Annual Report and Consolidated Financial Statements

For the year ended 31 December 2025

Tato Holdings Limited

Registered No. 03258156

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COMPANY INFORMATION

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STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

The directors present their strategic report for Tato Holdings Limited and its subsidiaries (collectively the "Group") for the year ended 31 December 2025. This report provides a fair review of the development and performance of the business during the year and the Group's position at the year end, together with a description of the principal risks and uncertainties facing the Group.

REVIEW AND ANALYSIS OF THE BUSINESS DURING THE CURRENT YEAR

Market context

Throughout 2025, the Group operated in a challenging and increasingly uncertain macro-economic environment. Financial markets performed well despite subdued economic growth, driven by AI-fuelled optimism, easing monetary policy and interest rate cuts. Economic growth remained at similarly low levels to 2024, materially below long-term averages and gradually softening as the year went on. The economic landscape was difficult in all the Group's main regions due to a combination of renewed trade tensions, elevated trade policy uncertainty, and declining consumer confidence. Escalating tariffs disrupted global trade flows and weakened business confidence, while general economic uncertainty continued to constrain investment and consumption. Structural factors, including weak productivity growth, geopolitical fragmentation and slower growth in China, further limited the pace of global expansion.

The Global Coatings market for Decorative paint, into which the Group supply biocidal solutions, was not immune to the wider economic challenges and reported a -0.2% decline in volumes and a -0.9% decline in revenues in 2025.

Sales and volumes

Against a backdrop of market contraction, the Group has delivered strong sales performance, growing volumes by 4.1% vs 2024. The market situation and a declining trend for raw material prices have served to intensify competitive pressures globally, resulting in continued downwards pressure on market pricing. At reported exchange rates, Group turnover decreased by 1.1% in the year to €641,878,000 (*2024: €648,974,000*). Turnover suffered from currency translation losses in the year, mainly due to the weakening of the US Dollar against the Euro. Removing the impact of exchange rates, 2024 sales revenues are reduced by 2.2% or €14,378,000 and the result is that 2025 sales revenues on a constant basis were up 1.1% vs 2024. The like-for-like growth in sales, despite falling average selling prices, is due to volume growth from new business wins and improvements in product mix.

The Group delivered volume growth, and experienced competitive pricing pressure across all regions:

- APAC delivered the strongest volume growth, delivered primarily through new business wins.
- Americas benefitted from a strong first half, before demand softened later in the year.
- EMEA also contributed to the volume growth, but conditions remained challenging throughout the year, with continued pressure in construction-related markets and persistent pricing competition, partially offset by improved mix in certain territories.

By business unit, Disinfection, Personal Care and Performance Chemicals all grew year on year, while Biocides were broadly flat overall, with regional variations.

The Group continues to navigate uncertain and continuously evolving regulatory environments globally, but particularly in Europe. Unpredictable and rapidly changing socio-political and macro-economic factors further complicate the operating landscape that the Group must manage in order to deliver the service and quality expected by our customers. It is for this reason that the Group continues to invest in the development of Group functions to further strengthen and evolve business processes and management systems.

Margins and profitability

The Group's ability to manage gross margin performance in volatile markets, whilst protecting volumes remains a key strength. During 2025 gross margins were consistently above prior year and finished the year at 37.0% (36.6% in 2024), benefiting from management of selling prices, lower material costs and favourable mix in several businesses.

Manufacturing capacity utilisation improved during 2025 as a result of the growth in demand. Additional capacities came online, allowing the Group to further reduce reliance on third party sourcing for key strategic actives. The continued focus on capacity utilisation and manufacturing efficiencies resulted in a benefit to margins and ensured that our customers enjoyed a good security of supply.

As is common across the chemical industry, cost inflation and productivity continue to be a focus area for the Group. Reported sales and distribution costs and administrative expenses increased by €1,650,000 or 1.2% year on year. On a constant exchange basis, maintaining 2024 exchange rates as fixed, the increase was €5,245,000 or 3.8%. While these costs were well controlled against budget, they diluted the year-on-year benefit of improved gross margins at EBITDA level.

The 2024 result included €13,337,000 in relation to historical clean-up costs in South Africa and €1,571,000 relating to Turkish hyperinflation. Excluding these costs, the sales and distribution costs and administrative expenses increased by 16.5% in the year. A significant reason for this increase was the impact of primarily unrealised exchange losses vs the USD in Mexico, whilst the remainder was due to investments in people, wage-related inflation, depreciation, the impairment of non-cash generating assets in Mexico and France and the increase in slow moving stock provisions in line with the introduction of a new Group policy on inventories.

During the year, the Group undertook a review of asset utilisation, resulting in the recognition of asset write-downs in certain territories where assets were identified as surplus to operational requirements.

During 2025, the Turkish government removed the requirement for companies to report under hyperinflation accounting principles. The Group has reviewed the expected impact of recalculating the 2025 performance under hyperinflation accounting and has decided not to perform the calculation given the expected immaterial nature of the outcome.

The Group delivered a strong EBITDA result in 2025 of 19.2% (*2024:* 18.9%) with a profit before tax of €105,616,000 (*2024:* €106,812,000).

The 2025 effective tax rate fell to 27.2% (*2024:* 33.9%) due primarily to lower non-deductible costs, following the completion of the South Africa clean-up exercise and goodwill payment in 2024, less withholding tax on dividends and a decrease in overseas deferred tax.

The profit for the year after taxation was €76,904,000 (*2024:* €70,615,000).

Financial Position and Cash Flows

The Group maintained a strong financial position throughout 2025. Cash generation remained robust, supported by disciplined working capital management and continued focus on capital expenditure prioritisation. While working capital increased year on year, this was largely driven by a planned rebuild of inventories to support customer service levels and future demand following the destocking of prior periods. The Group's stockholding increased by 1.1% to €164,154,000 (*2024:* €162,407,000).

Capital expenditure was below budget for the year, reflecting phasing of major projects and continued scrutiny over discretionary spend. However, the Group continues to invest in the strategic priorities identified in the 2030 Strategy plan and therefore invested €32,592,000 (*2024*: €26,056,000) in fixed assets to expand capacity to meet future demand and improve processes.

The consolidated balance sheet shows that the Group's net assets at the year-end have decreased from €650,222,000 to €638,914,000.

The Group had currency translation losses of €12,225,000 (*2024: losses of* €9,735,000) on the consolidation of its non-Euro denominated subsidiary companies because of the exchange rate movements against the Euro between the beginning and the end of the year. The balance of retained loss of €11,308,000 (*2024:* €1,255,000 profit) was transferred to reserves.

A dividend of €3.00 per share was paid in April 2025 and one of €4.0 per share in October 2025 (*2024: €2 per share in April 2024 and €3.50 per share in October 2024)* giving a total of €72,660,000 for the year *(2024:* €57,090,000*)*. After dividends, the business expended €20,413,000 cash in 2025 resulting in a net balance of €149,620,000 (*2024: €*170,033,000). However, the Group continues to enjoy a strong cash position and this provides flexibility to support future investment and strategic initiatives.

Business Model and Strategy

The Group remains focussed on the development, manufacture and supply of specialty chemical solutions to a diversified global customer base. The Group operates through a network of manufacturing, distribution sites and technical support centres, supported by central governance, finance, digital, procurement and R&D capabilities.

The Group continues to believe that our customer base is best served by a decentralised operating model, supported by a small Group function focussed on giving direction, standardising to add value and ensuring good governance. The Group's strength continues to lie in the people and the freedom they have to do what is right for their customers and their business.

The Main Board provides effective leadership by setting the Group's purpose, values and long-term strategy, and by overseeing management's delivery of that strategy in a manner that promotes sustainable long-term value creation. The Board is responsible for maintaining an effective governance framework, including oversight of risk management, internal controls, safety, environmental and regulatory compliance, ethical conduct and culture. It ensures the appropriate balance of skills and experience at Board and senior management level, oversees remuneration and succession planning, and considers the interests of key stakeholders in decision-making, having regard to its duties under section 172 of the Companies Act 2006. Then Main Board is supported by the Executive Board and a number of sub-committees which are described in the Company's Section 172(1) statement below. The Executive Board, which is made up of senior executives from Europe, China and the USA, meets regularly to provide strong leadership, governance and direction to the local business unit leaders.

During 2025, the Board's strategic priorities remained focused on:

- protecting and enhancing gross margins through pricing discipline, manufacturing efficiency and procurement optimisation;
- maintaining operational resilience and supply chain reliability;
- disciplined control of fixed costs and headcount growth;
- targeted investment in technology, capacity and regulatory capability;
- maintaining a strong balance sheet and liquidity position; and
- delivery of the 2030 Strategy plan

The Group's strong business model is rooted in innovation, quality, and exceptional customer service and has once again driven growth in a challenging market. This progress reflects the dedication and resilience of the Group's employees, to whom the Board extend their sincere thanks once again.

The Board continued to review opportunities to enhance the Group's technology and product portfolio, including organic development and selective acquisition opportunities, while remaining cautious in the context of macro-economic uncertainty.

Key performance indicators

The directors consider the significant financial key performance indicators for the Group to be as follows:

		2025	2024
Activity indicators:	Organic Growth - Turnover	-1.1%	1%
	Organic Growth – Volumes	4.1%	8%
Margin indicators:	Gross Margin	37.0%	36.6%
	EBITDA indicators	19.2%	18.9%
Working Capital indicators:	Average stock days	143	136
	Average trade debtor days	72	68

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE BUSINESS

The Audit & Risk Committee (ARC) oversees Group risk management and met twice in 2025 in line with the Board governance model. During 2025, the Group continued to develop and mature the Enterprise Risk Management framework. The principal risks and uncertainties facing the Group were reassessed in 2025, following the risk cycle, and were agreed by the ARC as follows:

- Ransomware & Cyber security – a significant failure or interruption in our IT networks and systems could have a detrimental impact on business. During 2025, information security management systems aligned to ISO 270001 and NIS2 continued to be rolled out together with a Group-wide information security awareness programme. Information security and cyber have now been firmly embedded into the Enterprise Risk Management framework and are a regular rolling agenda item at every Main Board meeting.
- Competitor pressure – increased levels of competition could result in lower prices or sales volume. The Group manages this risk by prioritising innovation, quality and excellent levels of technical service.
- Global geo-political conditions – macro-economic uncertainty and geo-political instability. The Group continues to work closely with all stakeholders to monitor and mitigate where possible macro-level risks. The extension of tariffs in the US serves as a good example and saw the Group mobilise the global manufacturing footprint to best effect in order to mitigate the tariff impact.
- Escalating military interventionism - Rising tendency of states to use armed force beyond borders, increasing regional instability, supply chain disruption, and risks to international law, diplomacy, trade, and global security. The Group has an agile supply chain and resilient and diversified supply base which allow the operating units to navigate the increasing unpredictability of the world order.
- Climate adaptation – risk of changing physical environment such as floods, fires and droughts. Managed through the enterprise risk management programme and covered below in the TCFD reporting obligations.
- Regulatory Landscape & compliance – many of the products manufactured by the Group are covered by strict regulatory and registration regimes, such as the BPR and REACH. The Group has experienced regulatory functions within the operating units who are responsible for ensuring compliance.
- Digital innovation – the risk that the IT systems will not be able to keep pace to support the planned growth. Significant work continued during 2025 to modernise the Group's IT inventory, including the roll out of M365 globally.

- People risk – an industry-wide risk of not being able to recruit and retain skilled colleagues. The Group continues to work on succession planning and training and development programmes.

- Health & Safety - these risks are managed through a framework of policies, processes and training. During 2025, all major manufacturing sites across the Group have gained ISO 45001 accreditation.

- Environmental risk - Group operations may result in damage to biodiversity and the wider environment. The Group continues to manage this risk through a framework of policies, processes and training and during 2025 was awarded gold Ecovadis, underlining the progress which has been made in this area.

Risk management responsibilities for each of the Group principal risks has been assigned to an Executive Board member with updates provided to the ARC on a regular basis.

During 2025 the Group undertook an assessment of the financial crimes' risks across the business, including bribery, anti-competitive behaviour, fraud & tax avoidance risks. This fraud risk work will support the Group in complying with the recent UK Economic Crime & Corporate Transparency Act.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

Carbon and Energy Disclosure

During the financial year ended 31 December 2025, the Group continued to strengthen the governance, quality and transparency of its energy management and greenhouse gas (GHG) emissions reporting. In accordance with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, the Group reports its UK energy consumption and associated GHG emissions under the Streamlined Energy and Carbon Reporting (SECR) framework.

In addition to complying with these statutory requirements, the Group also voluntarily reports its equivalent Group-wide energy use and scope 1, 2 and 3 emissions for global operations, reflecting the organisation's commitment to transparency, accountability and best practice in corporate sustainability.

The table below outlines the data for the Group and the UK during 2025. 2024 numbers are restated, in line with the updated methodology, see *Reporting Boundary and Methodology Applied* section.

		2025		2024	
Location	**Unit**	**Group**	**UK**	**Group**	**UK**
Scope 1 (direct) emissions	tCO2e	15,409	1,053	15,065	1,193
Scope 2 (indirect) emissions – market-based	tCO2e	8,936	0	8,431	0
Scope 2 (indirect) emissions – location-based	tCO2e	15,482	642	15,157	835
Total Scope 1 and 2 – market-based	**tCO2e**	**24,345**	**1,053**	**23,497**	**1,193**
Total Scope 1 and 2 – location-based	**tCO2e**	**30,891**	**1,695**	**30,222**	**2,028**
Energy consumption (Scope 1)					
Gas	kWh	54,293,624	5,471,692	51,793,212	6,994,320
Diesel	Litres	931,387	8,399[3]	1,174,146	8,400[3]
Petrol	Litres	198,901	12,847[3]	198,271	8,158[3]
Energy consumption (Scope 2)					
Purchased electricity	kWh	42,010,287	3,624,432[4]	40,682,338	4,032,608[4]
Purchased steam	kWh	138,000	0	0	0
Intensity ratio					
Emissions intensity - Manufacturing sites (tCO_2e per tonne of production[2])	S1+2 tCO2e[1] per tonne	0.104	0.080	0.102	0.085
Tonnes of production[2]		233,015	13,181	229,694	13,957
Scope 3 emissions					
Total	**tCO2e**	**427,230**	**25,024**	**466,854**	**40,734**

1 Market-based Scope 2 emissions applied.
2 Production tonnes based financial reporting which includes intermediate products.
3 Petrol and diesel for UK represents 100% transportation use.
4 Electricity consumption for the UK includes transportation, used for electric and hybrid company cars. Electricity consumption for transportation is estimated to 5,785 kWh (2024) and 6,390 kWh (2025).

Energy Efficiency Measures

Across 2025, the Group implemented a range of measures to improve energy performance, reduce operational emissions, and support its broader decarbonisation strategy. These activities form part of the Group's wider commitment to reduce carbon emissions, support regulatory readiness, and align with the expectations of customers and stakeholders across the global value chain.

In recent years, the Group has increasingly adopted a site-specific approach to operational energy improvements. Examples of initiatives implemented across the Group include:

- Upgrading process boilers and heating systems to higher-efficiency alternatives
- Installing on-site solar photovoltaic systems
- Electrifying forklifts, material-handling vehicles and company cars
- Enhancing energy-management practices and digital monitoring capability
- Increasing the proportion of electricity and gas procured under certified renewable tariffs

Collectively, these initiatives contribute to both absolute and intensity-based emissions reductions when considering changes in product mix year on year and form the foundation for the Group's upcoming Group-wide emissions reduction target, planned for 2026.

As the Group continues to grow, changes in product mix can influence both the energy intensity of production and the Group's overall emissions profile. In particular, shifting volumes between blended products and more energy-intensive synthesised production can increase or decrease energy use per tonne and associated Scope 1 and 2 emissions, depending on the site and process route. In 2026, the Group will continue to evaluate growth plans in line with product-specific energy profiles, to better understand and manage the emissions implications of future volume and mix changes.

Reporting Boundary and Methodology Applied

The Group applies the operational control approach across all global facilities when calculating Scope 1 and Scope 2 emissions. All emissions presented are calculated using an activity-based methodology, consistent with the Greenhouse Gas Protocol (Corporate Accounting and Reporting Standard - revised edition, 2015) and the Greenhouse Gas Protocol Scope 2 Guidance. In accordance with the Scope 2 Guidance, the Group provides both location-based emissions, reflecting average grid factors, and market-based emissions, reflecting energy procured under renewable electricity tariffs.

Scope 1 emission sources accounted for include natural gas consumption, diesel consumption, petrol consumption, refrigerant emissions, and process emissions.

THOR is currently evaluating its strategy regarding the use of financial instruments such as offsets and certificates, carefully considering both the value and quality of these instruments, as well as their acceptance in the market. This assessment is being carried out in parallel with ongoing monitoring of developments and changes to the Greenhouse Gas (GHG) Protocol standards, to ensure alignment with best practice and stakeholder expectations.

Under Scope 2, purchased electricity and purchased steam are included. The UK site does not purchase steam. Some sites purchase electricity on renewable electricity tariffs from their utility provider, including the UK.

THOR will be reviewing and establishing Scope 2 strategy targets this year, with a focus on increasing the use of renewable energy both through on-site generation and procurement via certified renewable electricity tariffs. This approach aims to further reduce the Group’s market-based emissions and supports our commitment to continuous improvement in sustainability performance.

This is the first year the Group is reporting process emissions and fugitive refrigerant emissions, reflecting strengthened reporting boundaries and improved data capture across facilities.

UK GHG emissions have been calculated in line with the GHG Protocol, the associated Scope 2 Guidance, and using the UK Government’s 2025 GHG Conversion Factors for Company Reporting. For wider Group voluntary reporting local 2025 emissions factors for gas and electricity grids were not available for all jurisdictions at the time of reporting. Where applicable, the Group has used the most recent available emissions factors, prioritising BEIS UK Government Conversion Factors, IEA electricity grid factors, and IPCC Global Warming Potentials (AR6).

Data coverage across global operations continues to improve. The primary data gap identified for 2025 relates to a small number of commercially leased sales offices for which refrigerant maintenance data is not available to the Group as a tenant. These gaps have been assessed as immaterial.

In line with best practice, where year-on-year changes in emissions due to methodology refinements or data quality improvements exceed 5%, the Group will restate prior year figures in its next Annual Report.

As part of ongoing improvements to data quality and consistency, the Group has recalculated its 2024 Group Scope 1 and 2 emissions to ensure full alignment with the GHG Protocol. This refined 2024 baseline will form the basis for the Group’s forthcoming Group-wide emissions reduction target, which the Company plans to formally adopt in 2026. These revised figures have been restated in this year’s summary table for UK and Group results.

CLIMATE-RELATED FINANCIAL DISCLOSURES

This is the Group's third Task force for Climate-related Financial Disclosures (TCFD) report, prepared in accordance with the UK's mandatory Climate-related Financial Disclosure (CFD) requirements. As a UK-headquartered company with more than 500 employees and turnover exceeding £500m, Tato Holdings Limited falls within the mandatory scope of these requirements. This disclosure is structured around the four CFD areas, Governance, Risk Management, Strategy, and Metrics & Targets.

2025 represents a pivotal year for the Group's sustainability journey with the award of the Gold Ecovadis accreditation. Following Board approval of the 2030 ESG Strategy focused on four pillars of Planet, People, Products and Governance, the Group has moved from strategy design to implementation. A dedicated Group Head of Sustainability has joined the Group, a Sustainability Committee has been established, and Scope 3 data gathered for the third year is now informing the Group's understanding in preparation for climate targets setting. The Group is also undertaking a structured review of near-term science-based carbon reduction targets following the development and roll out of Group and manufacturing site-level decarbonisation plans, with a decision on adoption expected in 2026.

The Group recognises that climate-related risks and opportunities are financially material and must be managed with the same rigour as other strategic risks. The Group operates across 14 subsidiaries spanning Europe, the Americas, Asia Pacific and South Africa, and its exposure to both physical climate hazards and the low-carbon transition is monitored.

Governance

The Group recognises that clear governance structures are essential to ensure climate-related risks and opportunities are managed responsibly and effectively. The Board of Directors has overall accountability and oversight for sustainability and climate-related policies and initiatives, with Environmental Social Governance (ESG) as a standing agenda item at the Main Board twice per year.

Board Oversight

The Main Board signed off on the Group's 2030 ESG Strategy during Q1 2025. This strategy, built on four pillars, Planet, People, Products and Governance and was developed following the Group's first Double Materiality Assessment, completed in 2024 using a methodology aligned with the European Financial Reporting Authority Group (EFRAG) guidelines, European Sustainability Reporting Standards, Global Reporting Index (GRI) and the Sustainability Accounting Standards Board (SASB). Climate change was identified as a material topic through this process.

The Audit and Risk Committee (ARC) meet twice annually and holds formal responsibility for reviewing the Group's Enterprise Risk Management (ERM) framework, including the ESG and climate-related risks. Material climate risks identified through the ERM process are reported to the ARC and, where significant, to the full Board. Climate-related risks and opportunities were discussed at both ARC meetings during 2025 under the 'Risk Management update' agenda item.

Management Responsibilities

Climate-related responsibilities in assessing and managing at management level are shared across the following roles:

- The newly appointed Group Head of Sustainability (joined 2026) is responsible for driving implementation of the 2030 ESG Strategy across all 14 operating units, including the climate workstream, with reporting lines into the Group CFO and Main Board.
- The Group Head of Sustainability is responsible for collecting and assessing sustainability topics including greenhouse gas (GHG) emissions, energy consumption, waste, and water from all subsidiaries, and for preparing the Group's annual TCFD and SECR disclosures.
- The Group Head of Sustainability is responsible for any compliance-related data related to climate or environmental issues.

- The Group Head of Sustainability is responsible for tracking and maintaining a Group Sustainability Risk register, which includes climate-related risks that are reviewed by the Group Head of Audit, Risk & Compliance.
- The Group Head of Group Audit, Risk & Compliance manages the overall ERM process and ensures climate risks are appropriately reflected in Group-level registers reviewed by the ARC and approved by the Main Board.
- At subsidiary level, each Managing Director is accountable to the relevant Regional Chief Operating Officer for sustainability performance, including climate-related matters.

The Sustainability Committee (SusC) has been established, with the first meeting planned in May 2026 and will provide an additional governance layer, reviewing climate risk outputs twice annually before escalation to the ARC and Main Board. In 2026, the Board will formalise climate-related KPIs as standing Board-level metrics and dashboard, aligned with the Group's climate setting process and 2030 ESG Strategy milestones. This will further strengthen the integration of climate into Board-level performance assessment metrics.

Risk Management

Ensuring that climate-related risks and opportunities are appropriately and systematically managed is an important element of the Group's operations. The Group's approach is embedded within the ERM framework, which is fully implemented across all 14 operating units. The Group’s Audit and Risk Committee is the primary committee responsible for assessing risk, inclusive of climate-related risks and opportunities. The Committee works to monitor the key risks facing the Group and assesses the controls used for managing risks. The ERM framework is intended to set a framework across the Group for the identification, management, mitigation and reduction of risks related to both operational and strategic objectives. The ERM process consists of the following stages: Risk identification, Risk Evaluation, Risk Response, Risk Monitoring and Risk Governance. The process is intended to identify events or circumstances which may negatively impact the Group’s strategic objectives, assess these in terms of likelihood and magnitude of impact, determine a response strategy, and a monitoring process and ensure there is adequate governance in place. The ERM framework has been designed and agreed by the Board and was rolled out during 2024.

Process for Identifying and Assessing Climate Risks

Climate risks and opportunities are identified through a structured, multi-level process:

- **At operating unit level** - risk assessments, including climate-related risks are conducted twice annually through a combination of one-to-one meetings, workshops and focus groups with local management teams, following which they are taken to the Regional COOs for approval. Risks and opportunities are evaluated on a 5×5 impact and likelihood matrix against operating unit materiality thresholds.
- **At Group level** - outputs from each operating unit are consolidated and re-assessed against Group-level materiality thresholds. Financial, reputational and operational impacts on strategic objectives are all considered. Consolidated risks are compared against the Group's stated risk appetite for climate, which has been set as LOW for climate-related risks.
- The Group maintains a dedicated sustainability risk register, which links to the entity level risk registers and includes climate related risks and opportunities. Significant items from these registers are reflected in the main ERM risk registers and reviewed by the ARC twice annually. From 2026 onwards the output from this risk assessment process will also be reviewed by the SusC, twice annually, in advance of the ARC meeting for final sign off. The respective Board Committees are then responsible for sharing the outputs with the Main Board.

The ERM framework specifically includes sustainability and climate as distinct risk categories, ensuring that climate-related risks and opportunities are fully embedded in the Group's risk governance and decision-making processes. The output of this process includes a detailed risk matrix, owned at regional level, and a suite of reports summarising the top risks and opportunities for each region.

Integration with Business Strategy

Climate risk outputs are consolidated by the Group Head of Audit, Risk & Compliance and reviewed by Regional COOs in advance of the ARC and going forward will be reviewed in 2026 by the SusC as part of the Group's updated governance structure. Material climate-related risks directly inform capital allocation decisions, product portfolio strategy and operational planning. The Group's 2025–2030 Strategic Plan, presented to the Main Board in Q1 2025, incorporates climate resilience considerations. The Board's investment framework explicitly prioritises projects delivering financial return alongside carbon reduction including installing onsite solar PV, upgrading process boilers and heating systems to higher-efficiency alternatives, and increasing the proportion of electricity and gas procured under certified renewable tariffs.

Strategy

The Group understands the importance of fully considering how climate change could impact the business. A two-stage review included the identification of climate related risks and opportunities and a climate scenario analysis comprising of a physical assessment and transition risk and opportunity assessment which was undertaken initially in 2024, with a third-party consultant. The assessment informs both the Group's operational resilience planning and its 2030 Sustainability & ESG Strategy. The Group reviews all the climate-related risks and opportunities twice annually and plans to renew the full scenario analysis every three years to ensure it remains current, with the next assessment due in 2027. This section summarises the outputs of that analysis and links them directly to the Group's strategic response.

Scenario Framework

The physical and transition assessments used internationally recognised climate scenarios to test the Group's resilience across a range of plausible futures. For the physical climate risk assessment, the Intergovernmental Panel on Climate Change's (IPCC) Shared Socioeconomic Pathway (SSP) scenarios were used. The transition risk and opportunity assessment used scenarios from the International Energy Agency's (IEA) World Energy Outlook 2023:

Pathway	Time Horizons	High Emissions Scenario	Low Emissions Scenario
Physical Risks	Baseline, 2030, 2050	IPCC SSP5-8.5: Business-as-usual, no additional climate policies. CO_2 emissions double by 2050; warming >3.8°C by 2100.	IPCC SSP1-2.6: Paris-aligned; net zero by second half of century; renewables >50% of energy supply by 2050.
Transition Risks & Opportunities	2025, 2030, 2040, 2050	IEA Stated Policies Scenario (STEPS): Reflects energy policies enacted or in development as of August 2023.	IEA Net Zero Emissions Scenario (NZE): Limits warming to 1.5°C; meets key UN Sustainable Development Goals. Most ambitious policy and technology transition.

Physical risks were assessed across the Group's ten most operationally and financially significant sites, and therefore greatest manufacturing risk exposure. Transition risks and opportunities were assessed at Group level. The physical risk assessment considered ten risk and opportunity categories; the transition assessment considered ten transition risks and opportunities.

Physical Risks

Three physical risks were identified as material following the scenario analysis in 2024, which remain as material risks. The Group also assessed additional hazards including tropical cyclones, water stress and drought. These remain classified as 'Low' risk at present, with limited or no change over time, with no material change expected under either emissions pathway. However, water stress for sites in Brazil, Spain and Malaysia is monitored given the potential for it to increase in significance longer term, and for that reason has been included this year in the table below to demonstrate ongoing plans to review water risk and future proof resilience measures. The analysis used SSP5 – 8.5 high emissions as the primary scenario for identifying the highest potential impacts.

Risk	Category SSP5 - 8.5 High emissions	Base-line	2030	2050	Potential Business Impact	Current Group mitigation controls
Extreme Heat	Acute Physical – Operations & OPEX	Low	Moderate Increase	High Increase	Increased cooling & ventilation OPEX; potential productivity loss at manufacturing sites. Estimated to affect sites in Spain, Malaysia, Brazil and India most acutely under SSP5-8.5.	Active controls in place: air conditioning, rest protocols, solar PV roll-out to offset energy cost uplift. Operational adjustments will be formalised within site-level business continuity plans by 2026.
Extreme Cold	Acute Physical – Energy & OPEX	Low	Minimal Decrease	Moderate Decrease	Modest increase in energy costs to maintain temperature-controlled storage and processing areas during prolonged cold events. Risk expected to diminish over long-term under high-emissions pathway.	Monitored; no immediate capital expenditure required. Incorporated into ERM sustainability risk register with bi-annual review cycle.
Wildfires	Acute Physical – Asset & Revenue	Limited	Minimal Increase	Moderate Increase	Potential direct damage to site infrastructure and access routes; revenue disruption from site shutdown. No Group site has been affected by wildfire to date. Moderate increase in likelihood by 2050 for sites in southern Europe and Mexico under high-emissions scenario.	Contingency plans and insurance provisions maintained. Risk will continue to be monitored, and site resilience plans updated as required.
Water Stress & Drought impact on operations	Acute physical - Operations & OPEX	Low	Limited	Minimal increase	Water stress and drought events could reduce water availability for operational processes (e.g. mixing, rinsing and tank operations), potentially causing short-term production delays and increased water procurement costs. In extreme cases,constrained water availability could marginally reduce production capacity and increase operating costs.	Water efficiency and reuse measures are embedded at site level. Ongoing monitoring and local water-management practices significantly mitigate exposure, and the risk of capacity reduction due to water scarcity. Monthly water data collection from manufacturing sites, aligned with the Group's central sustainability reporting platform and dashboards enabling greater visibility of performance.

Transition Risks and Opportunities

Three transition risks and two opportunities were identified as material, see table below. The qualitative transition risk and opportunity assessment was conducted at Group level across the full range of TCFD transition categories (policy and legal, technology, market, and reputation). The analysis used IEA NZE as the primary scenario for identifying the highest potential impacts, given its relevance to the Group's customer base, regulatory environment, and shareholder expectations. Results below focus on the five most material issues identified.

The results demonstrate that in a Net Zero scenario, increasing demand for sustainable alternative products represents the most significant risk for the Group. Conversely, improving operational efficiency and alignment of the product portfolio with the Net Zero transition present the greatest opportunities.

This year, the risk disclosure on product alignment with the Net Zero transition has been combined with the transition risk and opportunity relating to increasing demand for sustainable alternative products and changing customer preferences. This change reflects management's assessment that these factors are closely interconnected and driven by the same underlying transition dynamics. Product alignment with Net Zero objectives is both a response to shifting customer demand and a key lever to mitigate the risk of reduced market relevance as sustainability expectations evolve. Presenting these matters together provides a clearer and more accurate representation of how climate considerations are integrated into product strategy and commercial decision-making.

Risk / Opportunity	**Category** Net Zero Emissions basis	**2030**	**2040**	**2050**	**Potential Business Impact**	**Current Group mitigation controls**
Increasing demand for sustainable alternative products and customer preference changes	Market – Revenue Risk & Opportunity	Limited	Moderate Increase	High Increase	Demand for lower-carbon, lower-impact chemical formulations is rising, driven by customer Scope 3 commitments, shareholder expectations and tightening regulation. Failure to adapt the product portfolio risks de-selection as a preferred supplier. First-mover capability in sustainable formulations offers a corresponding revenue opportunity.	CEO-level accountability established under 2030 sustainability Strategy. Product Carbon Footprint (PCF) methodology developed in 2025; PCF calculations underway with 75% by volume completed for the Group's largest manufacturing site. The Group has also joined PCF exchange group SiGreen to responsibly share data with customers.
Increasing carbon pricing	Policy & Legal – OPEX Risk	Low	Moderate Increase	Moderate Increase	Expansion of carbon pricing mechanisms (EU ETS, UK ETS) and potential future application of the Carbon Border Adjustment Mechanism (CBAM) could increase direct operating costs and indirect supply chain costs. The Group is assessing exposure as the scope of these mechanisms evolves.	The Group's ongoing capital investment in decarbonisation including solar PV, energy efficiency projects and fuel switching, will mitigate direct Scope 1 and 2 exposures to carbon pricing. Supplier pass-through costs will be monitored as part of Scope 3 engagement activity.
Increasing cost of logistics	Market – Supply Chain Cost Risk	Limited	Low Increase	Moderate Increase	Third-party logistics providers investing in fleet decarbonisation (alternative fuels, electric vehicles) will pass through costs to the Group. Modal shift and order consolidation can partially offset this exposure.	Intermodal transport solutions deployed in key territories. Group regionalisation strategy reduces long-haul dependency. Customer collaboration on order consolidation ongoing. Logistics/ transportation upstream and downstream carbon footprint is integrated into Scope 3 Category 4/9 tracking.

Risk / Opportunity	Category Net Zero Emissions basis	2030	2040	2050	Potential Business Impact	Current Group mitigation controls
Improving operational efficiency	Resource Efficiency – OPEX Opportunity	Limited	Low Increase	Moderate Increase	Investment in energy efficiency measures reduces both carbon emissions and energy cost exposure. Projects completed in 2025 include upgrading process boilers and heating systems, electrifying forklifts, material-handling vehicles and expansion of on-site solar PV.	The Group prioritises capital investments that deliver a carbon reduction alongside a financial payback. The programme is ongoing with further sites and technologies identified for 2026 as part of the roll our of the decarbonisation strategy and plans. Energy and emissions intensity improvements are tracked monthly for The Group’s manufacturing sites.

The Group also assessed additional transition risks and opportunities that represent a 'Low' risk or opportunity with limited to moderate change expected across scenarios. These include risks related to mandated use of certain input materials or processes, reputational risk from perceived climate inaction, and opportunities related to benefits of renewable technology implementation, and access to new markets associated with climate adaptation. While these are not described in detail, they are captured in the Group's ERM sustainability risk register and kept under review.

Impact on the Group's Strategy and Financial Planning

Recognising the potential financial and operational impacts of climate-related issues, the Group has several climate-related strategies in place at both Group and local level. The Group intends to develop quantitative financial sensitivity analysis for priority climate risks as data maturity improves, including energy price and carbon cost exposure. These climate-related strategies encompass capital expenditure programmes, operational and supplier initiatives, including:

- Water baselining and target setting plans for 2026-2027, alongside risk assessment and consumption reduction projects at priority sites in water-stressed regions (Brazil, Spain, Malaysia).
- On site Solar PV installation and expansion across relevant manufacturing sites, providing a renewable energy source that also mitigates energy cost exposure.
- Continued investment in LED lighting, heat recovery and process efficiency improvements across sites.
- Development of a scope 1 and 2 purchasing strategy for green, RGGO, VERs and offset certificates to be developed in 2026.
- Ongoing transition to hybrid and fully electric company vehicles across the Group's fleet.
- Product Carbon Footprint (PCF) methodology roll out and training globally to all manufacturing sites, with calculations extending across the product portfolio in APAC and Americas in 2026.

The Group has ambitions to build on these local initiatives and continues to integrate the management of climate-related risks and opportunities into the wider Group strategy. The ESG Strategy approved in early 2025 provides a structured framework for doing so, with the Planet pillar specifically addressing the Group's environmental performance commitments including energy, emissions, waste and water. Plans are underway to launch a new global Climate and Energy Taskforce in Q2 2026, with the aim to;

- Ensure Group-wide coordination and accountability on climate and energy actions.
- Bring together operational and technical experts to work collectively.
- Share best practices and develop centralised strategies where required.
- Support delivery of the Group Sustainability Strategy and decarbonisation roadmap.

2030 ESG Strategy — Planet Pillar: Key Climate-Related Commitments

- Ongoing decarbonisation and investment programme
- Product Carbon Footprint calculations to extend across global product portfolio (2026 onwards)
- Portfolio Sustainability Assessment draft framework and pilot to commence by end of 2026
- Scope 3 data quality improvement and supplier engagement programme (ongoing)
- Near-term science-based carbon reduction target decision in Q3 2026.

Metrics and Targets

The Group monitors performance against a defined set of climate-related metrics through a structured monthly reporting process covering all operating units. These metrics (including Scope 1 and 2 emissions, energy consumption, renewable energy, waste and water) are reviewed routinely by management to track performance and identify variances, trends and improvement opportunities.

While emissions metrics and intensity ratios are currently disclosed, they are not formally designated as “KPIs” pending adoption of the Group’s near-term emissions reduction target. Following target adoption (planned in 2026), the Group will formalise a set of climate KPIs aligned to the approved target boundary and transition plan (e.g., absolute Scope 1 and 2 emissions, emissions intensity and renewable electricity share), including baseline, interim milestones and Board/Sustainability Committee reporting.

Greenhouse Gas Emissions

The Group's GHG inventory for 2025 is set out in the Carbon and Energy Disclosures section. This represents the most complete picture of the Group's carbon footprint to date, scope 3 emissions were publicly reported for the first time in 2024, using the GHG Protocol Corporate Value Chain (Scope 3) Standard, with support from external consultants. Nine of the fifteen Scope 3 categories were identified as relevant to the Group. The three most significant sources were purchased chemicals and raw materials, downstream transportation and distribution, and upstream transportation and distribution.

Emissions Intensity Progress

Manufacturing carbon intensity (market-based) increased by 6.9% in 2025, rising from 0.130 tCO_2e per shipped production tonne in 2024 to 0.139 tCO_2e per shipped production tonne in 2025. This change reflects the impact of production mix and volume changes across the Group, alongside ongoing operational efficiency initiatives, improvements in manufacturing throughput, and the continued roll-out of onsite renewable energy.

The UK manufacturing carbon intensity (market-based) increased by 1.6%, increasing from 0.060 tCO_2e per shipped production tonne in 2024 to 0.061 tCO_2e per shipped production tonne in 2025.

Product Carbon Footprint

The Group developed a Group-wide PCF methodology in 2025, with initial calculations prioritised for the highest-volume products. PCF data enables the Group to support customers' own Scope 3 reporting which is a commercially important capability, particularly in the coatings, personal care and construction markets where major customers have binding Scope 3 reduction commitments. Currently 75% product coverage by volume at the Group’s Germany site is covered by a PCF, supporting EMEA average data. Plans are underway to expand PCF calculations and methodology training globally across the portfolio through 2026.

Waste

The Group systematically collects annual waste data across all subsidiaries, covering hazardous, non-hazardous and total waste produced. This data will provide the baseline for waste reduction monitoring and target-setting within the Group's 2030 ESG Strategy. Improvements have been made to the waste data gathering process to include waste disposal route and end of life for 2026 monthly and annual data collection inline with more granular scope 3 reporting.

Water

The Group understands the importance of responsible water management. Sites in Brazil, Spain and Malaysia operate in regions with identified drought and water stress risk, and the Group is prioritising measures to mitigate these risks, including process water recycling where feasible. The Group will improve water reporting through 2026, aligning it with the monthly subsidiary reporting process and building towards a Group water intensity baseline. In addition, the Group plans to adopt the use of water risk tools such as the WRI's Aquaduct tool to improve risk management and develop inhouse capabilities.

Targets

The Group's overarching ambition is to reduce its carbon footprint across Scope 1, 2 and 3 in line with the transition to a low-carbon economy, while maintaining the operational and commercial flexibility needed to deliver strong business performance.

Near-term science-based carbon reduction targets

The Group conducted a structured review of near-term carbon reduction target options during 2025, drawing on the SBTi Corporate Standard and the Group's 2024 Scope 1, 2 and Scope 3 baseline data. The review assessed the appropriate level of ambition, boundary and target year. A decision on target adoption is expected in Q3 2026, following consultation with the Board and key stakeholders.

Decarbonisation investment programme

The Group's existing capital investment framework continues to prioritise projects that deliver both financial payback and carbon reduction. The solar PV roll-out, efficiency projects, fuel switching, green procurement strategy and fleet electrification are ongoing priorities for 2026.

Portfolio Sustainability Assessment

To commence as a pilot by end of 2026. This assessment will develop a 'lite' framework in line with the recognised World Business Council for Sustainable Development PSA V2.0 guidance, to pilot the evaluation of the environmental profile for a pilot test product to evaluate the use cases and potential to integrate into the Group's existing commercial and R&D processes.

Scope 3 engagement

A supplier engagement programme will commence in late 2026 for the most significant raw material supply categories, supporting both Scope 3 data quality improvement and broader supply chain sustainability performance in line with approved targets planned for launch at the end of 2026.

Health & Safety accreditation

ISO 45001 accreditation has been achieved for all main manufacturing sites, supporting the Group's climate adaptation response through strengthened occupational health governance in extreme weather conditions. Site specific reviews of management systems will continue to explore synergies to align and integrate climate-related risks.

UK CFD Compliance Summary

The table below summarises the Group's position against each of the eight mandatory UK Climate-related Financial Disclosure requirements for 2025:

UK CFD Requirement	2025 Status	2025 Development
Governance: Board oversight of climate risks and opportunities	**Compliant**	Oversight sat with the Main Board in 2025 and sustainability was a standing agenda item. In Q1 2026 a Group Head of Sustainability was recruited. From 2026, oversight will sit with a newly formed Sustainability Committee which will provide assurance to the Main Board and include Board-level climate KPIs.
Governance: Management role in assessing and managing climate risks	**Compliant**	Group Head of Compliance, Audit & Risk retain designated climate risk responsibilities. Group Head of Sustainability will coordinate Group-wide implementation of the ESG and climate Strategy.
Strategy: Climate risks and opportunities identified across physical and transition categories	**Compliant**	Scenario analysis covering 14 operating units; three material physical risks and five transition risks/opportunities assessed. Three-year refresh cycle maintained, next scenario update in 2027.
Strategy: Impact on business, strategy and financial planning described	**Compliant**	Qualitative financial impacts described for all material risks and opportunities. Quantitative financial exposure estimates to be developed as data matures.
Strategy: Resilience of strategy under different climate scenarios assessed	**Compliant**	Dual physical/transition scenario framework using IPCC SSP and IEA pathways maintained. Next full refresh due 2026.
Risk Management: Processes for identifying, assessing and managing climate risks	**Compliant**	ERM sustainability risk register maintained at all 14 operating units. Bi-annual review by ARC. Sustainability Committee to provide additional oversight layer from 2026.
Metrics: Scope 1, 2 and 3 GHG emissions reported	**Compliant** ↑	Scope 3 calculated and published for the second time in 2025 (427,230 tCO_2e; 9 relevant categories). Market-based and location-based Scope 2 reported. PCF methodology developed; calculations extending for global roll out in 2026.
Targets: Emissions reduction targets	**Under Review**	At 31 December 2025, the Group had not formally adopted quantitative Group wide climate targets. Accordingly, no performance against targets is reported for the year. Formal target adoption is planned for 2026.

↑ denotes enhanced disclosure compared to the prior year. This disclosure has been prepared in accordance with the UK's mandatory Climate-related Financial Disclosure (CFD) requirements and is aligned with TCFD recommendations. As the UK regulatory framework continues to evolve towards IFRS S2, the Group will keep its disclosure approach under review.

SECTION 172(1) STATEMENT

This statement constitutes the Company's Section 172(1) statement pursuant to the Companies Act 2006.

The Directors of Tato Holdings Limited recognise their duty under section 172(1) of the Companies Act 2006 to act in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, the Directors have had regard, amongst other matters, to the long-term consequences of their decisions, the interests of the Company's employees, the need to foster the Company's business relationships with customers, suppliers and other stakeholders, the impact of the Company's operations on the community and the environment, the desirability of maintaining a reputation for high standards of business conduct, and the need to act fairly as between members of the Company.

Board Leadership and Decision-making

The Board is fully aware of its roles and responsibilities and provides leadership to the Group from a commercial, financial, technological and sustainability perspective. During the year ended 31 December 2025, the Board continued to focus on sustainable long-term value creation, ensuring that strategy, culture and risk management remained closely aligned.

The Board operates with a structured rolling agenda that balances the review of past performance with forward-looking strategic planning. This includes regular consideration of market conditions, investment priorities, capital allocation, principal risks and opportunities, and the resources required to deliver the Group's strategy over the medium to long term. The Board monitors progress and performance against a number of financial and non-financial KPI's.

The Main Board works with three sub-committees: Audit & Risk, Ethics & Compliance and Remuneration & Nomination. A new Sustainability Committee has been formed in early 2026 to bring a greater level of focus to matters of environment, social and climate. The role of these committees is to support the Board by providing focused oversight and recommendations in their respective areas, ensuring robust governance, effective risk management and the promotion of sustainable long-term value.

Employees and Health & Safety

The Board recognises that the Group's employees are fundamental to its long-term success. The health, safety and wellbeing of colleagues remained the Board's foremost priority throughout 2025, with Health & Safety consistently forming the first substantive item on every Board agenda. The Board reviews health and safety performance, trends and significant incidents on a regular basis and monitors the effectiveness of actions taken to improve standards across all operations.

The Board are also committed to product safety, ensuring all chemical products meet regulatory standards and are safely manufactured, handled, and used so as not to do harm to human health or to the environment.

In addition to safety, the Board considers employee engagement, capability development and organisational culture when making decisions, particularly in relation to operational change, investment and restructuring. The Board seeks to ensure that the Group continues to provide a safe, inclusive and supportive working environment that enables colleagues to perform at their best.

The Board understand the flexibility that some element of working from home affords to some families and continue where possible to facilitate employees working from home, with regular contact in place with management to ensure employee well-being.

Customers, Suppliers and Business Relationships

The Board recognises the importance of maintaining strong, collaborative and ethical relationships with customers, suppliers and other business partners. During 2025, the Board considered customer needs, service levels and product quality as part of its oversight of commercial performance and strategic initiatives. Supply chain resilience, responsible sourcing and long-term supplier relationships were also key considerations, particularly in the context of volatile global markets and input cost pressures.

The Board aims to conduct business responsibly and fairly, recognising that long-term value creation depends on trust, reliability and consistent high standards of conduct across the value chain.

Community, Environment and Sustainability

The Board acknowledges its responsibilities to the communities in which the Group operates and to the environment. Environmental, social and governance ("ESG") considerations are integrated into Board discussions and strategic decision-making, with particular focus on product stewardship, climate, regulatory compliance, environmental impact and sustainable growth.

During 2025, the Board continued to oversee the development of the Group's sustainability agenda, ensuring that progress is balanced with commercial realities and aligned to the Group's long-term objectives.

Governance, Risk and Ethical Conduct

The Board is committed to maintaining high standards of corporate governance and ethical behaviour. A framework of controls is in place to identify, assess and manage the principal risks facing the Group. The Audit and Risk Committee support the Board in monitoring the effectiveness of internal controls, financial reporting, risk management and compliance.

The Board also places significant emphasis on maintaining the Group's reputation for integrity and responsible business conduct, recognising that this is essential to sustaining stakeholder trust and long-term success.

The Group's Code of Conduct provides guidance on the standards of integrity and ethics expected to better enable the future development of the business. The Group also operates a Whistleblowing line, which is monitored by the Group Compliance Manager and any necessary actions are taken. Every year, all employees are asked to undertake refresher training on the Code of Conduct on other compliance related matters.

Shareholders, other Stakeholders and Long-Term Value

The Board engages regularly with the Company's shareholders and takes their views into account when making significant decisions. The Directors seek to balance the interests of shareholders with those of other stakeholders, recognising that sustainable long-term value creation depends on considering the wider impact of Board decisions.

As expectations continue to increase about the role of business in society it is important that the Board hears first hand from stakeholders about their perceptions of the Group's performance, direction and the opportunities and challenges that lie ahead. The Board manages this as follows:

- two non-executive Directors sit on the Board as representatives of the primary shareholders and provide oversight and challenge to the Executive Board members.
- regular updates are provided to the major shareholder base through their representatives' attendance at Main Board meetings with discussions focused on Health and Safety, financial performance, strategic planning, sustainability and corporate governance. This enables a flow of communication in both directions.
- the Board creates excellent workplace environments to encourage staff retention and loyalty; this is borne out by low staff turnover and a high number of long serving employees.
- The Group conduct a bi-annual Employee Engagement Survey (EES), the most recent in 2025. All employees are asked to provide their feedback on a range of topics and the response rate is generally above

75%. The outcome from this survey are Group and local-level action plans to address the areas of main concern raised.

The Board believes that a close working relationship with employee groups and partners is key to the continued success of the Group and a cornerstone of the business model. A robust business model, the resilience and commitment of employees and the long-term partnerships with customers and suppliers alike continue to be at the core of the Group's success.

As a result of 2025 performance, the Group will pay €34,453,000 in current corporate taxes around the world assisting host Governments to provide important services to their citizens and to pursue their economic objectives.

The Group also encourage the operating entities to pay up to 1% of pre-tax profits in charitable donations to local communities and charitable organisations. Direct economic contribution from this initiative led to charitable donations of €956,000 in 2025.

There were no political donations made during the year.

During the year the Company paid out €72,660,000 to its shareholders from its reserves. The Directors considered the impact of this distribution on the Company's long-term interests and its creditors in making this decision and concluded that the Company's solvency and interests were not prejudiced in any way given the Company's available cash and distributable reserves. The Company will continue to review its on-going dividend policy in line with its investment plans and business objectives.

With the backdrop of a very dynamic and changing business environment fuelled by socio-political upheaval, the Group has produced cashflow forecasts for full year 2026, and the Board believe that that the Group is well positioned to continue to execute its strategy, invest selectively for growth, and meet its obligations as they fall due.

This report was approved by the board on 05/20/2026 and signed on its behalf by:

D A Hewitt

D A Hewitt (May 20, 2026 13:44:51 GMT+1)

D A Hewitt
Director

DIRECTORS' REPORT

The directors submit their annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2025.

Principal Activities

Tato Holdings Limited is a holding company whose principal activity is the ownership, oversight and strategic direction of its subsidiary undertakings. The Company's role is to allocate capital, provide governance and leadership, and support the execution of strategy across the wider group.

During the year, the Company continued to focus on strengthening the Group's strategic positioning, supporting operational performance across its investments, and ensuring that capital and resources were deployed in a disciplined and value-accretive manner. The Group's principal activity during the year was the manufacture and distribution of speciality chemicals.

Results and performance

The results for the year are set out in the accompanying financial statements. The Directors consider the performance for the year to be in line with the Board's expectations, reflecting a continued focus on cost discipline, cash generation and strategic execution in a dynamic external environment.

Branch Offices

In addition to the subsidiary companies listed in Note 12 the Group also operates out of branch offices in New Zealand, Singapore, Sweden and Turkey. A new branch office was opened in South Korea during the year.

Financial Instruments

The Group's activities expose it to a number of financial risks including currency, credit and liquidity risk.

Currency risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Group's policy per se is not to hedge this risk via derivative instruments, however the policy does allow for isolated hedging events should the Group CFO determine there is strong rationale for doing so. During 2025, the Group CFO authorised the Mexican business to hedge their USD exposure over 10 months and the impact resulted in a €2,548,186 benefit to the spot rate. All deals completed prior to 31st December 2025.

Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables. The Group's credit risk is primarily attributable to its trade receivables. The amounts shown in the balance sheet are net of allowances for doubtful receivables.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Group utilises bank overdrafts and short-term loans when required. Interest bearing assets are primarily held at fixed rates to ensure certainty of cash flows.

Dividends

Interim dividends of €72,660,000 (*2024:* €57,090,000) were paid during the year.

Events after the end of the reporting period

There are no material post-balance sheet events that need to be reported on.

Future Developments

Looking ahead, the Directors remain confident in the Company's ability to support the continued development of the Group. The Company will continue to focus on capital discipline, portfolio optimisation and supporting initiatives that enhance long-term growth, resilience and shareholder value, while remaining alert to risks and opportunities arising from the external environment.

Directors

The directors who held office during the year were as follows:-
D A Hewitt
P Hahn
G De Lucia
Q Zheng
R Baum
D Siroky
P J McDonald
I Lobley – Non-Executive Director
A Sanders-Champney – Non-Executive Director

There were no changes to the Board of Directors during the year. Qualifying indemnity insurance in relation to the above-named directors is in force.

Research and Development

The Group continues to invest in research and development, both with the objective of cost optimisation and innovation. The research and development team work closely with the manufacturing and commercial teams to develop and expand the Group’s product range.

Audit and Risk Committee

The Audit and Risk Committee met twice during the year. The purpose of the committee is to provide independent and objective oversight of the Group's financial reporting process, monitor the effectiveness of the Group's risk management and internal control systems, and oversee the Group's relationship with its external auditors. It ensures the appropriateness of the accounting policies and any changes to these and advises the Board on whether the Annual Report preparation process is balanced and understandable and provides the required information for stakeholders to assess the Group’s position and performance.

Political Donations and expenditure

During the year ended 31 December 2025, the Company and the Group made no political donations and incurred no political expenditure within the meaning of sections 366 and 367 of the Companies Act 2006 (2024: nil).

Disabled Employees

The Group is committed to providing equality of opportunity and does not discriminate against employees or applicants on the grounds of disability. In the event of the employment of disabled persons, the Group makes every effort to ensure that such employees are given full and fair consideration for employment, training and career development, based on their aptitude and ability.
Where existing employees become disabled during their employment, the Group will endeavour, wherever practicable, to provide continuing employment under suitable conditions and to offer appropriate training and support to enable them to continue in their roles.

Anti-bribery and corruption

It is Group policy to conduct all business in an honest and ethical manner. The Group takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings and relationships wherever it operates. Further, the Group operates and enforces effective systems to counter bribery and corruption.

Going Concern

With the backdrop of a very dynamic and changing business environment fuelled by socio-political upheaval, the Directors have reviewed the Company’s forecasts and cash flow projections. Having considered the

Company's financial position, available resources and its role within the wider group, the Directors are satisfied that the Company is well positioned to continue to execute its strategic objectives, support investment across the Group and meet its obligations as they fall due. The Group has sufficient visibility over its next 12-month cash flows from the date of the audit report to be confident of being able to manage through any realistic material trading risks. Accordingly, the financial statements have been prepared on a going concern basis.

Customer and Supplier Interests

The long-term ethos of the Group has always been to build strategic partnerships with customers and suppliers as they are viewed as a key building block in operating a sustainable business model. The Group will always work with customers to ensure they have payment terms which are typical of the business environment in which they operate but will be understanding where additional short-term support is required. As customer service is key for the Group, it also regularly holds high levels of strategic inventories to ensure that any supply chain disruption is kept to a minimum for our customer base. Similarly, with suppliers, the Group is committed to maintaining good relationships with its suppliers and aims to pay suppliers in accordance with agreed terms.

Environmental Responsibilities

The Group is required to report under the Streamlined Energy and Carbon Reporting (SECR) requirements for its UK operations. The Board fully endorse the principle of the requirements and consequently have extended the scope of the reporting to cover the whole Group. This reporting has been made in the Strategic Report.

Post Balance Sheet Events (FRS 102 Section 32)

In accordance with Section 32 of FRS 102, the Group disclose a non-adjusting event, subsequent to 31 December 2025 in relation to the uncertain and evolving situation caused by the armed conflict in the Middle East. The directors have considered the potential implications of these events on the Group, including impacts on supply chains, energy costs, foreign exchange volatility and broader macroeconomic conditions. As the conflict arose after the reporting date, it does not give rise to conditions that existed at the reporting date and has therefore been treated as a non-adjusting post balance sheet event. The directors will continue to monitor developments closely. At the date of approval, the directors do not consider that these events give rise to a material uncertainty that would cast significant doubt on the Group's ability to continue as a going concern.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of its profit or loss for that period.

Statement as to Disclosure of Information to Auditors

The directors have taken all the necessary steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. As far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditors

Forvis Mazars LLP have expressed their willingness to continue in office and the Audit and Risk Committee has recommended to the Directors that they be re-appointed as such.

Approved by the board and issued on its behalf.

D A Hewitt
D A Hewitt (May 20, 2026 13:44:51 GMT+1)

D A Hewitt
Director
Date: 05/20/2026

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law the directors have elected to prepare the consolidated financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law). Under company law the directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the Group and of the profit, or loss, of the Group for that period. In preparing these consolidated financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the consolidated financial statements; and
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Company and the Group and to enable them to ensure that the consolidated financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TATO HOLDINGS LIMITED

Opinion

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

In our opinion, the consolidated financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 consolidated financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the UK, including the FRC's Ethical Standard, 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 consolidated financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the consolidated financial statements is appropriate.

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 company's ability to continue as a going concern for a period of at least twelve months from when the consolidated 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.

Other information

The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TATO HOLDINGS LIMITED (Continued)

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

We have nothing to report in this regard.

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 consolidated financial statements are prepared is consistent with the consolidated 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 light of the knowledge and understanding of the Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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 consolidated 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 statement of directors' responsibilities set out on page 24, the directors are responsible for the preparation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TATO HOLDINGS LIMITED (Continued)

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (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 the consolidated financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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. Based on our understanding of the Group and the parent company and its industry, we consider that non-compliance with the following laws and regulations might have a material effect on the consolidation financial statements: UK tax legislation, pension legislation, anti-money laundering regulation and health and safety legislation. We also consider those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the consolidated financial statements, such as the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the consolidated financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TATO HOLDINGS LIMITED (Continued)

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit 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.

Tim Hudson (May 20, 2026 17:06:50 GMT+1)

Tim Hudson (Senior Statutory Auditor)

for and on behalf of Forvis Mazars LLP

Chartered Accountants and Statutory Auditor

Forvis Mazars LLP, One St Peter's Square, Manchester M2 3DE

Date: 05/20/2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2025

Continuing operations	Notes	€'000	2025 €'000	€'000	2024 €'000
Turnover	3		641,878		648,974
Cost of sales			(404,513)		(411,559)
Gross profit			237,365		237,415
Sales and distribution costs (restated)		(69,606)		(68,733)	
Administrative expenses		(69,687)		(68,910)	
			(139,293)		(137,643)
Other operating income			368		157
Operating profit	8		98,440		99,929
Interest receivable and similar income	6	7,346		7,003	
Interest payable and similar charges	7	(170)		(120)	
			7,176		6,883
Profit on ordinary activities before taxation			105,616		106,812
Tax on profit on ordinary activities	9		(28,712)		(36,197)
Profit for the year attributable to owners of the parent			76,904		70,615
Other comprehensive income:					
Currency translation differences on foreign operations	8		(12,225)		(9,735)
Actuarial losses in the year (net of deferred tax)	20		(3,327)		(2,535)
Total comprehensive income for the year attributable to owners of the parent, net of tax			61,352		58,345

All results were derived from continuing operations.

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 not to present the Company profit or loss. The profit for the Company for the year was €63,146,000 (*2024:* €63,090,000).

The notes 1 to 24 are an integral part of these consolidated financial statements

TATO HOLDINGS LIMITED
Company registered number 3258156

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025

	Notes	€'000	2025 €'000	€'000	2024 €'000
Fixed Assets					
Intangible assets	10		5,975		3,887
Tangible assets	11		281,690		283,124
			287,665		287,011
Current Assets					
Stocks	13	164,154		162,407	
Trade and other debtors	14	126,487		120,210	
Cash and cash equivalents		149,620		170,076	
		440,261		452,693	
Creditors					
Amounts falling due within one year	15	(61,256)		(59,978)	
Net Current Assets			379,005		392,715
Total Assets less Current Liabilities			666,670		679,726
Creditors					
Amounts falling due after more than one year	16		(4,557)		(4,190)
Provision for liabilities and charges	17		(23,199)		(25,314)
Net Assets			638,914		650,222
Capital and Reserves					
Called up share capital	18		2,942		2,942
Share premium account			8		8
Capital redemption reserve			250		250
Merger relief reserve			30,210		30,210
Profit and loss account			605,504		616,812
Shareholders' Funds			638,914		650,222

The notes 1 to 24 are an integral part of these consolidated financial statements

Approved by the board on 05/20/2026

P J McDonald
Director

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2025

	Notes	€'000	2025 €'000	€'000	2024 €'000
Fixed Assets					
Investments	12		200,080		216,925
Current Assets					
Debtors	14	97		120	
Cash and cash equivalents		71,437		64,200	
		71,534		64,320	
Creditors					
Amounts falling due within one year	15	(83)		(200)	
Net Current Assets			71,451		64,120
Provision for Liabilities and Charges			(6,000)		(6,000)
Total Assets less Current Liabilities			265,531		275,045
Capital and Reserves					
Called up share capital	18		2,942		2,942
Share premium account			8		8
Capital redemption reserve			250		250
Profit and loss account			262,331		271,845
Shareholders' Funds			265,531		275,045

The notes 1 to 24 are an integral part of these consolidated financial statements

Approved by the board on

P J McDonald
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2025

	Share Capital €'000	Share Premium Account €'000	Capital Redemption Reserve €'000	Merger Reserve €'000	Profit & Loss Account €'000	Total €'000
At 1 January 2024	2,942	8	250	30,210	614,207	647,617
Adjustment to opening reserves resulting from hyperinflation in Turkey	-	-	-	-	1,350	1,350
Retained profit for the year	-	-	-	-	70,615	70,615
Other comprehensive income:						
Currency translation differences on foreign operations	-	-	-	-	(9,735)	(9,735)
Actuarial losses arising on defined benefit pension schemes (net of deferred tax)	-	-	-	-	(2,535)	(2,535)
Dividends	-	-	-	-	(57,090)	(57,090)
At 31 December 2024	2,942	8	250	30,210	616,812	650,222
Retained profit for the year	-	-	-	-	76,904	76,904
Other comprehensive income:						
Currency translation differences on foreign operations	-	-	-	-	(12,225)	(12,225)
Actuarial losses arising on defined benefit pension schemes (net of deferred tax)	-	-	-	-	(3,327)	(3,327)
Dividends	-	-	-	-	(72,660)	(72,660)
At 31 December 2025	2,942	8	250	30,210	605,504	638,914

Reserves
Share premium account – This reserve represents the amount above the nominal value received for issued share capital, less transaction costs.

Capital redemption reserve – This reserve represents the nominal value of the shares re-acquired by the Company for capital maintenance purposes.

Merger reserve – This reserve represents the application of merger accounting arising from previous group reorganisations.

The notes 1 to 24 are an integral part of these consolidated financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2025

	Share Capital €'000	Share Premium Account €'000	Capital Redemption Reserve €'000	Profit & Loss Account €'000	Total €'000
At 1 January 2024	2,942	8	250	265,845	269,045
Retained profit for the year	-	-	-	63,090	63,090
Dividends	-	-	-	(57,090)	(57,090)
At 31 December 2024	2,942	8	250	271,845	275,045
Retained profit for the year	-	-	-	63,146	63,146
Dividends	-	-	-	(72,660)	(72,660)
At 31 December 2025	2,942	8	250	262,331	265,531

Reserves
Share premium account – This reserve represents the amount above the nominal value received for issued share capital, less transaction costs.

Capital redemption reserve – This reserve represents the nominal value of the shares re-acquired by the Company for capital maintenance purposes.

Profit and loss account – This reserve represents the cumulative profits and losses recognised.

The notes 1 to 24 are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2025

	Notes	€'000	2025 €'000	€'000	2024 €'000
Cash flows from operating activities					
Operating profit		98,440		99,929	
Adjustments for:					
Depreciation & impairment of tangible assets		23,140		21,118	
Loss/(profit) on disposal of tangible assets		452		(308)	
Amortisation of intangible assets		1,838		1,586	
Employer contributions to pension liability		-		(412)	
(Decrease)/increase in other provisions		(2,453)		7,325	
Exchange rate losses/(gains)		1,065		(2,491)	
Operating cash flow before movement in working capital		122,482		126,747	
Increase in stocks		(4,922)		(10,703)	
Increase in debtors		(7,553)		(2,368)	
Increase in creditors		7,214		2,169	
Interest received		3,811		4,424	
Taxation paid		(34,453)		(23,029)	
Net cash inflow from operating activities			86,579		97,240
Cash flows from investing activities					
Proceeds from sale of tangible assets		250		540	
Payments to acquire tangible assets		(28,578)		(23,819)	
Payments to acquire intangible assets		(4,014)		(2,237)	
Net cash outflow from investing activities			(32,342)		(25,516)
Cash flows from financing activities					
Dividends paid		(72,660)		(57,090)	
Interest paid		(170)		(120)	
Net cash outflow from financing activities			(72,830)		(57,210)
Net cash (decrease)/increase in cash and cash equivalents			(18,593)		14,514
Cash and cash equivalents at the beginning of the year			170,033		156,933
Foreign exchange rate movement			(1,820)		(1,414)
Cash and cash equivalents at the end of the year	21		149,620		170,033

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

1. Accounting Policies

1.1 General Information

Tato Holdings Limited ('the Company') is a private Company limited by shares and incorporated in the United Kingdom under the Companies Act and registered in England & Wales. The address of its registered office and principal place of business is Wincham Avenue, Wincham, Northwich, Cheshire, CW9 6GB. Tato Holdings Limited is a parent undertaking and therefore these consolidated financial statements present the financial information of the Company and its subsidiary undertakings (together referred to as "the Group").

The principal activity of the Group is that of manufacture and distribution of speciality chemicals.

The consolidated financial statements are reported in Euros, this being the functional and reporting currency for the Group. As required by the Registrar of Companies, the sterling exchange rate for the year ended 31 December 2025 is £1: €1.17 (2024: £1: €1.18).

All values are rounded to the nearest thousand (€'000), except when otherwise stated.

1.2 Basis of preparation

These consolidated financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' ('FRS 102') and applicable legislation as set out in the Companies Act 2006 and Schedule 1 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. These consolidated financial statements have been prepared under the historical cost convention.

The Company has taken advantage of the following exemptions in preparing these consolidated financial statements;

(i) from preparing a statement of cash flows in accordance with Section 7 Cash Flow Statements. This information is provided on a consolidated basis for the Group as a whole;

(ii) from providing the financial instrument disclosures, required under paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29; this information is provided at a Group level in these consolidated financial statements; and

(iii) from disclosing the Company's and the Group's key management personnel compensation, as required by paragraph 33.7.

1.3 Basis of consolidation

The consolidated financial statements incorporate the results of the Company and its subsidiary undertakings for the year ended 31 December 2025. Subsidiaries are included within the consolidation where the Company has control over such entities, thereby having the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. The financial statements of subsidiaries that are acquired or disposed of within the financial year are included within, or excluded from, the consolidation from the date that the Company obtains, or loses, control.

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. The accounting years of subsidiaries are coterminous with those of the Company..

The details of the subsidiaries within the Group are set out in note 12.

The Company has taken advantage of the exemption conferred by Section 408 of the Companies Act 2006 and, accordingly, a separate profit and loss account has not been presented.

1. Accounting Policies (Continued)

1.4 Going concern

These consolidated financial statements have been prepared on a going concern basis.

The current economic conditions present increased risks for all businesses. In response to such conditions, the directors have carefully considered these risks, including an assessment of uncertainty on future trading projections for a period of at least twelve months from the date of approval of the consolidated financial statements by the directors, and the extent to which they might affect the preparation of the financial statements on a going concern basis.

Based on this assessment, the directors consider that the Group maintains an appropriate level of liquidity, sufficient to meet the demands of the business.

In addition, the Group's assets are assessed for recoverability on a regular basis, and the directors consider that the Group is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubt upon the Group's ability to continue as a going concern. Thus, the directors have continued to adopt the going concern basis of accounting in preparing these consolidated financial statements.

1.5 Revenue recognition

Sale of goods

Revenue is measured at the fair value of the consideration received or receivable and represents amounts for the sale of goods and the rendering of services, net of discounts and other sales-related taxes.

Revenue arises from the sale of manufactured products and from the provision of associated services.

Revenue from the sale of goods is recognised when all the following conditions are satisfied:
a) the goods have been despatched;
b) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
c) the amount of revenue can be measured reliably;
d) it is probable that the economic benefits associated with the transaction will flow to the Group; and
e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income

Interest income is recognised as interest accrues using the effective interest rate method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

1. Accounting Policies (Continued)

1.6 Taxation

Tax expense for the period comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the consolidated financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the consolidated financial statements.

Deferred tax is also recognised in relation to revaluing certain assets. Income or expenses from a subsidiary, which is recognised in the consolidated financial statements will be assessed to or allowed for tax in a future period, except where the reporting entity is able to control the reversal of the timing differences, and it is probable that the timing difference will not reverse in the foreseeable future. In addition, deferred tax is recognised through fair value adjustments arising on business combinations.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.7 Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date the transactions took place. Where this is not possible to determine, income and expense items are translated using an average exchange rate for the period.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are reported at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated 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. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in the statement of comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

1. Accounting Policies (Continued)

1.8 Intangible assets

Intangible assets comprise acquired software and product registration costs.

Intangible assets are initially recognised at cost, which is the purchase price plus any directly attributable costs. Subsequently, intangible assets are measured at cost less any accumulated amortisation and impairment losses.

Computer software is recognised as an intangible asset if it is operating as a separate intangible asset rather than part of an item of property, plant and equipment.

Product registration costs capitalised as an intangible asset are those costs incurred to register products with relevant legislative bodies to allow the sale of those products. Only costs generated by third-parties are capitalised. Internally generated registration costs are not capitalised, but are expensed as they are incurred. This policy applies when registration is required for the first time. Fees for ongoing maintenance of product registrations are written off in the year in which they are incurred.

Amortisation is charged on a straight-line basis to administrative expenses in profit or loss over the shorter of the useful life of the asset or the contractual or legal rights arising on acquisition. The useful lives are as follows:

- Product registration costs – the shorter of the registration period or the expected period from which future economic benefits are expected to be generated from sales of the product. There is a rebuttable presumption that this is not expected to exceed 10 years.
- Computer software - 3 to 5 years

Intangible assets are tested for impairment where indication of impairment exists at the reporting date.

1.9 Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

1.10 Tangible assets

Property, plant and equipment are initially recognised at cost which is the purchase price plus any directly attributable costs. Subsequently property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Depreciation is charged so as to allocate the cost of an asset, less its estimated residual value, over its estimated useful life using a straight-line basis, with maximum useful lives as follows:

Freehold buildings	50 years
Leasehold land	over the period of the lease
Leasehold improvements	over the period of the lease but maximum 10 years
Plant, machinery, fixtures and fittings	15 years
Motor vehicles	6 years

Freehold land held is deemed to have an unlimited useful life and therefore is not depreciated.

Periodically, the classification of categories within the Tangible assets financial statement line item will be reviewed and where a reclassification within Note 11 is required to better present these assets, the

1. Accounting Policies (Continued)

opening balance within the note disclosure will be reclassified. Such reclassifications between categories have no impact on the numbers recorded within Fixed Assets on the Consolidated balance sheet and are reclassified in the note, purely to provide greater understanding to the users of these financial statements.

1.11 Impairment of assets

At each reporting date the Group reviews the carrying value of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit. The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset, and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit or loss. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply. Impairment losses are charged to profit or loss in administration expenses.

1.12 Stock

Stock is stated at the lower of cost and net realisable value. Cost is calculated using the first-in first-out method and includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition under normal operating conditions and levels. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. Cost of conversion includes all direct production costs plus a share of the fixed and variable production overheads. Net realisable value is calculated as the estimated selling price in the ordinary course of business less the estimated costs of manufacture and the estimated costs necessary to make the sale (net of trade discounts but before settlement discounts).

Stock is reviewed for obsolescence and a provision made for items that have exceeded shelf life and been identified as being unsuitable for re-work or for which there is no foreseeable market.
A provision is made for any slow-moving stock, based on the aging, as follows:

Provision % Amount	0%	0%	100%
Inventory Age	>12mths	>18mths	>24mths

Movements in provisions are taken to profit and loss in the period of movement.

1.13 Leases

Payments made under operating lease arrangements are charged to profit or loss on a straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

1. Accounting Policies (Continued)

1.14 Financial instruments

Financial assets and liabilities are recognised when the Group becomes party to the contractual provisions of the financial instrument. The Group holds both basic financial instruments, which comprise cash and cash equivalents, trade and other debtors, equity investments, trade and other creditors, and loans and borrowings, and other financial instruments. The Group has chosen to apply the provisions of FRS 102 in full in regards to Section 11 *Basic Financial Instruments* and Section 12 *Other Financial Instruments*.

Financial assets – classified as basic financial instruments

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

(ii) Trade and other debtors

Trade and other receivables are initially recognised at the transaction price, including any transaction costs, and subsequently measured at the lower of cost and net realisable value, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

At the end of each reporting period, the Group assesses whether there is objective evidence that any receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

(iii) Equity investments

Equity investments comprise holdings in ordinary equity shares. Equity investments in subsidiary undertakings are initially recognised at fair value, which is the transaction price excluding transaction costs and are subsequently measured at fair value through profit or loss where a reliable fair value can be measured. Where the fair value cannot be measured reliably, the equity instruments are held as cost less impairment.

Financial liabilities – classified as basic financial instruments

(iv) Trade and other payables and loans and borrowings

Trade and other payables and loans and borrowings are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

Equity

Equity instruments are classified in accordance with the substance of the contractual agreement. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments issued by the Group are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

1. Accounting Policies (Continued)

Forward exchange contracts and derivatives

Entities may enter into forward foreign exchange contracts as required by normal operating requirements. Material open contracts at the year-end are recorded at fair value, with any gain or loss recognised immediately in profit or loss.

1.15 Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that the obligation will be required to be settled, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are discounted when the time value of money is material.

1.16 Retirement benefits

The Group operates defined contribution pension schemes and defined benefit pension schemes. Obligations for contributions to the defined contribution pension schemes are charged to profit or loss in the period to which the contributions relate.

For the defined benefit schemes, the pension costs are assessed using the projected unit of credit method and reviewed annually by independent actuaries. Service costs are charged to profit or loss so as to spread the costs over the service lives of employees. Net interest on the net defined benefit liability (asset) is determined by multiplying the net defined benefit liability (asset) by the discount rate, as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments. Net interest is charged to profit or loss in the period.

Re-measurements of the net defined benefit liability (asset) are charged through other comprehensive income in the period in which they occur. Re-measurement of the net defined benefit liability recognised in other comprehensive income is not reclassified to profit or loss in a subsequent period. Re-measurements of the net defined benefit liability (asset) comprise actuarial gains and losses, the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset).

If the defined benefit plan has been curtailed or settled during the year, the defined benefit obligation is decreased or eliminated, and the Group recognises the resulting gain or loss in profit or loss in the current period.

These steps are calculates using the following principles:

- Monetary items in the balance sheet are not restated.
- Non-monetary items are restated based on the change in the general price index between the acquisition date of the item and the reporting date.
- All items of income or expenditure in the statement of comprehensive income are restated based on the change in the general price index between the date when the items were initially recorded and the reporting date.
- The gain or loss on the net monetary position is included in net income

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

1. Accounting Policies (Continued)

1.17 Hyperinflation economies

Where the Group has an entity that has a functional currency which is the currency of a hyperinflationary economy, the financial statements of that entity will be adjusted for the effects of hyperinflation, in accordance with Section 31: Hyperinflation of FRS 102. The financial statements of the entity are restated by applying a general price index in terms of the measuring unit current at the reporting date, using the following process:

- Step 1 – Restate the opening balance sheet in terms of the measuring unit at the reporting date.
- Step 2 – Restate the closing balance sheet in terms of the measuring unit at the reporting date.
- Step 3 – Restate the statement of comprehensive income to reflect changes in the price index.
- Step 4 – calculate the gain or loss on the net monetary position, derived as the difference resulting from the restatement of non-monetary assets, owners' equity and items in the statement of profit or loss and OCI.

2. Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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.

Critical accounting judgements

The critical accounting judgements that the directors have made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the statutory consolidated financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment to assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability.

(ii) Assessing whether a defined benefit surplus should be recognised

A defined benefit surplus is only recognised if it meets the following criteria: if the Company has an unconditional right to a refund or expects to be able to realise the surplus through payment holidays; or if the Company can realise it at some point during the life of the scheme or when the scheme liabilities are settled. If the criteria are not met then a defined benefit surplus is not recognised. In addition, the relevant Trust Deed must specify that a surplus may be refunded to the Company. Consideration will also be given to the effect of asset price volatility on any surplus and the prudence of recognising it on the balance sheet.

(iii) Assessing recognition of constructive obligation

The previous actions of a predecessor company have led to a liability to remediate waste products. Although the obligation to remediate the waste was acquired by a third party, the directors have considered the moral obligations and reputation of the Group in deciding to recognise a constructive obligation for the liability.

2. Critical accounting judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(iv) Estimating value in use

Where an indication of impairment exists, the directors will carry out an impairment review to determine the recoverable amount, which is the higher of fair value less cost to sell and value in use. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the asset or the cash generating unit and a suitable discount rate in order to calculate present value.

(v) Recoverability of receivables

The Group establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability, the directors consider factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual customers.

(vi) Determining residual values and useful economic lives of property, plant and equipment and intangible assets

The Group depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes. Judgement is applied by management when determining the residual values for plant, machinery and equipment. When determining the residual value management aim to assess the amount that the Group would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

(vii) Measurement of defined pension scheme obligation

The Group has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, assets valuations and the discount rate to be applied. Management estimates these factors in determining the pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

(viii) Recognition of deferred tax asset

Management judgment is required in the recognition of deferred tax assets. Management must assess the probability that the deferred tax assets will be recovered from future taxable profits. The actual results may differ from these estimates due to, among other factors, future changes in business environment, changes in tax legislation, or results from inspections by tax authorities or by courts of law.

2. Critical accounting judgements and key sources of estimation uncertainty (Continued)

(ix) Provisions for remedial works

The provisions for remedial works relate to ongoing and anticipated potential future work as a result of previous activities. The estimates of costs to completion of any such works are provided by independent experts. By their very nature, these costs are expected to extend for a number of years into the future and are uncertain as to their extent and timing.

3. Turnover

The Group supplies speciality chemicals to customers on a worldwide basis. All turnover is generated from the sale of goods.

In the opinion of the directors the disclosure of the information required by Schedule 1: 68 (5) of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 would be seriously prejudicial to the interests of the Group.

4. Staff Costs

Group	**2025 €'000**	**2024 €'000**
Staff costs were as follows:		
Salaries	111,281	104,426
Social security costs	20,843	16,499
Pension costs	9,543	9,806
	141,667	130,731

The average number of employees during the year was 1,710 (2024: 1,665), of which 110 (2024: 110) are located in the UK, and may be analysed as follows:

Manufacturing	845	824
Administration	865	841
	1,710	1,665

5. Directors' Remuneration

Group	**2025** €'000	**2024** €'000
Emoluments	6,630	3,991
Contributions to money purchase pension scheme	195	209
	6,825	4,200

The number of directors accruing benefits under pension schemes was as follows:

Money purchase schemes	5	5
	5	5

Included above are the following amounts in respect of the highest paid director:

	€'000	**€'000**
Emoluments	1,842	965
Contributions to money purchase pension scheme	-	-

Key management personnel are considered to comprise the Group directors.

6. Interest receivable and similar income

Group	**2025** €'000	**2024** €'000
Interest receivable	3,791	4,537
Other finance income relating to pension schemes (see note 20)	3,555	2,466
	7,346	7,003

7. Interest payable and similar charges

Group	**2025** €'000	**2024** €'000
On bank loans and overdrafts	170	120
	170	120

8. Operating profit

The operating profit is stated after charging/(crediting):

Group		**2025**	**2024**
		€'000	**€'000**
Depreciation & impairment of tangible assets		23,140	21,118
Amortisation of intangible fixed assets		1,838	1,586
Loss/(profit) on disposal of tangible fixed assets		452	(308)
Auditor's remuneration	- audit services	708	709
	- taxation compliance	111	108
	- other services	122	249
Other auditors of the group	- audit services	13	11
Operating lease rentals		1,893	1,923
Net exchange rate losses/(gains)		1,065	(2,491)

The net exchange rate (gains)/losses above charged to operating profit during the year comprise realised exchange (gains)/losses and unrealised exchange (gains)/losses on retranslation of monetary assets and liabilities at the year-end in accordance with note 1.7. There were no material open forward foreign exchange contracts at the year-end.
Exchange differences through operating profit are impacted by currency translation differences on re-translation of opening assets and liabilities denominated other than in Euros, recognised in other comprehensive income, amounting to €12,225,000 loss (*2024:* €9,735,000 loss).

9. Tax on Profit on Ordinary Activities before Taxation

		2025		2024
	€'000	€'000	€'000	€'000
a) Analysis of charge in period				
Current tax				
UK Corporation tax for the period	983		1,571	
Adjustments in respect of previous years	126		(55)	
		1,109		1,516
Foreign Tax				
Corporation tax	26,608		32,836	
Adjustments in respect of previous years	(13)		(81)	
		26,595		32,755
Total current tax		27,704		34,271
Deferred tax				
Origination and reversal of timing differences				
United Kingdom – current year	1,053		870	
United Kingdom – previous years	(132)		95	
Overseas – current year	85		959	
Overseas – previous years	2		2	
		1.008		1,926
Tax on profit on ordinary activities		28.712		36,197

	2025 €'000	2024 €'000
b) Reconciliation and factors affecting tax charge for year		
Profit on ordinary activities before taxation	105.616	106,812
Profit on ordinary activities by standard rate of corporation tax in the UK of 25.00% (2024: 25.00%)	26.404	26,703
Expenses not deductible for tax purposes	660	3,755
Research and development tax credits	(421)	(336)
Income not taxable	(1,796)	(333)
Losses carried back	-	(1,445)
Adjustment to tax in respect of prior years	(17)	(39)
Adjustment to tax in respect of foreign tax rates	2,034	2,618
Other reconciling differences	1,848	5,274
Tax on profit on ordinary activities	28,712	36,197

9. Tax on Profit on Ordinary Activities before Taxation (Continued)

c) Tax rate changes

The standard rate of tax applied to reported profit on ordinary activities is 25.00% (2024: 25.00%). The deferred tax balances at 31 December 2025 have been calculated at 25% (2024: 25%). The Directors are satisfied as to the recoverability of the recognised deferred tax assets at 31 December 2025 based on their assessment of the levels of future forecast profitability, as approved by the Board of Directors.

10. Intangible Fixed Assets

	Computer Software €'000	Product Registration €'000	Total €'000
Cost			
At 1 January 2025	10,746	1,448	12,194
Exchange rate differences	(314)	(110)	(424)
Additions	896	3,118	4,014
Disposals	(126)	(2)	(128)
At 31 December 2025	11,202	4,454	15,656
Accumulated amortisation and impairment			
At 1 January 2025	7,995	312	8,307
Exchange rate differences	(268)	(70)	(338)
Charge for the year	1,659	179	1,838
Disposals	(126)	-	(126)
At 31 December 2025	9,260	421	9,681
Carrying amounts			
At 31 December 2025	1,942	4,033	5,975
At 31 December 2024	2,751	1,136	3,887

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11. Tangible Fixed Assets

	Assets in the course of construction €'000	Freehold & leasehold land and buildings €'000	Plant machinery fixtures & fittings €'000	Motor Vehicles €'000	Total €'000
Cost					
At 1 January 2025	23,229	239,497	266,066	9,898	538,690
Exchange rate differences	23	(3,913)	(4,571)	(235)	(8,696)
Transfers between categories	(18,835)	11,536	7,299	-	-
Additions	13,081	4,023	9,141	2,122	28,367
Disposals	-	(813)	(4,587)	(1,039)	(6,439)
At 31 December 2025	17,498	250,330	273,348	10,746	551,922
Accumulated depreciation and impairment					
At 1 January 2025	852	92,397	157,183	5,134	255,566
Exchange rate differences	20	(946)	(1,695)	(114)	(2,735)
Transfers between categories	-	129	(129)	-	-
Charge for the year	-	6,352	14,050	1,816	22,218
Disposals	-	(464)	(4,320)	(955)	(5,739)
Impairment charge	880	446	-	-	1,326
Reversal of impairment charge	-	-	(404)	-	(404)
At 31 December 2025	1,752	97,914	164,685	5,881	270,232
Carrying amounts					
At 31 December 2025	15,746	152,416	108,663	4,865	281,690
At 31 December 2024	22,377	147,100	108,883	4,764	283,124

12. Fixed Assets – Investments

	Company €'000
Investment in group undertakings at cost	
At 1 January 2025	216,925
Return of capital	(16,845)
At 31 December 2025	200,080

During the year, subsidiaries in France and Mexico made returns of capital representing 24.6% and 28.6% respectively, of their share capital.
The Group's subsidiary undertakings are as follows:-

Subsidiary	Country of Incorporation and Registered Office
Thor Specialties Inc	251 Little Falls Drive, Wilmington, DE 19808, United States of America
Thor Brasil Ltda	Alameda Caiapos 861, Tambore, Sao Paulo SP, Brazil
Thor Specialities (UK) Ltd	Wincham Avenue, Wincham, Northwich, Cheshire, CW9 6GB, Great Britain
Thor Chemicals India Private Limited	Fairmount CHS Ltd, Office No.1702 & 1703, Plot Number 4,5&6, Sector Number 17, Sanpada, Navi Mumbai Dist. Thane-400705 India
Thor SARL	325 Rue des Balmes, ZIP, 38150 Salaise sur Sanne, France
Thor GmbH	Landwehrstarsse 1, 67346 Speyer, Germany
Thor Specialties SRL	Via Uberto Visconti di Modrone 15, 20122 Milano, Italy
Thor Specialties (Pty) Limited	67 Newton Road, Wetherill Park, NSW 2164, Australia
Thor Especialidades SA	Poligono Industrial El Pla, Avda. de la Industria 1, 08297 Catellgali, Barcelona, Spain
Thor Japan Limited	3255 Fukaimizugaike-cho,Naka-ku, Sakai Osaka 599-8237, Japan
Thor Specialties SdnBhd	No.9 Jalan 1/114, Kuchai Business Centre, Off Jalan Kuchai Lama, Kuala Lumpur, Malaysia
Thor Group Limited	Bramling House, Bramling, Canterbury, Kent, CT3 1NB, Great Britain
Acti-Chem SA (Pty) Limited	6 Barham Road, Block C, Surry Park, Westville 3630, RSA
Thor Quimicos de Mexico SA de CV	Autopista Mexico-Queretaro Km 182 S/N, Pedro Escobedo, Queretaro 76700, Mexico
Thor Specialty Chemical (Zhenjiang) Co. Limited	No.182 Jingang Avenue, New District, Zhenjiang, Jiangsu 212132, PRC

12. Fixed Assets – Investments (continued)

All subsidiary undertakings are 100% owned by Tato Holdings Limited except for Thor SARL, which is held 98% by Tato Holdings Limited and 2% by Thor Group Limited, Thor Chemicals India Private Limited, which is held 99% by Thor Specialities (UK) Limited and 1% by Tato Holdings Limited, and Thor Especialidades SA, which is 99.98% held by Tato Holdings Limited and 0.01% by both Thor GmbH and Thor SARL. All investments related to holdings of ordinary shares.
The principal group undertakings are involved in the manufacture and distribution of speciality chemicals.

13. Stocks

	Group	
	2025	**2024**
	€'000	**€'000**
Raw materials and consumables	65,030	68,572
Finished goods and goods for resale	99,124	93,835
	164,154	162,407

The replacement cost of stocks is not materially different from the value included in the consolidated financial statements. During the year €1,127,000 stock impairment losses were recognised, in line with Group policy (*2024:* €1,552,000 *released*). The total cost of stock recognised as an expense in the year was €336,033,000 (*2024:* €345,408,000).

14. Trade and other debtors

	Group	**Company**	**Group**	**Company**
	2025	**2025**	**2024**	**2024**
	€'000	**€'000**	**€'000**	**€'000**
Trade debtors	103,826	-	102,926	-
Other debtors	11,186	-	8,818	-
Prepayments and accrued income	3,812	91	3,406	120
Taxation recoverable	3,217	6	833	-
Deferred tax	4,446	-	4,227	-
	126,487	97	120,210	120

Within the deferred tax asset above, €3,000 (*2024: €*119,000) represents previous tax losses that are expected to be recoverable in the future and €1,268,000 (*2024:* €1,014,000) relates to the pension scheme deficit. The remaining balance represents other timing differences.

15. Creditors - Amounts falling due within one year

	Group 2025 €'000	Company 2025 €'000	Group 2024 €'000	Company 2024 €'000
Amounts falling due within one year:				
Bank overdraft	-	-	43	-
Trade creditors	34,657	-	30,519	-
Corporation tax	928	-	6,037	145
Taxation and social security	9,773	-	4,425	-
Other creditors	5,153	-	5,400	-
Accruals and deferred income	10,745	83	13,554	55
	61,256	83	59,978	200

16. Creditors - Amounts falling due after more than one year

	Group 2025 €'000	Company 2025 €'000	Group 2024 €'000	Company 2024 €'000
Amounts falling due after more than one year:				
Other creditors	4,557	-	4,190	-

17. Provision for Liabilities and Charges

Group	Pension Liability €'000	Deferred Tax €'000	Remedial Work €'000	Other €'000	Total €'000
At 1 January 2025	3,380	10,989	8,638	2,307	25,314
Exchange difference	-	(494)	(71)	(15)	(580)
Charged/(credited) to profit or loss	275	71	-	175	521
Debited/(credited) to other comprehensive income	572	-	-	-	572
Utilisation	-	-	(2,567)	(61)	(2,628)
At 31 December 2025	4,227	10,566	6,000	2,406	23,199

The deferred tax provision represents the full potential liability arising from accelerated capital allowances.

The remedial work provision relates to the estimated costs of ongoing and anticipated potential future remedial works in South Africa as a result of past activities of predecessor entities. It is expected that these costs will be incurred over the next year.

The other provision relates to similar costs for separate remedial works, and long-term service awards.

18. Share Capital

Company	**€'000**
Authorised:	
At 1 January 2025 and 31 December 2025	
12,500,000 shares of 20 pence each	3,542
Allotted and fully paid:	
At 1 January 2025 and 31 December 2025	
10,380,026 shares of 20 pence each	2,942

The ordinary shares of the company carry no right to fixed income and one voting right per share.

19. Operating Lease Commitments

	Group 2025 €'000	Group 2024 €'000
The Group had total operating lease commitments to pay in respect of operating leases which expire:		
Within one year	1,621	1,758
Within two and five years	4,802	4,899
After more than five years	3,616	4,117
	10,039	10,774

20. Pensions

The Group operates retirement plans worldwide. Until 1 April 1996 the United Kingdom companies' plan was a defined benefit scheme. Thor GmbH also operates a defined benefit scheme, but otherwise all other Group company schemes are defined contribution schemes.

a) Defined Benefit Schemes

(i) UK Companies

Until 1 April 1996 the Thor Specialities (UK) Limited contributory pension scheme was a defined benefit scheme and it was funded externally. The contribution rates over the remaining lives of the members of the scheme were made in accordance with actuarial advice. The scheme was established on 18 December 1988 and its last actuarial valuation was undertaken on 5 April 2022. The valuation at that date calculated that the market value of the assets of the scheme totalled €15,557,000, which reflected a level of funding of 173% of actuarial liabilities.

With effect from 1 April 1996, the defined benefit scheme has been frozen. From that date a defined contribution scheme has been in place.

20. Pensions (continued)

The major assumptions used by the actuary in valuing the defined benefit element of the scheme were:

	As At 31/12/2025	**As At 31/12/2024**
Rate of increase in pensions in payment	3.20%	3.30%
Discount rate	5.50%	5.50%
Inflation assumption	3.20%	3.30%

The assumptions relating to mortality rates underlying the pension scheme liabilities at the balance sheet date are based on the S4PA tables with improvement factor applied in accordance with the CMI 2023 model using a 1% improvement rate.

Amounts recognised in the balance sheet

	2025 €'000	**2024** €'000
Fair value of scheme assets	81,269	79,144
Present value of scheme liabilities	(4,884)	(5,576)
Surplus in scheme	76,385	73,568
Surplus not payable to company	(76,385)	(73,568)
Net pension surplus/(liability)	-	-

Reconciliation of the present value of defined benefit obligation

	2025 €'000	**2024 €'000**
Opening balance of scheme liabilities	5,576	6,130
Interest cost	276	266
Actuarial gains	(166)	(663)
Foreign exchange (gains)/losses	(296)	295
Benefits paid	(506)	(452)
Closing balance of scheme liabilities	4,884	5,576

20. Pensions (continued)

Reconciliation of the fair value of scheme assets

	2025 €'000	2024 €'000
Opening balance of scheme assets	79,144	66,063
Interest on assets	4,106	2,966
Actuarial gains	2,722	7,395
Foreign exchange (losses)gains	(4,197)	3,172
Benefits paid	(506)	(452)
Closing balance of scheme assets	81,269	79,144

	2025 €'000	2024 €'000
Equities	64,973	64,566
Other	16,296	14,578
	81,269	79,144

The pension scheme assets include ordinary shares issued by Tato Holdings Limited with a fair value of €59,857,000 (*2024:* €60,757,000). The pension scheme assets do not include any property occupied by, or other assets used by, the Group.

The actual return on scheme assets in the year was €6,905,000 (*2024:* €10,432,000).

The Group expects to contribute €nil to its defined benefit pension scheme in the next financial year.

Analysis of total credit recognised in profit before tax

	2025 €'000	2024 €'000
Interest credit	(3,830)	(2,700)
Total credit	(3,830)	(2,700)

The total credit is recognised in Interest Payable and similar charges in the Consolidated Statement of Comprehensive Income.

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20. Pensions (continued)

Analysis of total amount recognised in other comprehensive income

	2025 €'000	2024 €'000
Actuarial gains	2,888	8,058
Foreign exchange difference on opening unrecognised surplus	(3,974)	2,935
Change in unrecognised surplus	(2,817)	(13,635)
Deferred tax adjustment	976	660
Loss recognised in other comprehensive income	(2,927)	(1,982)

(ii) Overseas companies

Thor GmbH operates a defined benefit pension scheme for some of its employees as well as a defined contribution scheme for other employees. The last full actuarial valuation of the defined benefit scheme was carried out at 31 December 2025 by a qualified independent actuary.

The major assumptions used by the actuary in valuing the defined benefit scheme were:

	As at 31/12/2025	As at 31/12/2024
Rate of increase in salaries	0.00%	0.00%
Rate of increase in pensions in payment	2.00%	2.00%
Discount rate	5.10%	5.00%

The assumptions relating to mortality rates underlying the pension scheme liabilities at the balance sheet date are based on German 2005 tables.

Amounts recognised in the balance sheet

	2025 €'000	2024 €'000
Fair value of scheme assets	6,005	7,166
Present value of scheme liabilities	(10,232)	(10,546)
Deficit in the scheme	(4,227)	(3,380)
Related deferred tax asset	1,268	1,014
Net pension liability	(2,959)	(2,366)

The gross deficit is recognised in the consolidated balance sheet in Provision for Liabilities and Charges, and the deferred tax asset is included in Debtors.

20. Pensions (continued)

Reconciliation of the present value of defined benefit obligation

	2025 €'000	2024 €'000
Opening balance of scheme liabilities	10,546	10,368
Interest cost	578	503
Actuarial(gains)/losses	(51)	520
Benefits paid	(841)	(845)
Closing balance of scheme liabilities	10,232	10,546

Reconciliation of the fair value of scheme assets

	2025 €'000	2024 €'000
Opening balance of scheme assets	7,166	7,600
Interest on assets	303	269
Actuarial losses	(623)	(270)
Contributions by employer	-	412
Benefits paid	(841)	(845)
Closing balance of scheme assets	6,005	7,166

	2025 €'000	2024 €'000
Cash	6,005	7,166
	6,005	7,166

The pension scheme assets do not include any property occupied by, or other assets used by, the Group.

The actual return on scheme assets in the year was €nil (*2024:* €nil).

Analysis of total expense recognised in profit before tax

	2025 €'000	2024 €'000
Interest cost	275	234
Total expense	275	234

The total expense is recognised in Interest Payable and similar charges in the Consolidated Statement of Comprehensive Income.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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20. Pensions (continued)

Analysis of total amount recognised in other comprehensive income

	2025 €'000	2024 €'000
Actuarial losses	(572)	(790)
Deferred tax	172	237
Losses recognised in other comprehensive income	(400)	(553)

b) Defined contribution schemes

The Group operates a number of defined contribution schemes in various countries. The amounts charged in the profit and loss account for the year amounted to €9,542,000 (*2024:* €9,806,000). The contributions payable at year end amounted to €159,000 (*2024: €*128,000).

21. Analysis of Net Funds

	1 January 2025 €'000	Cashflow €'000	Exchange Difference €'000	31 December 2025 €'000
Cash and cash equivalents	152,060	(41,136)	(1,819)	109,105
Short term deposits	18,016	22,500	(1)	40,515
Bank overdrafts	(43)	43	-	-
Total	170,033	(18,593)	(1,820)	149,620

22. Capital Commitments

	2025 €'000	2024 €'000
Capital expenditure authorised or contracted for but not provided for in the consolidated financial statements	16,270	5,294

The Group has no other off-balance sheet arrangements.

23. Ultimate Controlling Party and Related Party Transactions

The directors regard Eurotrust to be the ultimate controlling party.

The Company has taken the exemption permitted under Section 33 Related Party Disclosures not to disclose the related party transactions entered into between the company and wholly-owned Group subsidiaries. All transactions and balances between the Company and its subsidiaries have been eliminated on consolidation.

23. Ultimate Controlling Party and Related Party Transactions (continued)

Related party transactions that occurred in the year include dividends declared and paid to Eurotrust amounting to €45,005,000 (2024: €35,361,000) and to 3i Plc amounting to €19,324,000 (2024: €15,183,000), and Non-Executive Director's fees and expenses paid to 3i Plc of €82,000 (2024: €64,000) of which €34,000 (2024: €30,000) was outstanding at the year end.

24. Post Balance Sheet Events

In accordance with Section 32 of FRS 102, the Group disclose a non-adjusting event, subsequent to 31 December 2025 in relation to the uncertain and evolving situation caused by the armed conflict in the Middle East. The directors have considered the potential implications of these events on the Group, including impacts on supply chains, energy costs, foreign exchange volatility and broader macroeconomic conditions. As the conflict arose after the reporting date, it does not give rise to conditions that existed at the reporting date and has therefore been treated as a non-adjusting post balance sheet event. The directors will continue to monitor developments closely. At the date of approval, the directors do not consider that these events give rise to a material uncertainty that would cast significant doubt on the Group's ability to continue as a going concern.