £000	Other temporary differences £000	Losses £000	Total £000
At 1 December 2023	(547)	(170)	1,963	1,246
(Charged)/credited to the Income Statement	(169)	18	(594)	(745)
Credited to the Statement of Comprehensive Income	–	30	–	30
Currency translation adjustment	–	–	(6)	(6)
At 30 November 2024	(716)	(122)	1,363	525
Charged to the Income Statement	(79)	(23)	(340)	(442)
Charged to the Statement of Comprehensive Income	–	(42)	–	(42)
Currency translation adjustment	–	(3)	(9)	(12)
<b>At 30 November 2025</b>	<b>(795)</b>	<b>(190)</b>	<b>1,014</b>	<b>29</b>
Deferred tax asset	–	83	1,014	1,097
Deferred tax liability	(795)	(273)	–	(1,068)
	<b>(795)</b>	<b>(190)</b>	<b>1,014</b>	<b>29</b>

### Factors that may affect future tax charges

Deferred tax assets of £1.1 million (FY24: £1.4 million) have been recognised in relation to legal entities which suffered a tax loss in the current or preceding periods. The assets are recognised based upon future taxable profit forecasts for the entities concerned.

The Group has further losses which may be available to be carried forward for offset against the future taxable profits of certain Group companies amounting to approximately £3.2 million (FY24: £3.9 million). No deferred tax asset (FY24: £nil) in respect of these losses has been recognised at the year end as the Group does not currently anticipate being able to offset these against future profits.

In addition to the above, the Group has capital losses of approximately £17.8 million (FY24: £17.8 million) available for offset against future taxable gains. No deferred tax asset in respect of these losses has been recognised in these Financial Statements as there is insufficient certainty that the asset will be recovered against future capital gains.

## 12 Dividends

The following dividends were paid by the Company during the year:

	2025		2024	
	Pence per share	£000	Pence per share	£000
Final dividend paid in respect of prior year but not recognised as a liability in that year	2.5	430	3.0	516
Interim dividend paid in respect of current year	2.2	373	2.0	344
	<b>4.7</b>	<b>803</b>	5.0	860
<b>Total dividend paid, net of shares held by the share trust</b>	<b>4.7</b>	<b>800</b>	5.0	845
<b>Proposed final dividend for the year ended 30 November</b>	<b>2.8</b>	<b>476</b>	2.5	430

Subject to shareholders' approval at the Company's forthcoming Annual General Meeting, which is to be held on 20 May 2026, the Directors recommend the payment of a final dividend of 2.8p per share (FY24: 2.5p per share) to be paid on 29 May 2026 to shareholders on the register as at the close of business on 1 May 2026 (the shares being marked ex-dividend on 30 April 2026). The Company paid an interim dividend of 2.2p during the year 2025 (FY24: 2.0p) and therefore the proposed FY25 total dividend is 5p per share (FY24: 4.5p per share).

## Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

### 13 Earnings per share

	2025 Pence per share	2024 Pence per share
Basic earnings per share	22.0	18.8
Diluted earnings per share	21.8	18.3
Adjusted basic earnings per share	28.3	22.3
Adjusted diluted earnings per share	28.0	21.7

Adjusted earnings per share excludes non-underlying items and share-based payment charges (non-IFRS measure).

Profit per share has been calculated by dividing the profit attributable to equity holders of the Parent after taxation for each financial year by the weighted average number of ordinary shares in issue and ranking for dividend during the year.

The calculations of basic and underlying earnings per share are based upon:

	2025 £000	2024 £000
Earnings for basic and diluted earnings per share	3,706	3,179
Share-based payments	569	107
Non-underlying items	654	531
Impact of share-based payments and non-underlying items on tax credit for the year	(164)	(54)
Earnings for adjusted basic and adjusted diluted earnings per share	4,765	3,763

	2025 £000	2024 £000
Weighted average number of ordinary shares – basic calculation	16,827	16,891
Dilutive potential ordinary shares arising from share options	203	471
Weighted average number of ordinary shares – diluted calculation	17,030	17,362

### 14 Property, plant and equipment

	Freehold land and buildings £000	Short leasehold improvements £000	Plant, machinery and equipment £000	Right of use assets £000	Total £000
<b>Cost</b>					
At 1 December 2023	1,834	922	2,250	4,027	9,033
Additions	–	113	294	633	1,040
Disposals	–	–	(5)	–	(5)
Currency translation adjustment	–	1	(16)	(26)	(41)
At 30 November 2024	1,834	1,036	2,523	4,634	10,027
Lease modifications	–	–	–	(3)	(3)
Additions	–	12	315	592	919
Disposals	–	(422)	(1,011)	(58)	(1,491)
Currency translation adjustment	–	(7)	(19)	14	(12)
<b>At 30 November 2025</b>	<b>1,834</b>	<b>619</b>	<b>1,808</b>	<b>5,179</b>	<b>9,440</b>
<b>Depreciation and impairment</b>					
At 1 December 2023	342	778	1,977	2,197	5,294
Charge for the year	35	73	172	689	969
Disposals	–	–	(5)	–	(5)
Currency translation adjustment	–	(1)	(16)	(15)	(32)
At 30 November 2024	377	850	2,128	2,871	6,226
Lease modifications	–	–	–	(8)	(8)
Charge for the year	37	108	249	772	1,166
Disposals	–	(416)	(1,004)	(54)	(1,474)
Currency translation adjustment	–	(6)	(16)	17	(5)
<b>At 30 November 2025</b>	<b>414</b>	<b>536</b>	<b>1,357</b>	<b>3,598</b>	<b>5,905</b>
<b>Net book value</b>					
<b>At 30 November 2025</b>	<b>1,420</b>	<b>83</b>	<b>451</b>	<b>1,581</b>	<b>3,535</b>
At 30 November 2024	1,457	186	395	1,763	3,801

The net book value of right of use assets at 30 November 2025 relates to leasehold property £722,000 (FY24: £1,173,000), vehicles £665,000 (FY24: £453,000) and other lease asset £194,000 (FY24: £137,000).

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

## 15 Intangible assets

	Goodwill £000	Acquired intangibles £000	Capitalised development costs £000	Purchased software £000	Total £000
<b>Cost</b>					
At 1 December 2023	24,204	759	6,573	1,086	32,622
Additions	–	–	1,193	326	1,519
Currency translation adjustment	(29)	–	(14)	(2)	(45)
At 30 November 2024	24,175	759	7,752	1,410	34,096
Additions	–	–	1,459	420	1,879
Disposals	–	–	(382)	(258)	(640)
Currency translation adjustment	(76)	–	20	(57)	(113)
<b>At 30 November 2025</b>	<b>24,099</b>	<b>759</b>	<b>8,849</b>	<b>1,515</b>	<b>35,222</b>
<b>Amortisation and impairment</b>					
At 1 December 2023	4,551	759	5,298	886	11,494
Charge for the year	–	–	352	39	391
Currency translation adjustment	(21)	–	(14)	(2)	(37)
At 30 November 2024	4,530	759	5,636	923	11,848
Charge for the year	–	–	811	6	817
Disposals	–	–	(382)	(255)	(637)
Currency translation adjustment	(69)	–	20	(57)	(106)
<b>At 30 November 2025</b>	<b>4,461</b>	<b>759</b>	<b>6,085</b>	<b>617</b>	<b>11,922</b>
<b>Net book value</b>					
<b>At 30 November 2025</b>	<b>19,638</b>	<b>–</b>	<b>2,764</b>	<b>898</b>	<b>23,300</b>
At 30 November 2024	19,645	–	2,116	487	22,248

The amortisation charge is recognised within operating expenses on the Consolidated Income Statement.

### Annual test for impairment of goodwill

The carrying value of goodwill is tested annually for impairment by comparing it to the value in use of the cash-generating units ('CGUs') to which it relates. Goodwill acquired in a business combination is allocated, at acquisition, to the CGUs that are expected to benefit from that business combination.

Each of the Group's two business units, Synectic Systems and Ocular, has been identified as the smallest identifiable group of assets that generate cash flows and are therefore assessed as CGUs. Each of these CGUs represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The carrying amount of goodwill was allocated to the CGUs as follows:

	2025 £000	2024 £000
Synectic Systems	10,826	10,833
Ocular	8,812	8,812
	<b>19,638</b>	19,645

The recoverable amount of the CGUs is determined based on a value-in-use calculation which uses cash flow projections for five years. These are based on financial budgets and business plans approved by the Directors covering a five-year period. The average annual revenue growth rate for the five-year period is 7% (FY24: 10%). Cash flows beyond that period have been extrapolated into perpetuity using a steady 1.5% per annum growth rate (FY24: 1.6%), which the Directors consider to be specific to the business and does not exceed the UK long-term average growth rate and is therefore considered appropriate to apply to each CGU.

The other key assumption used in the cash flow projections is the pre-tax discount rate:

	2025 %	2024 %
Synectic Systems	12.8	13.3
Ocular	12.8	13.3

The pre-tax discount rates used are based on the Group's weighted average cost of capital and include an adjustment to reflect the Group's small market capitalisation.

Other assumptions have been assigned values by management using estimates based on past experience and expectations of the future performance of the CGUs.

Sensitivity analysis has been performed on the pre-tax discount rates, which shows that a pre-tax discount rate of 33% (Synectic Systems) or 33% (Ocular) would be required in order to eliminate the headroom which exists in these CGUs. The Directors consider that the discount rates used, which are already risk adjusted, represent a balanced view.

The breakeven analysis performed by management identified that the Synectic Systems business unit would need to achieve less than 54% of forecast and Ocular less than 52% in all years of the model to result in an impairment. These results would be significantly lower than previously achieved by the Group before the pandemic and therefore are an unlikely situation.

The Directors believe that, based on the sensitivity analysis and stress testing performed, any reasonably possible change in the key assumptions on which the recoverable amounts are based would not cause the carrying amounts to exceed the recoverable amounts.

The value in use for the Group exceeds the carrying value of the assets by £55 million (FY24: £59 million).

There is no impairment to goodwill in either CGU in the period (FY24: no impairment).

## 16 Inventories

	2025 £000	2024 £000
Raw materials and consumables	1,611	3,752
Work in progress	594	792
Finished goods for resale	4,221	4,700
	<b>6,426</b>	9,244

The cost of inventories recognised as an expense during the year was £29.6 million (FY24: £23.3 million) in relation to continuing operations.

The cost of inventories recognised as an expense includes £658,000 (FY24: £330,000) in respect of increase in inventory provision.

## 17 Trade and other receivables

	2025 £000	2024 £000
Trade receivables	9,354	12,004
Allowance for expected credit losses	(100)	(102)
	<b>9,254</b>	11,902
Other receivables	530	950
Prepayments	1,237	1,272
	<b>11,021</b>	14,124

Trade receivables are non-interest bearing and generally have 30 to 90-day terms. At 30 November 2025, the Group had 44 days' sales outstanding in trade receivables (FY24: 68 days).

Due to their short maturities, the fair value of trade and other receivables approximates to their book value.

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

## Movement in allowance for lifetime expected credit losses

	2025 £000	2024 £000
At 1 December	102	157
Provided for in the year	25	28
Amounts utilised in the year	(2)	(15)
Amounts released in the year	(25)	(68)
At 30 November	100	102

## Ageing of trade receivables

	2025 £000	2024 £000
Not due	6,306	7,507
Up to three months past due	2,377	3,981
Three to six months past due	83	258
Over six months past due	588	258
	9,354	12,004

## 18 Cash and cash equivalents

	2025 £000	2024 £000
Cash at bank and in hand	14,141	9,559

Balances are held with large international banking groups with 'A' credit ratings.

Currency	2025 £000	2024 £000
GBP	4,330	5,728
USD	8,709	3,302
HKD	109	189
SGD	355	146
EUR	507	119
AED	45	46
Other	86	29
	14,141	9,559

The fair value of cash and cash equivalents approximates to their book value.

Cash at bank earns interest at the daily bank base rate.

At 30 November 2025, the Group had undrawn overdraft facilities of up to £3.0 million (FY24: £3.0 million), on which interest would be payable at the rate of Bank of England base rate plus 2% (FY24: Bank of England base rate plus 2%).

## 19 Trade and other payables

	2025 £000	2024 £000
Trade payables	2,022	5,910
Other taxation and social security	1,030	1,035
Other payables	198	175
Accruals	8,840	6,545
	12,090	13,665

Due to their short maturities, the fair value of trade and other payables and accruals approximates to their book value.

At 30 November 2025, £3.5 million (FY24: £2.1 million) of the accruals balance relates to cost accruals for projects ongoing at the year end.

## 20 Lease liabilities

For details of the right of use assets, see note 14 to the Consolidated Financial Statements. The carrying amount of lease liabilities and the movements during the year are as follows:

	Vehicle £000	Property £000	Other £000	Total £000
At 1 December 2023	100	1,838	–	1,938
Additions	443	–	195	638
Accretion of interest	7	66	6	79
Payments	(93)	(603)	(58)	(754)
Lease modifications				
Currency translation adjustment	–	(11)	–	(11)
At 30 November 2024	457	1,290	143	1,890
Additions	418	53	122	593
Accretion of interest	47	42	7	96
Payments	(207)	(576)	(68)	(851)
Lease modifications	(30)	(36)	–	(66)
Disposals	–	–	(3)	(3)
Currency translation adjustment	–	(5)	–	(5)
<b>At 30 November 2025</b>	<b>685</b>	<b>768</b>	<b>201</b>	<b>1,654</b>

The property lease liability of £768,000 (FY24: £1,290,000) relates to eight (FY24: seven) properties across the Group with £491,000 (FY24: £621,000) relating to the Sheffield property occupied by part of the Synectics UK team and plc head office.

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date as follows:

	2025 £000	2024 £000
Current liabilities	643	701
Non-current liabilities	1,011	1,189
<b>Total liabilities</b>	<b>1,654</b>	<b>1,890</b>

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

Contractual maturity of lease liabilities:

	2025 £000	2024 £000
Up to 1 year	643	701
Between 1 year and 5 years	1,011	1,189
More than 5 years	-	-
	<b>1,654</b>	<b>1,890</b>

Amounts reported in the Consolidated Income Statement include the following in relation to leases (see notes 3 and 10 to the Consolidated Financial Statements):

	2025 £000	2024 £000
<b>Depreciation charge of right of use assets</b>		
Leasehold property	520	550
Vehicles	191	86
Other	61	53
	<b>772</b>	<b>689</b>
Interest on lease liabilities (included in finance cost)	96	79
Expense relating to short-term and low-value leases (included in operating expenses)	95	57
Income from subletting of right of use asset	(51)	(46)

The weighted average incremental borrowing rates applied to the lease liabilities recognised was 3.8% (FY24: 4.7%).

The Group leases office equipment under agreements of less than two years. These leases are either short term or low value and so have been expensed as incurred and not capitalised as right of use assets.

## 21 Provisions

	Warranty £000	Property £000	Total £000
At 1 December 2023	1,091	309	1,400
Utilised in the year	(453)	(107)	(560)
Charged to the Income Statement	447	11	458
Currency translation adjustment	-	(1)	(1)
At 30 November 2024	1,085	212	1,297
Utilised in the year	(493)	-	(493)
Charged to the Income Statement	924	314	1,238
Currency translation adjustment	(1)	(1)	(2)
<b>At 30 November 2025</b>	<b>1,515</b>	<b>525</b>	<b>2,040</b>

Provisions have been analysed between current and non-current as follows:

	2025 £000	2024 £000
Current	993	556
Non-current	1,047	741
	<b>2,040</b>	<b>1,297</b>

Costs of warranty include the cost of labour, material, and related overhead necessary to repair a product during the warranty period. The standard warranty periods are usually one to three years. The Group accrues for the estimated cost of the warranty on its products shipped in the provision for warranty, upon recognition of the sale of the product. The costs are estimated based on actual historical expenses incurred and on estimated future expenses related to current sales and are updated periodically. Actual warranty costs are charged against the provision for warranty.

The Group has certain properties where the Directors believe that dilapidation costs may be incurred; therefore, appropriate cost provisions have been made. During the year, £314,000 of additional provisions were made in relation to offices in the UK and the US. In the prior year, £107,000 of the property cost provision brought forward at 1 December 2023 was utilised in relation to one of the Sheffield offices.

## 22 Called up share capital and reserves

The number of authorised, allotted, called up, and fully paid shares is as follows:

	2025		2024	
	Number	£000	Number	£000
<b>Ordinary shares of 20p each</b>				
Authorised	25,000,000	5,000	25,000,000	5,000
Allotted, called up, and fully paid	17,794,439	3,559	17,794,439	3,559

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings. No shares were held in treasury; however, 787,296 shares (FY24: 892,329) were held by the Group's Employee Benefit Trust ('EBT') at 30 November 2025 and are therefore excluded from the basic earnings per share calculation.

The merger reserve has been created in accordance with sections 612 and 613 of the Companies Act 2006 whereby the premium on ordinary shares in the Company issued to acquire shares has been credited to the merger reserve rather than the share premium account.

Other reserves relate to the cost of shares held within the EBT of £2,934,000 (FY24: £2,135,000) and the capital redemption reserve of £718,000 (FY24: £718,000). The nominal value of the shares held in the EBT is £157,459 (FY24: £178,466).

The currency translation reserve is used to recognise exchange differences arising from the translation of the Financial Statements of foreign operations to GBP. It is also used to recognise gains and losses on the hedges of the net investments in foreign operations.

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

## 23 Synectics plc share schemes

The Group operated four employee share schemes in the year: the Synectics Employees' Share Acquisition Plan ('ESAP'), the Quadnetics Executive Shared Ownership Plan ('ExSOP'), the Synectics Performance Share Plan ('PSP'), and the Executive Growth Plan ('EGP'). A one-off award of share options was also made to the Chair upon his appointment in 2024.

### ESAP

The ESAP was adopted on 23 April 2010. Eligible employees can elect to join the scheme and can contribute up to £150 a month from their salary. These deductions are then used by the ESAP trustee to buy partnership shares in Synectics plc at the end of each six-month accumulation period. The ESAP trustee also uses any dividend income paid on shares in the ESAP to buy further shares to be held in the ESAP as dividend shares.

Partnership shares can be withdrawn from the ESAP by the employee at any time, but withdrawals before the fifth anniversary after purchase are subject to income tax; withdrawals after the fifth anniversary of their purchase date can be made in full and are not subject to income tax. Dividend shares are required to be held in trust for a period of three years following the purchase date. Employees who leave the Group are required to withdraw all of their shares in the ESAP and are subject to the same rules.

At 30 November 2025, there were 120,845 (FY24: 132,093) ordinary shares in the ESAP with a market value of £335,345 (FY24: £402,884).

Movements during the year were as follows:

	Number of shares
ESAP shares held at 1 December 2024	132,093
ESAP shares acquired during the year	17,482
Withdrawals of ESAP shares from the scheme during the year	(28,730)
<b>ESAP shares held at 30 November 2025</b>	<b>120,845</b>

### ExSOP

During the year all outstanding ExSOP shares were exercised, and the scheme was wound-up.

Date awarded	Exercise dates	Relevant share price at date of award	2025 Number of shares	2024 Number of shares
7 July 2009	8 July 2012 onwards	147.5p	–	193,243
7 March 2011	8 March 2014 onwards	178.0p	–	100,000
			–	293,243

During the year, no shares were awarded, vested, or lapsed (FY24: nil), and 293,243 shares were exercised (FY24: 12,000).

### PSP

The PSP was formed on 9 October 2012. Under the PSP, selected employees are entitled to exercise an option to receive a certain number of Synectics plc shares at any time after a vesting period, at no cost to themselves. The number of shares that are awarded at the end of the vesting period is dependent on the achievement of certain performance criteria.

It is intended that if the performance criteria are met in full or part, the appropriate number of shares will be transferred to the employees from unallocated Synectics plc shares already held within the EBT.

### 2022 awards

The award granted on 1 August 2022 was a one-off award that vests over approximately 3.6 years on the announcement of the Company's audited final results for the financial years ending 30 November 2024 and 2025. Vesting is determined by performance, measured as the average of the compound annual growth rate 'CAGR' of total shareholder return 'TSR' and the CAGR of adjusted underlying diluted earnings per share 'EPS'. If this average reaches 20% or higher, the award will vest in full. If the average is between 10% and 20%, vesting will occur on a straight-line basis between 0% and 100%. The award is split into two equal tranches, with vesting contingent, among other factors, on meeting performance criteria for each of the Company's financial years ending 30 November 2024 and 2025.

PSP awards were also made on 1 August 2022 to Persons Discharging Managerial Responsibilities ('PDMRs') on the same performance criteria, although these all vest over an approximately 2.6-year period and are exercisable from 2 August 2005.

### 2024 – 2025 awards

Performance for these awards is measured according to the average of the CAGR of the TSR and the CAGR of Adjusted Underlying Diluted Earnings Per Share. If this average is 20% or more, 100% of the award shares will vest. If this average is above 10% and below 20%, between 0% and 100% of the award shares will vest (on a straight-line basis).

PSP share awards outstanding at 30 November 2025 are exercisable as follows:

Date awarded	Exercise dates	Relevant share price at date of award	2025 Number of shares	2024 Number of shares
7 August 2020	February 2025 onwards	130.0p	–	18,126
7 August 2020	February 2025 onwards	130.0p	–	70,415
7 August 2020	February 2026 onwards	130.0p	–	35,807
3 March 2021	3 March 2025 onwards	137.5p	–	3,635
1 August 2022	1 August 2025 onwards	117.5p	10,000	122,000
1 August 2022	March 2026 onwards	117.5p	62,000	62,000
13 March 2024	13 March 2026 onwards	127.5p	40,000	60,000
25 March 2025	25 March 2027 onwards	190.0p	60,000	84,123
			<b>172,000</b>	456,106

During the year, no share awards were made (FY24: 140,000), 122,000 share awards vested (FY24: 132,106), 11,210 share awards lapsed (FY24: 307,894), and 272,896 vested share awards were exercised (FY24: 1,000). Of the total number of share awards outstanding at 30 November 2025, 10,000 (FY24: 132,106) had vested but had not been exercised.

### EGP

The EGP was a one-off award made to the Chief Executive Officer upon appointment in 2024 to help to drive long-term sustainable growth and build shareholder value. The award requires the Chief Executive Officer to subscribe for the nominal value of each share to exercise the award upon vesting. The performance criteria for the EGP awards is based on the Company's share price, with 0% vesting if the share price is 290p or below as at 30 November 2027 (the 'vesting date'), 100% vesting if the share price is 600p or above at the vesting date and if the share price is between 290p and 600p at the vesting date X% will vest where X = (share price-290p)/310 expressed as a percentage.

EGP share awards outstanding at 30 November 2025 were as follows:

Date awarded	Exercise date	Relevant share price at date of award	2025 Number of shares	2024 Number of shares
18 November 2025	30 November 2027 onwards	315.0p	1,000,000	1,000,000
			<b>1,000,000</b>	1,000,000

### Chair's Award

A one-off share option award was made to the Chair upon appointment in 2024. The award, which also requires the Chair to subscribe for the nominal value of each share to exercise the award upon vesting, is also subject to similar performance conditions to the EGP, as set out above. Share awards outstanding at 30 November 2025 were as follows:

Date awarded	Exercise date	Relevant share price at date of award	2025 Number of shares	2024 Number of shares
24 April 2025	30 November 2027 onwards	187.5p	350,000	350,000
			<b>350,000</b>	350,000

The weighted average expiry date of awards outstanding is 670 days (FY24: 963 days) and the weighted average share price is 266.5p (FY24: 252.4p).

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

## 24 Share-based payment charge

The fair value of services received in return for share options granted or awards made under the Group's share schemes is measured by reference to the fair value of the share options granted or share scheme shares awarded.

For the equity-settled share scheme awards, the estimate of the fair value of the services received for accounting purposes is measured based on a Black-Scholes option pricing model adjusted (based on a Monte Carlo simulation) to reflect the percentage reduction necessary as a result of the market-based performance conditions, using the following assumptions:

Share awards	Number of share options awarded	Exercise price	Share price on date of award	Expected volatility	Expected dividend yield	Risk-free interest rate	Vesting period (years)	Expected life of option (years)
August 2022								
4-year awards	162,000	£nil	£1.175	50%	3.22%	2.07%	2.58	2.58
August 2022								
5-year awards	62,000	£nil	£1.175	50%	3.86%	2.07%	3.58	3.58
March 2023								
3-year awards	80,000	£nil	£1.275	50%	2.16%	2.07%	3.0	3.0
March 2024								
3-year awards	140,000	£nil	£1.775	50%	3.57%	4.17%	2.93	3.0
April 2024								
4-year awards	350,000	£0.20	£1.875	50%	3.38%	4.49%	2.93	3.93
November 2024 3-year awards	1,000,000	£0.20	£3.050	40%	2.08%	4.63%	3.03	3.03
Modifications November 2024	350,000	£0.20	£3.050	40%	2.08%	4.63%	3.03	3.03

The weighted average fair value of options granted during 2025, at the date of grant, is £nil (FY24: £1.03).

The expected volatility is based on historical volatility.

Share options and share scheme awards are granted under a service condition and also for grants to employees under the ExSOP and PSP, a performance measure based around the Company's share price relative to the Index.

The total charge recognised for the year arising from share-based payments is as follows:

	2025 £000	2024 £000
<b>Equity-settled share-based payments</b>	<b>569</b>	107

## 25 Contingent liabilities

There were no material contingent liabilities at 30 November 2025 or 30 November 2024.

## 26 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. The subsidiaries in the Group are listed in note 6 of the Company Financial Statements.

Transactions with key management personnel are as follows:

	2025 £000	2024 £000
Salary and fees	480	582
Bonuses	127	193
Benefits	3	6
Total short-term remuneration	610	781
Post-employment benefits	32	39
Share-based payments	541	48
Social security costs	114	96
	<b>1,297</b>	964

Key management personnel are the Company Directors including Non-Executive Directors (see Remuneration Committee Report on pages 52 to 55).

Share options exercised by key management personnel during the year amounted to £195,300 (FY24: £nil).

## 27 Capital commitments

At the year end, capital commitments not provided for amounted to £nil (FY24: £nil).

## 28 Pension commitments: Defined contribution schemes

The Group operates a number of defined contribution pension schemes operated by various companies within the Group. The Group's total expense for continuing operations for these other schemes in the year was £770,000 (FY24: £668,000).

## 29 Financial instruments

### Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders. The capital structure of the Group consists of cash held in current accounts (note 18 of the Consolidated Financial Statements), bank overdrafts (note 18 of the Consolidated Financial Statements), and equity attributable to equity holders of the Parent, comprising issued share capital (note 22 of the Consolidated Financial Statements), reserves, and retained earnings. The Group is not subject to any externally imposed capital requirements. The Group's dividend policy depends on both the earnings profile and investment opportunities together with wider macro-economic factors.

### Foreign currency risk

The Group operates internationally, giving rise to exposure from changes in foreign exchange rates. The main foreign currencies in which the Group currently operates are the US Dollar and the Euro.

The Group's policy is to manage transaction exposure in respect of the Group's UK subsidiaries where appropriate through the use of forward exchange contracts, which are entered into in respect of forecast foreign currency transactions when the amount and timing of such forecast transactions becomes reasonably certain. At 30 November 2025 and 2024, the Group had no commitments in respect of forward exchange contracts.

Hedge accounting has not been applied.

# Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

## Foreign currency risk continued

At 30 November 2025, certain subsidiaries within the Group had the following forecast foreign currency transactions during the next two years which have not been hedged:

	2025		2024	
	€000	\$000	€000	\$000
Receipts	1,860	23,220	700	39,303
Payments	(9,528)	(29,715)	(6,553)	(32,471)

The Group is exposed to fluctuations in exchange rates on the translation of profits earned by its overseas subsidiaries. These profits are translated at average exchange rates for the year, which is an approximation to rates at the date of transaction. The Group's overseas subsidiaries account for approximately 17.8% (FY24: 7.4%) of the Group's net assets as follows:

Functional currency of entity	2025 %	2024 %
US Dollars	11.7	2.9
Euros	6.1	4.5
Total	17.8	7.4

Translation exposure in respect of these assets is not hedged.

At 30 November 2025, the Group held foreign currency cash balances of \$11,528,000 (FY24: \$4,206,000), €578,000 (FY24: €143,000), and S\$608,000 (FY24: S\$250,000).

The following table details the Group's sensitivity to a 10% fall in the relevant foreign currencies:

	USD impact		Euro impact	
	2025 £000	2024 £000	2025 £000	2024 £000
Profit/(loss)	550	(32)	94	16
Other equity	894	(65)	711	551
<b>Total</b>	<b>1,444</b>	<b>(97)</b>	<b>805</b>	<b>567</b>

The maximum annual movement for both currencies between November 2021 and November 2025 is 10%.

The table below shows the extent to which the Group had significant monetary assets and liabilities in currencies other than the functional currency of the company in which they are recorded. Foreign exchange differences on the retranslation of these assets and liabilities are recognised in the Consolidated Income Statement.

	2025		2024	
	Sterling £000	USD £000	Sterling £000	USD £000
Sterling	–	535	–	167
US Dollars	(882)	–	(3,302)	–
Euros	(43)	–	(42)	–
Singapore Dollars	–	–	–	(10)
<b>Total</b>	<b>(925)</b>	<b>535</b>	<b>(3,344)</b>	<b>157</b>

## Credit risk

Credit risk refers to the risk that a customer or counterparty to a financial instrument fails to meet its contractual obligations, resulting in financial loss to the Group, and arises principally from the Group's receivables from customers. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit using information supplied by independent rating agencies where available. The Group also uses other publicly available information and its own trading records to rate major customers. The credit risk on current accounts is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

For some trade receivables the Group may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

At the Statement of Financial Position date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the Consolidated Statement of Financial Position.

## Liquidity risk

Liquidity risk is the risk that the Group does not have sufficient cash to meet its financial obligations as they fall due. The Group ensures that sufficient cash and undrawn facilities are available to fund ongoing operations and to meet its medium-term capital and funding obligations, and to meet any unforeseen obligations and opportunities.

At the year end, the Group had net funds of:

	2025 £000	2024 £000
Current accounts (note 18)	14,141	9,559

The level of the Group's bank overdraft facilities is reviewed annually, and at 30 November 2025 the Group had undrawn overdraft facilities of up to £3.0 million, on which interest would be payable at the rate of bank base rate plus 2%.

Financial liabilities of the Group principally comprise trade creditors falling due for payment within 12 months of the Statement of Financial Position date (FY24: 12 months), an undrawn bank overdraft (FY24: undrawn) repayable on demand, and lease liabilities.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The maturity of the financial liabilities table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the Consolidated Statement of Financial Position.

	Note	Within 1 year £000	2 to 5 years £000	Over 5 years £000	Remaining contract cash flows £000	Carrying amount £000
<b>30 November 2025</b>						
Trade and other payables	19	2,022	–	–	2,022	2,022
Lease liabilities	20	729	1,067	–	1,796	1,654
		<b>2,751</b>	<b>1,067</b>	<b>–</b>	<b>3,818</b>	<b>3,676</b>
<b>30 November 2024</b>						
Trade and other payables	19	5,910	–	–	5,910	5,910
Lease liabilities	20	739	1,214	–	1,953	1,890
		<b>6,649</b>	<b>1,214</b>	<b>–</b>	<b>7,863</b>	<b>7,800</b>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

## Interest risk

Individual overdrawn current accounts are charged interest at bank base rate plus 2% as set out in note 18 of the Consolidated Financial Statements.

The Group's funding position did not carry any significant interest rate risk at 30 November 2025 or 30 November 2024.

A 0.5% rise or fall in interest rates would not have a material impact on the results of the Group.

## Notes to the Consolidated Financial Statements

For the year ended 30 November 2025

### 30 Subsidiaries

The Group consists of a Parent Company, Synectics plc, incorporated in the UK, and a number of subsidiaries held directly and indirectly by Synectics plc, which operate and are incorporated around the world. Note 6 of the Company Financial Statements lists details of all subsidiaries.

Synectics EFX Limited has taken the entitlement to exemption from audit by parent company guarantee under section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 30 November 2025.

One subsidiary, Synectic Systems (Macau) Limited, has an accounting reference date of 31 December, which is different to that of the Consolidated Financial Statements of 30 November. This is to more closely align the accounting period with the tax reporting requirements in Macau and thereby reduce administrative costs.

### 31 Post-balance sheet events

There are no material post-balance sheet events known at the date of this report.

## Company Statement of Changes in Equity

For the year ended 30 November 2025

	Called up share capital £000	Share premium account £000	Merger reserve £000	Other reserves £000	Retained earnings £000	Total £000
At 1 December 2023	3,559	16,043	9,971	(572)	7,724	36,725
Loss for the year	-	-	-	-	(305)	(305)
<b>Other comprehensive expense</b>						
<b>Total other comprehensive expense</b>	-	-	-	-	-	-
<b>Total comprehensive expense for the year</b>	-	-	-	-	(305)	(305)
<b>Transactions with owners in their capacity as owners</b>						
Dividends paid	-	-	-	-	(845)	(845)
Share awards exercised	-	-	-	3	(3)	-
Credit in relation to share-based payments	-	-	-	-	107	107
At 30 November 2024	3,559	16,043	9,971	(569)	6,678	35,682
Loss for the year	-	-	-	-	(484)	(484)
<b>Other comprehensive expense</b>						
<b>Total other comprehensive expense</b>	-	-	-	-	-	-
<b>Total comprehensive expense for the year</b>	-	-	-	-	(484)	(484)
<b>Transactions with owners in their capacity as owners</b>						
Dividends paid	-	-	-	-	(800)	(800)
Share awards exercised	-	-	-	(799)	(183)	(982)
Credit in relation to share-based payments	-	-	-	-	569	569
<b>At 30 November 2025</b>	<b>3,559</b>	<b>16,043</b>	<b>9,971</b>	<b>(1,368)</b>	<b>5,780</b>	<b>33,985</b>

# Company Statement of Financial Position

For the year ended 30 November 2025

	Note	2025 £000	2024 £000
<b>Non-current assets</b>			
Plant and equipment	4	63	77
Intangible assets	5	3	8
Deferred tax assets	10	1,136	1,218
Investments in subsidiary undertakings	6	35,922	35,895
		<b>37,124</b>	37,198
<b>Current assets</b>			
Other receivables	7	5,328	5,173
Cash at bank and in hand		134	1,024
Current tax		725	603
		<b>6,187</b>	6,800
<b>Total assets</b>		<b>43,311</b>	43,998
<b>Current liabilities</b>			
Trade and other payables	9	(9,252)	(8,284)
		<b>(9,252)</b>	(8,284)
<b>Non-current liabilities</b>			
Deferred tax liabilities	10	(74)	(32)
		<b>(74)</b>	(32)
<b>Total liabilities</b>		<b>(9,326)</b>	(8,316)
<b>Net assets</b>		<b>33,985</b>	35,682
<b>Equity</b>			
Called up share capital	11	3,559	3,559
Share premium account		16,043	16,043
Merger reserve		9,971	9,971
Other reserves		(1,368)	(569)
Retained earnings		5,780	6,678
<b>Total equity</b>		<b>33,985</b>	35,682

In accordance with section 408(3) of the Companies Act 2006, the Company is exempt from the requirement to present its own Income Statement. The loss for the year of the Company is £0.5 million (FY24: loss £0.3 million).

The Financial Statements on pages 99 to 106 were approved and authorised for issue by the Board of Directors on 2 March 2026 and were signed on its behalf by:

## Paul Williams

Chief Financial Officer

Company number: 01740011

# Notes to the Company Financial Statements

For the year ended 30 November 2025

## 1 Company accounting policies

### General information

Synectics plc (the 'Company') is a public limited company incorporated in England and Wales and domiciled in the UK. The main activities of the Company and its subsidiaries (the 'Group') are the provision of specialist video-based electronic surveillance solutions and technology, for use in high security applications, extreme or hazardous environments, and integrated transport applications.

### Basis of preparation

These Financial Statements have been prepared in accordance with Financial Reporting Standard ('FRS') 101 'Reduced Disclosure Framework'. In preparing these Financial Statements, the Company applies the recognition, measurement, and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted International Accounting Standards), but makes amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions. Figures in these Financial Statements have been rounded to the nearest thousand (£000).

The following exemptions from the requirements of IFRS have been applied in the preparation of these Financial Statements, in accordance with FRS 101:

- paragraphs 45(b) and 46 to 52 of IFRS 2 'Share-based Payments' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined);
- IFRS 7 'Financial Instruments: Disclosures';
- paragraphs 91 to 99 of IFRS 13 'Fair Value Measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- The requirements of paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraphs 79(a)(iv), 73, and 118 (c) of IAS 1;
- 10(d),10(f),16, 38A, 38B-D, 40A-D,111, and 134-136 of IAS 1 'Presentation of Financial Statements';
- IAS 7 'Statement of Cash Flows';
- paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but not yet effective);
- paragraph 17 and 18A of IAS 24 'Related Party Disclosures' (key management compensation); and
- the requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

These Financial Statements have been prepared under the historical cost convention.

### Going concern

The Directors have assessed, in light of current and anticipated economic conditions, the Company's ability to continue as a going concern. The Directors confirm they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and, accordingly, they continue to adopt the going concern basis in preparing the Company Financial Statements. For further consideration of the going concern position of the Group see note 1 of the Consolidated Financial Statements.

### Significant accounting policies

The significant accounting policies applied in the preparation of these individual Financial Statements are set out below. These policies have been applied consistently to all years presented, unless otherwise stated.

### Investments in subsidiaries

Fixed asset investments in subsidiaries are stated at cost plus deemed capital contributions arising from share-based payment transactions less any provision for impairment. The Company records an increase in its investments in subsidiaries equal to the share-based payments charge recognised by its subsidiaries with a corresponding credit to equity. Details of the Group's share-based payment charge are set out in note 24 of the Consolidated Financial Statements.

### Employee share schemes

Transactions of the Company-sponsored ExSOP are treated as being those of the Company and are therefore reflected in the Company Financial Statements. In particular, the scheme's purchases of shares in the Company are debited directly to equity.

### Other significant accounting policies

Other significant accounting policies are consistent with the Group accounts and are disclosed in note 1 of the Consolidated Financial Statements.

# Notes to the Company Financial Statements

For the year ended 30 November 2025

## Critical accounting estimates and judgements

In the application of the Company's accounting policies the Directors are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Management has discussed its significant estimates and associated disclosures with the Audit Committee. An area involving a higher degree of judgement or complexity is the recoverability of the Company's investment in subsidiaries (note 6). The Company assesses the carrying value of its investments in subsidiaries using the value-in-use model. The value-in-use calculation includes estimates about future financial performance and long-term growth rates and requires management to select a suitable discount rate in order to calculate the present value of those cash flows. Management used a pre-tax discount rate of 12.8% (FY24: 13.3%) (see note 15 to the Consolidated Financial Statements). The future cash flows used in the value-in-use calculations are based on financial budgets and business plans approved by the Directors covering a five-year period. Cash flows beyond that period have been extrapolated into perpetuity using a 1.5% per annum growth rate (FY24: 1.6%).

Another area involving a higher degree of judgement is the inter-Group balances (note 7) and expected credit loss of these. Management assesses the inter-Group balances annually and assesses the repayment ability of the Group companies. Impairment is assessed using a 2-15% (FY24: 2-15%) sensitivity for the margin of default expected. A provision of £1.3 million (FY24: £1.3 million) is in place and this is deemed satisfactory by management.

## 2 Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual accounts are £66,000 (FY24: £106,000).

## 3 Directors and employees

Detailed information on the emoluments, pensions, option holdings, and shareholdings for each Director is shown in the Remuneration Committee Report on pages 52 to 55. All the Directors included in the Remuneration Committee Report are also Directors of the Company.

The average number of persons (including Executive Directors) employed by the Company during the year was 25 (FY24: 24).

## 4 Plant and equipment

	£000
<b>Cost</b>	
At 1 December 2024	365
Additions	26
Disposals	(103)
<b>At 30 November 2025</b>	<b>288</b>
<b>Depreciation</b>	
At 1 December 2024	288
Disposals	(102)
Charge for the year	39
<b>At 30 November 2025</b>	<b>225</b>
<b>Net book value</b>	
<b>At 30 November 2025</b>	<b>63</b>
At 30 November 2024	77

## 5 Intangible assets

	£000
<b>Cost</b>	
At 1 December 2024	179
Charge for the year	(155)
<b>At 30 November 2025</b>	<b>24</b>
<b>Amortisation</b>	
At 1 December 2024	171
Disposals	(155)
Charge for the year	5
<b>At 30 November 2025</b>	<b>21</b>
<b>Net book value</b>	
<b>At 30 November 2025</b>	<b>3</b>
At 30 November 2024	8

## 6 Investments in subsidiary undertakings

	2025 £000	2024 £000
<b>Cost</b>		
At 1 December	44,410	44,387
Share-based payments capital contribution	27	23
At 30 November	44,437	44,410
Provision for impairment		
<b>At 1 December and 30 November 2025</b>	<b>(8,515)</b>	(8,515)
<b>Net book value</b>		
At 30 November	35,922	35,895

# Notes to the Company Financial Statements

For the year ended 30 November 2025

Details of the Company's subsidiaries at 30 November 2025 are as follows:

	Registered office (see footnote)	Country of incorporation	Class of share	Proportion of voting rights and shares held	Nature of business
<b>Directly held by Synectics plc</b>					
Synectic Systems Group Limited	1	UK	Ordinary shares	100%	Design and development of security and surveillance solutions
Ocular Integration Limited	2	UK	Ordinary shares	100%	Design, installation, and maintenance of security and surveillance solutions
Synectic Systems, Inc.	3	USA	Common stock	100%	Design and supply of security and surveillance solutions
Synectics EFX Limited	1	UK	Ordinary shares	100%	Intermediate holding company
COEX Limited	1	UK	Ordinary shares	100%	Dormant
Flash No.1 Limited	1	UK	Ordinary shares	99.9%	Dormant
Flash No.2 Limited	1	UK	Ordinary shares	50%	Dormant
Flash No.3 Limited	1	UK	Ordinary shares	99.9%	Dormant
Fotovalue Limited	1	UK	Ordinary shares	100%	Dormant
Foxall & Chapman Limited	1	UK	Ordinary shares	99.9%	Dormant
Look CCTV Limited	1	UK	Ordinary shares	50%	Dormant
Look Closed Circuit TV Limited	1	UK	Ordinary shares	100%	Dormant
Midlands Video Systems Limited	1	UK	Ordinary shares	50%	Dormant
Monument Photographic Laboratories Limited	1	UK	Ordinary shares	100%	Dormant
MVS (Research) Limited	1	UK	Ordinary shares	99.9%	Dormant
Newco 3006 Limited	1	UK	Ordinary shares	99.9%	Dormant
Protec Limited	1	UK	Ordinary shares	100%	Dormant
QSG Limited	1	UK	Ordinary shares	99%	Dormant
Quadnetics Employees' Trustees Limited	1	UK	Ordinary shares	100%	Non-trading
Quadnetics Group Limited	1	UK	Ordinary shares	100%	Dormant
Quadnetics Limited	1	UK	Ordinary shares	99.9%	Dormant
Quadnetics SIP Trustees Limited	1	UK	Ordinary shares	100%	Non-trading
Synectics Managed Services Limited	1	UK	Ordinary shares	100%	Dormant
Quadrant Properties Limited	1	UK	Ordinary shares	99.9%	Dormant
Quadrant Research & Development Limited	1	UK	Ordinary shares	99.9%	Dormant
Quadrant Security Group Limited	1	UK	Ordinary shares	99%	Dormant
Quick Imaging Centre Limited	1	UK	Ordinary shares	99.9%	Dormant
S&M (Processing) Limited	1	UK	Ordinary shares	99.9%	Dormant
Sanpho Pension Trustees Limited	1	UK	Ordinary shares	50%	Dormant
Stanmore Systems Limited	1	UK	Ordinary shares	99.9%	Dormant
Synectics Group Limited	1	UK	Ordinary shares	100%	Dormant
Synectics High Security Limited	1	UK	Ordinary shares	50%	Dormant
Synectics Industrial Systems Limited	1	UK	Ordinary shares	100%	Dormant
Synectics Mobile Systems Limited	1	UK	Ordinary shares	100%	Dormant
Synectics Security Limited	1	UK	Ordinary shares	100%	Dormant
Synectics Security Networks Limited	1	UK	Ordinary shares	100%	Dormant
Synectic Systems Limited	1	UK	Ordinary shares	99.9%	Dormant
Synectics Surveillance Technology Limited	1	UK	Ordinary shares	100%	Dormant
Synectics Technology Centre Limited	1	UK	Ordinary shares	100%	Dormant

	Registered office (see footnote)	Country of incorporation	Class of share	Nature of business
<b>Indirectly held by Synectics plc</b>				
Indanet GmbH	4	Germany	Ordinary shares	Intermediate holding company
Synectic Computer Systems and Software Designing – L.L.C – S.P.C	7	UAE	Ordinary shares	Design and supply of security and surveillance solutions
Synectic Systems GmbH	4	Germany	Ordinary shares	Design and supply of security and surveillance solutions
Synectic Systems (Asia) Pte Limited	5	Singapore	Ordinary shares	Design and supply of security and surveillance solutions
Synectic Systems (Macau) Limited	6	Macau	Ordinary shares	Design and supply of security and surveillance solutions
Synectics No. 2 Limited	1	UK	Ordinary shares	Dormant

1. Synectics House, 3-4 Broadfield Close, Sheffield S8 0XN, UK.
2. 3 Attenborough Lane, Chilwell, Nottingham NG9 5JN, UK.
3. 4885 Ward Road Suite 300, Wheat Ridge, CO 80033-1946, USA.
4. Wilhelmstraße 118, 10963 Berlin, Germany.
5. 150 Kampong Ampat, #01-01/01-01 A, Singapore 368324.
6. Alameda Dr. Carlos D'Assumpcao, No. 411-417, Edf. Dynasty Plaza, 6 andar Q, NAPE.
7. Unit 13, Mahdar Al Jafn St, 39 Mzeer'ah, al Dhafra Region 13059.

## 7 Other receivables

	2025 £000	2024 £000
Other receivables	88	99
Amounts due from subsidiaries	5,115	4,972
Prepayments	125	102
	<b>5,328</b>	<b>5,173</b>

Amounts due from subsidiaries are net of an expected credit loss provision of £1.3 million (FY24: £1.3 million). Amounts owed from subsidiaries are repayable on demand and attract an arm's length rate of interest dependent on the territory in which the subsidiary resides.

## 8 Loans and borrowings

Loans and borrowings comprise the Company's overdraft facilities. The fair value of financial liabilities is not substantially different from the carrying value. The terms and debt repayment details are as follows:

	Value drawn £000	Maturity	Interest rate	Security
£3.0 million overdraft	–	On demand	Base +2%	Group assets

The bank overdraft facility is undrawn at the year end on a net basis and is part of a Group offset arrangement.

## 9 Trade and other payables

	2025 £000	2024 £000
Trade payables	204	178
Amounts owed to subsidiaries	7,559	6,891
Accruals	1,489	1,215
	<b>9,252</b>	<b>8,284</b>

Amounts owed to subsidiaries are repayable on demand and attract an arm's length rate of interest dependent on the territory in which the subsidiary resides.

# Notes to the Company Financial Statements

For the year ended 30 November 2025

## 10 Tax

	Deferred tax asset £000	Deferred tax liability £000	Total £000
At 1 December 2024	(1,218)	32	(1,186)
Charged to the Income Statement	82	42	124
<b>At 30 November 2025</b>	<b>(1,136)</b>	<b>74</b>	<b>(1,062)</b>

The net deferred tax position at 30 November 2025 is £1,062,000 (FY24: £1,186,000) and is set out below:

	2025 £000	2024 £000
Fixed asset timing differences	(13)	(14)
Other timing differences	(76)	(122)
Tax losses	(973)	(1,050)
	<b>(1,062)</b>	<b>(1,186)</b>

## 11 Called up share capital and reserves

The number of allotted, called up, and fully paid shares is as follows:

	2025		2024	
	Number	£000	Number	£000
<b>Ordinary shares of 20p each</b>				
Allotted, called up, and fully paid	<b>17,794,439</b>	<b>3,559</b>	17,794,439	3,559

## 12 Contingent liabilities

The Company has agreed, in some instances jointly with subsidiary companies, to guarantee performance bonds amounting to £nil at 30 November 2025 (FY24: £nil).

## 13 Capital commitments

At 30 November 2025, capital commitments not provided for amounted to £nil (FY24: £nil).

## 14 Pension commitments

The Company participates in all of the Group's pension schemes. Full disclosures relating to these schemes are given in note 28 to the Consolidated Financial Statements.

## Defined contribution schemes

The Company's total expense for defined contribution pension schemes during the year was £95,000 (FY24: £85,000).

## 15 Post-balance sheet events

There are no material post-balance sheet events known at the date of this report.

## Principal subsidiaries

The principal subsidiaries within the Group during the year were as follows:

### Synectic Systems Group Limited

Design and development of advanced surveillance technology, operating through the following businesses:

#### synecticsglobal.com

Synectics House  
3-4 Broadfield Close  
Sheffield S8 0XN  
Tel: +44 (0) 114 255 2509

Moat Road  
Normanby Enterprise Park  
North Lincolnshire DN15 9BL  
Tel: +44 (0) 1652 688 908

### Synectic Systems, Inc.

Developer of integrated software solutions and products for complex security and surveillance networks

#### synecticsglobal.com

4885 Ward Road Suite 300  
Wheat Ridge  
CO 80033-1946  
USA  
Tel: +1 888 755 6255

### Synectic Systems GmbH

Provider of integrated surveillance and security management systems to the European transport industry

#### synecticsglobal.com

Wilhelmstraße 118  
10963 Berlin  
Germany  
Tel: +49 30 515655400

### Synectic Systems (Asia) Pte Limited

Provision of specialist video-based electronic systems and technology, for use in high security applications

#### synecticsglobal.com

150 Kampong Ampat  
#01-01/01-01A  
Singapore 368324  
Tel: +65 6749 6166

### Synectic Systems (Macau) Limited

Provision of specialist video-based electronic systems and technology, for use in high security applications

#### synecticsglobal.com

Alameda Dr. Carlos D'Assumpcao  
No. 411-417  
Edf. Dynasty Plaza, 6 andar Q, NAPE  
Macau  
Tel: +853 2855 5178

### Synectic Computer Systems and Software Designing – L.L.C – S.P.C

Provision of specialist video-based electronic systems and technology, for use in high security applications

#### synecticsglobal.com

Office # 32 Level 10  
Office Square, Dubai Marina – Al Fattan  
Business Hub Dubai, United Arab Emirates

### Ocular Integration Limited

Design, installation, maintenance, and management of advanced integrated CCTV and security systems

#### ocularintegration.co.uk

3 Attenborough Lane  
Chilwell  
Nottingham NG9 5JN  
Tel: +44 (0) 115 925 2521

## Advisers

### Secretary and Registered Office

**Claire Stewart**  
**Synectics plc**  
Synectics House  
3-4 Broadfield Close  
Sheffield S8 0XN  
Tel: +44 (0) 114 280 2828  
Email:  
legalandsecretarial@synecticsplc.com

### Bankers

**HSBC**  
1 Centenary Square  
Birmingham B1 1HQ

### Nominated Adviser & Stockbrokers

**Singer Capital Markets**  
1 Bartholomew Lane  
London  
EC2N 2AX

### Auditor

**PKF Littlejohn LLP**  
15 Westferry Circus  
London E14 4HD

### Registrars and Transfer Office

**MUFG Corporate Markets**  
Central Square  
29 Wellington Street  
Leeds LS1 4DL

### Investor Relations

**Vigo Consulting**  
78-79 New Bond Street  
London  
W1S 1RZ



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