

Volution Ventilation UK Limited

Report and Financial Statements

Year Ended

31 July 2025

Company Number 11352032

Volution Ventilation UK Limited

Report and financial statements for the year ended 31 July 2025

Contents

Page:

2	Strategic report
5	Directors' report
7	Directors' responsibilities statement
8	Independent auditor's report
11	Statement of comprehensive income
12	Statement of financial position
13	Statement of changes in equity
14	Notes forming part of the financial statements

Directors

R A George
A O'Brien

Secretary and registered office

Fiona Smith, Fleming Way, Crawley, West Sussex, RH10 9YX, United Kingdom

Company number

11352032

Independent Auditors

PricewaterhouseCoopers LLP
1 Embankment Place,
London
WC2N 6RH

Volution Ventilation UK Limited

Strategic report for the year ended 31 July 2025

The directors of Volution Ventilation UK Limited ('the Company') present their strategic report for the year ended 31 July 2025.

Principal activity and review of the business

The principal activity of the Company is the design, manufacture and distribution of ventilation products to the residential and commercial markets.

The profit for the year, after taxation, is £35,683,000 (2024: £31,158,000). The Company's key financial and other performance indicators were as follows:

	Year ended 31 July 2025	Year ended 31 July 2024	
	£'000	£'000	Growth
Revenue from contracts with customers	166,108	150,876	10.1%
Operating profit	45,480	39,909	14.0%
Operating profit margin (%)	27.4	26.5	0.9pp
Recycled plastic used in our products (%)	89.3	84.9	4.4pp
Revenue from low-carbon products* (%)	74.2	67.8	6.4pp

* The FY24 revenue from low-carbon products was updated from 59.0, in line with the review of products earlier this year.

Delivering a strong revenue growth over the prior year, revenues increased from £150,876,000 to £166,108,000, a 10.1% increase, the standout performance was residential ventilation activity. Given our end markets were generally challenging, with commercial activity quite weak, very good overall revenue growth was achieved in the year.

Operating profit increased from £39,909,000 to £45,480,000, a 14.0% increase with a significant increase in the operating margin at 27.4% up 90bps from 26.5% in the prior year. Our margins expanded through a combination of favourable product mix, initiatives to reduce product cost, and tight control of indirect costs

This year we have continued to make good progress on our key Sustainability KPI's. Recycled plastics content in our own production increased in the year to 89.3% of total consumption (2024: 84.9%). With such a high proportion of the Company's injection moulding and PVC extrusion production taking place at our Reading facility, the team there has done a great job of finding, trialling and ultimately using a range of new materials from different sources.

Revenue from our low-carbon products has increased in the year to 74.2% (2024: 67.8%). We continue to see an increase in demand for low-carbon products which is linked to changes in Part F, L and O of the building regulations.

Directors' s172 statement

Businesses do not operate in isolation. Without a good understanding of who the key stakeholders are and their needs, a business will fail to deliver sustainable value to shareholders and other stakeholders.

The Directors take their duties under s172 (1) of the Companies Act 2016 seriously and consider that they have acted in the way they consider, in good faith, would promote the success of the Company for the benefit of its members as a whole, having regard to the stakeholders and matters set out in s172 (1) (a-f) in the decisions taken during the year ended 31 July 2025.

The Directors consider the Company's key stakeholders to be its employees, customers, suppliers and, communities and environment in which we operate. The Directors take seriously the views of these stakeholders in setting and implementing our strategy and believes that good engagement is key to the long-term success of the Company.

- Employee engagement is critical to our long-term success. Interaction with our employees include an Employee Representative Forum, the Management Development Programme, training and development and recognition and rewards. We work to create a diverse and inclusive workplace where every employee can reach their full potential.
- Understanding our customers' needs and behaviours allows us to deliver relevant products and services, retain and attract customers and improve product offerings. We host customer events and product launches and participate in industry forums and events in order to highlight our innovation and focus on sustainable products.

Volution Ventilation UK Limited

Strategic report (*continued*) for the year ended 31 July 2025

Directors' s172 statement (*continued*)

- Our suppliers make a vital contribution to our performance. Engaging with our supply chain through supplier audits, inspections and relationship meetings means we can ensure security of supply and speed to market. High-quality suppliers are carefully selected to ensure they are responsible, sustainable and ethical so we can provide market leading products to meet our customer expectations.
- We aim to contribute positively to the communities in which we operate. We focus on supporting communities through investment initiatives, sponsorship and employee volunteering and contributing to national society initiatives including Clean Air Day and Noise Action Week.

In summary, as required by s172 of the UK Companies Act, a director of a company must act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its shareholders. In doing this, the director must have regard, amongst other matters, to the:

- likely consequences of any decisions in the long term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- company's reputation for high standards of business conduct; and
- need to act fairly as between members of the company.

During the year, the Board carefully considered the impact from the political and macroeconomic uncertainty that has arisen post-Covid, the invasion of Ukraine early in 2022 and the conflict in the Middle East, as well as other global conflicts and the impact that this may have on all stakeholder groups.

Principal risks and uncertainties (including those arising from the use of financial instruments)

The Directors consider the principal risks and uncertainties facing the Company to be broadly grouped as economic, exchange rate and financial instrument related. These risks are explained further below:

Economic risk

Demand for the Company's products is influenced by both public and privately funded new and refurbishment construction projects. The UK construction market is heavily influenced by prevailing macro-economic conditions and relevant legislation with regards to air quality and energy efficiency. A decline in general economic activity or a specific decline in the activity of the construction industry would impact the demand for our products serving both the residential and commercial markets. Our end-market diversity, with exposure to both markets and to new build and RMI provides mitigation to this economic risk. We continue to monitor developments around the macro-economic uncertainty, inflation, interest rates and impacts of global conflicts and we will adjust our contingency planning accordingly. Uncertainty remains over the eventual outcome.

Exchange rate risk

Fluctuation in the exchange rate of sterling with major currencies will impact both the turnover stream and purchase cost of some of the Company's products. The Group of which the Company is a member benchmarks turnovers and direct expenditure denominated in foreign currency on a regular basis and enters into forward foreign exchange contracts to manage its exposure to exchange rate risk.

Financial instrument risk

The Company principally engages in short-term working capital (trade and other receivables, trade and other payables and cash). The directors' understanding of and the Company's exposure to risk as a result of using financial instruments is as follows:

- **Price risk**

Risk that the value of a financial instrument will fluctuate because of changes in market prices. The directors consider this risk to relate to foreign exchange. The risk to derivative financial instruments is minimal as the transacted rate and quantity of currency are fixed in advance by the Group. Risk arising on non-derivative financial instruments is mitigated by utilisation of surplus foreign currency within the Group of which the Company is a member.

Volusion Ventilation UK Limited

Strategic report (continued) for the year ended 31 July 2025

Financial instrument risk (continued)

- **Credit risk**

Risk that one party to a financial instrument will fail to discharge their obligation and cause the other party to incur a financial loss. The directors believe credit risk principally relates to trade receivables. To mitigate against exposure to credit risk the Company has developed strong credit control procedures, internal control mechanisms and has entered into a credit insurance policy.

- **Liquidity risk**

Risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. To the best of the directors' knowledge there are no foreseeable constraints in discharging obligations under financial instruments. Cash flow is regularly monitored using weekly and monthly reporting, in addition, the Company undertakes quarterly reforecast updates against the annual budget. The company also has a letter of support from the ultimate parent company Volusion Group plc.

Sustainability

The Company is required to measure and report our direct and indirect greenhouse gas (GHG) emissions pursuant to the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The mandatory requirement is for the disclosure of the scope 1 and 2 emissions only. These are direct emissions such as heating, vehicle fuel and indirect emissions, for example purchased electricity. Our total GHG footprint in line with DEFRA's mandatory reporting requirement is shown in the table below.

	2025	2024
Emissions from	CO ₂ e tonnes	CO ₂ e tonnes
Electricity, gas and other fuels	1,419	1,652
Petrol and diesel vehicle fuels	590	642
Refrigerants	—	—
Total footprint	2,009	2,294
Greenhouse gas emissions intensity ratio: CO ₂ e tonnes per £m of revenue	12.09	15.20

The facility in Reading has photovoltaic cells on the roof and a battery management system which reduces our electricity usage.

We ensure that we consistently recycle waste where possible and seek to lower the emissions from our motor fleets. We are constantly looking for ways to improve the efficiency of our motor fleet, which can in turn reduce the amount of emissions produced. Our motor fleet programme includes a choice of hybrid vehicles.

On behalf of the Board

Andy O'Brien
Director

18 November 2025

Volution Ventilation UK Limited

Directors' report for the year ended 31 July 2025

The directors of Volution Ventilation UK Limited ('the Company') present their report and financial statements for the year ended 31 July 2025.

Directors

The directors of the Company throughout the year and up to the date of approval of the report and financial statements were:

R A George
A O'Brien

Results and dividends

In the year ended 31 July 2025 the Company made a profit after tax of £35,683,000 (2024: £31,158,000) from the design, manufacture and distribution of ventilation products to the residential and commercial markets.

The Company paid a dividend of £36,500,000 (2024: £37,850,000) to Volution Ventilation Group Limited during the period.

Donations

During the year, the Company did not make any political or charitable donations (2024: £nil).

Disabled employees and employee involvement

A skilled workforce is key to the future of the Company. Health and Safety matters are reviewed regularly by the directors and it is our policy to ensure that:

- Full and fair consideration is given to all applications for employment made by disabled persons, having regard to their capabilities;
- If an existing employee becomes disabled (whether due to illness or accident) every reasonable effort is made to continue to provide employment either in the same job, or by training for a suitable alternative job; and
- Disabled persons are given equal consideration for training, career development and opportunities for promotion within the Company.

Management are regularly provided with a range of information concerning the performance of the business by means of meetings and similar briefings that allows employees' views and opinions to be taken into consideration. Other means of communication are used to ensure employees are systematically provided with information on matters of concern to them.

Financial instruments

The Company, via the Group of which it is a member, enters into derivative financial instruments to manage its exposure to foreign exchange rate risk. Instruments used are principally foreign exchange forward contracts, more information is set out in the strategic report.

Future developments

The Company has invested heavily in sales training; the development of new products and the development of new digital tools that help our customers connect with our solutions. We will continue to build on our core strengths and the efficiencies established in the re-organisation to further develop our product range and user experience.

Volution Ventilation UK Limited

Directors' report (*continued*) for the year ended 31 July 2025

Directors' liabilities

The enlarged Group of which the Company is a member has granted an indemnity to certain directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third-party indemnity provision was in place during the financial year and remains in force at the date of approving the Directors' report.

Going concern

The principal risks and uncertainties of the Company are managed at a Group level. The Company is dependent upon the continued support of its ultimate parent company, Volution Group plc, because of the way that the Group's intra-group funding structure is administered. Therefore, the directors have requested and obtained a letter from the directors of Volution Group plc confirming, in writing, their commitment to continue to support the company for at least 12 months from the date of approval of the financial statements.

In considering the appropriateness of adopting the going concern basis for preparing the financial information, the directors have considered government policy, and the overall impact on consumer demand as well as the ability of Volution Group plc to provide the required support to the Company. Having made suitable enquiries, the Board has a reasonable expectation that the Company will be able to manage its business risks and to continue in operational existence for at least 12 months from the date of approval of the financial statements and has sufficient liquidity and covenant headroom, after considering the reasonably possible downside scenarios and stress testing, over this going concern period to prepare the financial statements on that basis.

Accordingly, the directors consider it is appropriate to adopt the going concern basis for preparing the financial information.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing its report, of which the auditors are unaware. Having made enquiries of fellow directors and the Company's auditors, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

The Companies (Miscellaneous Reporting) Regulations 2018

The directors are required to summarise how they have engaged with suppliers, customers and others in a business relationship with the Company. The directors have included this information in the strategic report, within the Section 172 statement.

On behalf of the Board



Andy O'Brien
Director
18 November 2025

Volution Ventilation UK Limited

Directors' responsibilities statement for the year ended 31 July 2025

The directors are responsible for preparing the Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Opinion

In our opinion, Volution Ventilation UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: Statement of Financial Position as at 31 July 2025; Statement of Comprehensive Income and Statement of changes in equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 July 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment laws and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to inappropriate manipulation of reported results through posting of fraudulent journals and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiry with management regarding any litigations or claims from non-compliance with laws and regulation and whether there were any known or suspected instances of fraud;
- Review of internal audit reports and board meeting minutes for any instances of known or suspected non-compliance with laws and regulation and fraud;
- Reviewing financial statement disclosures against specific legal requirements and relevant legislation;
- Review of any employment disputes or litigation to ensure there were no broader non-compliance issues with employment laws and regulations;
- Challenging the assumptions and judgements made by management in determining their accounting estimates; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, including significant transactions outside the normal course of business, and evaluating their business rationale.

Independent Auditor's Report to the Members of Volution Ventilation UK Limited (*continued*)

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Simon Bailey (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
18 November 2025

Volution Ventilation UK Limited

Statement of comprehensive income for the year ended 31 July 2025

	Note	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Revenue from contracts with customers	4	166,108	150,876
Cost of sales		<u>(80,284)</u>	<u>(73,664)</u>
Gross profit		85,824	77,212
Distribution and Administrative expenses		<u>(40,344)</u>	<u>(37,303)</u>
Operating profit	5	45,480	39,909
Interest payable		<u>(386)</u>	<u>(336)</u>
Profit before tax		45,094	39,573
Tax on profit	7	<u>(9,411)</u>	<u>(8,415)</u>
Profit for the financial year and total comprehensive income		<u>35,683</u>	<u>31,158</u>

The results from the current and prior years arise solely from continuing operations.

The notes on pages 14 to 26 form part of these financial statements.

Volusion Ventilation UK Limited

Statement of financial position at 31 July 2025

Company number 11352032

	Note	2025 £'000	2025 £'000	2024 £'000	2024 £'000
Non-current assets					
Intangible assets	9		5,182		5,561
Right-of-use assets	10		12,389		10,113
Tangible assets	11		11,183		11,468
			<u>28,754</u>		<u>27,142</u>
Current assets					
Inventories	12	16,459		16,141	
Trade and other receivables	13	45,597		37,674	
Cash at bank and in hand		5,483		5,846	
		<u>67,539</u>		<u>59,661</u>	
Current liabilities					
Trade and other payables	14	(38,991)		(31,320)	
Refund liabilities	4	(9,616)		(8,034)	
Current lease liabilities	10	(1,967)		(1,287)	
Provisions for liabilities	15	(598)		(605)	
		<u>(51,172)</u>		<u>(41,246)</u>	
Net current assets			<u>16,367</u>		<u>18,415</u>
Total assets less current liabilities			<u>45,121</u>		<u>45,557</u>
Non-current liabilities					
Provisions for liabilities	15	(372)		(366)	
Non-current lease liabilities	10	(9,695)		(9,754)	
Deferred tax	16	(2,366)		(2,291)	
			<u>(12,433)</u>		<u>(12,411)</u>
Net assets			<u>32,688</u>		<u>33,146</u>
Capital and reserves					
Called up share capital	17	—	—	—	—
Share premium account		29,307		29,307	
Profit and loss account		3,381		3,839	
			<u>32,688</u>		<u>33,146</u>
Total equity			<u>32,688</u>		<u>33,146</u>

The financial statements of Volusion Ventilation UK Limited (registered number 11352032) on pages 11 to 26 were approved by the Board of Directors and authorised for issue on 18 November 2025.

On behalf of the board



Andy O'Brien
Director

The notes on pages 14 to 26 form part of these financial statements.

Volution Ventilation UK Limited

Statement of changes in equity for the year ended 31 July 2025

	Called up Share capital £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
1 August 2023	—	29,307	10,531	39,838
Profit for the year	—	—	31,158	31,158
Dividends (note 8)	—	—	(37,850)	(37,850)
31 July 2024	—	29,307	3,839	33,146
Profit for the year	—	—	35,683	35,683
Correction to IFRS16 lease transition*	—	—	359	359
Dividends (note 8)	—	—	(36,500)	(36,500)
31 July 2025	—	29,307	3,381	32,688

* The IFRS16 item above relates to the correction of an immaterial error identified in the value of lease liabilities and corresponding retained earnings adjustment recognised on transition to IFRS16.

The notes on pages 14 to 26 form part of these financial statements.

Volution Ventilation UK Limited

Notes forming part of the financial statements for the year ended 31 July 2025

1 Authorisation of financial statements and statement of compliance with FRS 101

The financial statements present the results and financial position of Volution Ventilation UK Limited ("the Company") for the year ended 31 July 2025. The Company is a private company limited by shares, incorporated and domiciled in England and Wales. The address of the Company's registered office is Fleming Way, Crawley, West Sussex RH10 9YX.

The financial statements are presented in Sterling and all values are rounded to the nearest thousand (£000) except when otherwise indicated.

Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The requirements of IFRS 7 'Financial Instruments: Disclosures';
- The requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Asset; and
 - paragraph 53(a), (h) and (j) of IFRS 16
- The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements;
- The requirements of IAS 7 Statement of Cash Flows;
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- The requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures; and
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

2 Material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

Going concern

The principal risks and uncertainties of the Company are managed at a Group level. The Company is dependent upon the continued support of its ultimate parent company, Volution Group plc, because of the way that the Group's intra-group funding structure is administered. Therefore, the directors have requested and obtained a letter from the directors of Volution Group plc confirming, in writing, their commitment to continue to support the company for at least 12 months from the date of approval of the financial statements.

In considering the appropriateness of adopting the going concern basis for preparing the financial information, the directors have considered government policy, and the overall impact on consumer demand as well as the ability of Volution Group plc to provide the required support to the Company. Having made suitable enquiries, the Board has a reasonable expectation that the Company will be able to manage its business risks and to continue in operational existence for at least 12 months from the date of approval of the financial statements and has sufficient liquidity and covenant headroom, after consideration of the reasonably possible downside scenarios and stress testing, over this going concern period to prepare the financial statements on that basis.

Accordingly, the directors consider it appropriate to adopt the going concern basis for preparing the financial information.

Volution Ventilation UK Limited

Notes forming part of the financial statements for the year ended 31 July 2025 (*continued*)

2 Material accounting policies (*continued*)

Foreign currencies

The financial statements are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position are expressed in GBP (£), which is also the functional currency of the Company.

In preparing the financial statements transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rate of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rate prevailing at the end of the reporting year. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the statement of comprehensive income.

Non-monetary items that are measured in historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value was determined.

Revenue from contracts with customers

Sale of ventilation products

Revenue from the sale of ventilation products is recognised at the point in time when control of the asset is transferred to the buyer, usually on the delivery of the goods. Revenue is recognised at the amount that reflects the consideration to which the Company expects to be entitled to in exchange for these products and payment is generally due within 30 to 90 days from delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties and volume rebates). In determining the transaction price for the sale of ventilation products, the Company considers the effects of variable consideration (if any).

Volume rebates

The Company provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions.

In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

At the reporting date, the directors made estimates of the amount of rebate that will become payable by the Company under these agreements; to estimate the variable consideration for the expected future rebates, the Group applies the expected value method for contracts with more than one volume threshold. Where the respective customer has been engaged with the Group for a number of years, historical settlement trends are also used to assist in ensuring an appropriate estimate is recorded at the reporting date and that appropriate internal approvals and reviews take place before rebates are recorded.

The sales rebate provision is recognised within refund liabilities, rather than trade receivables, as a significant proportion of the agreements across the Company do not provide for credit notes to be raised against receivable balances. Rather, cash payment of the rebate amount due is expected. Furthermore, the majority of rebate agreements do not contain a clause which provides a legally enforceable right to offset invoiced amounts.

Installation services

The Company provides installation services that are bundled together with the sale of equipment to a customer. Contracts for bundled sales of equipment and installation services are comprised of two performance obligations because the promises to transfer equipment and provide installation services are capable of being distinct and separately identifiable. Accordingly, the Company allocates the transaction price based on an estimate of the relative standalone selling prices of the equipment and the residual approach for installation services.

Volution Ventilation UK Limited

Notes forming part of the financial statements for the year ended 31 July 2025 (continued)

2 Material accounting policies (continued)

Revenue from contracts with customers (continued)

The Company recognises revenue from installation services at a point in time after the service has been performed, this is because installation of the ventilation equipment is generally over a small timeframe, usually around one or two days.

Contract balances

There are no contract assets or liabilities included within the statement of financial position because invoicing closely aligns with point of revenue recognition.

Pensions

Contributions to defined contribution schemes are recognised in the statement of comprehensive income in the year they become payable. The cost charged to the statement of comprehensive income of providing retirement pensions for employees represents the amounts paid by the Company to various defined contribution pension schemes operated by the Group in the financial year.

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from, or payable to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, based on tax rates enacted or substantively enacted by the reporting date.

Deferred income tax assets are recognised only to the extent that the Directors consider it is probable that there will be taxable profits from which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities.

Tangible assets

Tangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. All other repair and maintenance costs are recognised in the statement of comprehensive income as incurred.

Depreciation is charged so as to write off the cost or valuation of assets, except freehold land, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The following useful lives are used in the depreciation of additional assets. Tangible assets are depreciated on a straight-line method over their estimated useful lives as follows:

Freehold buildings	-	50 years
Plant and machinery	-	5 – 10 years
Fixtures, fittings, tools, equipment and vehicles	-	4 – 10 years

The gain or loss arising on the disposal or retirement of an item of tangible assets is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income as part of administrative expenses.

Depreciation is charged to either cost of sales or administrative expenses based on how the asset is used within the business.

Volution Ventilation UK Limited

Notes forming part of the financial statements for the year ended 31 July 2025 (*continued*)

2 Material accounting policies (*continued*)

Intangible assets

Research and development costs

Research costs are expensed as incurred. Development expenditure on an individual project is recognised as an intangible asset when the Company can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to reliably measure the expenditure during development.

Subsequent measurement of intangible assets

Intangible assets with a definite life are amortised on a straight-line basis over their estimated useful lives and recognised as a cost included within administrative expenses. The useful lives are as follows:

Development costs	-	10 years
Software costs	-	5 years
Patents	-	5 years

The estimated useful life and amortisation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Impairment of intangible assets

At each reporting date, the Company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset (i.e. the higher of value in use and fair value less costs to sell) is estimated in order to determine the extent of the impairment loss (if any) should the recoverable amount be less than carrying value. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Inventories

Inventories are stated at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials: purchase cost valued on a first in, first out basis
- Work in progress and finished goods: cost of direct materials and labour and an appropriate portion of fixed and variable overhead expenses based on normal operating capacity but excluding borrowing costs.

Net realisable value represents the estimated selling price for inventory less all estimated costs of completion and costs necessary to make the sale.

Inventory provisions include obsolescence and write-downs which take into account historical information related to sales trends and stock counts and represent the expected write-down between the estimated net realisable value and the original cost. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Volution Ventilation UK Limited

Notes forming part of the financial statements for the year ended 31 July 2025 (*continued*)

2 Material accounting policies (*continued*)

Financial instruments

Financial assets

The Company measures its financial assets at amortised cost. Financial assets include trade and other receivables, amounts owed by group undertakings and cash.

Trade and other receivables are carried at original invoice or contract amount less any provisions for discounts and expected credit losses (ECLs). Provisions are made using the simplified approach in calculating the ECL. Cash comprises cash at banks and in hand.

Financial liabilities

Financial liabilities are measured at amortised cost and include trade and other payables, accruals, refund liabilities, amounts owed to group undertakings, lease liabilities and provisions.

Trade and other payables and accruals primarily comprise of amounts outstanding for trade purchases and ongoing costs. These are recognised at the amounts expected to be paid.

The Company has provisions for warranties and leasehold property dilapidations. Warranty provisions are made with reference to the warranty period, recent trading history and historical warranty claim information, as well as the view of management as to whether warranty claims are expected. Dilapidations provisions relate to estimated contractual restoration costs expected to be paid on exit of the lease, discounted to present value.

Leases

The Company leases a range of assets including property and vehicles. At the commencement date of the lease, the Company measures lease liabilities at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. Leases are measured to the end of the lease term, including any extension options within Company control, unless it is considered reasonably certain that the lease will be exited at an earlier available break date. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date where the interest rate implicit in the lease is not readily determinable.

Right-of-use assets are measured based on the value of corresponding lease liability, plus any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs, and any provision for restoration costs.

Right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and the lease term. The depreciation charge is split between cost of sales and administrative expenses based on estimated split of property usage between production and sales and administrative functions.

The carrying amount of lease liabilities and right-of-use assets are re-measured if there is a modification or reassessment of lease terms, including a change in the contractual or assessed lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Dividends

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

Volution Ventilation UK Limited

Notes forming part of the financial statements for the year ended 31 July 2025 (continued)

2 Material accounting policies (continued)

New standards and interpretations

There are no new standards now effective that have had a material impact on the Company financial statements.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The Directors have concluded that there are no major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when these financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

4 Revenue from contracts with customers

	2025 £'000	2024 £'000
Analysis by class of business:		
Sale of ventilation products	162,272	145,174
Installation services	3,836	5,702
	<u>166,108</u>	<u>150,876</u>

Analysis of revenue by country of destination:

United Kingdom	145,732	132,619
Republic of Ireland	12,525	9,998
Rest of Europe	6,449	6,164
Rest of World	1,402	2,095
	<u>166,108</u>	<u>150,876</u>

Rights of return assets and refund liabilities

	2025 £'000	2024 £'000
Refund liabilities		
Arising from retrospective volume rebates	9,187	7,605
Arising from rights of return	429	429
	<u>9,616</u>	<u>8,034</u>

Volution Ventilation UK Limited

Notes forming part of the financial statements for the year ended 31 July 2025 (continued)

5 Operating profit

	2025 £'000	2024 £'000
This is arrived at after charging/(crediting):		
Research and development	2,681	2,586
Inventory recognised as an expense	55,190	52,397
Depreciation of tangible assets	1,679	1,612
Depreciation of right-of-use assets	1,632	1,876
Amortisation of intangible assets	807	688
Profit on disposal of fixed assets	(71)	(5)
(Gain)/loss on foreign exchange	(72)	89

Fees payable to the Company's auditors of £87,000 (2024: £83,000) for the audit of the Company's annual financial statements were borne by a fellow group company.

6 Employees

	2025 £'000	2024 £'000
Staff costs consist of:		
Wages and salaries	34,930	31,816
Social security costs	3,472	2,875
Other pension costs	1,159	958
	39,561	35,649

The average number of employees (including Directors) during the year was as follows:

	2025 Number	2024 Number
Production	535	504
Administration	312	311
	847	815

No remuneration was paid or is payable to the Directors in their capacity as Directors of the Company. The Directors receive remuneration from a fellow group undertaking, Volution Group plc, in respect of services to the group of which the Company is a member. Total remuneration paid by the enlarged group to Directors of the Company (including pension scheme contributions) for the year was £4,389,000 (2024: £3,308,000). It is not possible to identify the proportion of this remuneration that relates to services to the Company.

Volution Ventilation UK Limited

Notes forming part of the financial statements for the year ended 31 July 2025 (*continued*)

7 Tax on profit

	2025 £'000	2024 £'000
<i>UK corporation tax</i>		
Current tax on profits of the period	10,392	9,071
Adjustment in respect of prior period	(1,056)	(646)
Total current tax	9,336	8,425
<i>Deferred tax</i>		
Current year	(4)	239
Adjustment in respect of prior period	79	(249)
	75	(10)
Tax on profit	9,411	8,415

Tax assessed for the year was lower than (2024: lower than) the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2025 £'000	2024 £'000
Profit before tax	45,094	39,573
Profit at the standard rate of corporation tax in the UK of 25% (2024: 25%)	11,274	9,893
Effects of:		
Adjustment in respect of prior period	(977)	(895)
Expenses not deductible for tax purposes	44	136
Patent box credit claimed	(930)	(719)
Tax on profit	9,411	8,415

In June 2023, the UK Government substantively enacted legislation introducing a global minimum corporate income tax rate, to have effect from 2025 in line with the OECD's Pillar Two model framework on large multinational enterprises with a consolidated group revenue of €750 million plus. The Company has performed an assessment of its potential exposure to Pillar Two income taxes and based on an assessment of the most recent information available regarding the financial performance of the constituent entities in the Company, we do not expect to be within the scope of Pillar Two and therefore do not expect it to have a material impact on the Company's tax rate or tax payments.

8 Dividends

	2025 £'000	2024 £'000
<i>Ordinary shares</i>		
Interim dividend paid of £12,166,667 (2024: £12,616,667) per share	36,500	37,850

Volution Ventilation UK Limited

Notes forming part of the financial statements
for the year ended 31 July 2025 (*continued*)

9 Intangible assets

	Development costs £'000	Software costs £'000	Patents £'000	Total £'000
<i>Cost</i>				
At 1 August 2024	6,893	769	67	7,729
Additions	306	122	—	428
Disposal	(5)	—	—	(5)
As at 31 July 2025	7,194	891	67	8,152
<i>Accumulated Amortisation</i>				
At 1 August 2024	1,709	435	24	2,168
Charge for the year	710	93	4	807
Disposal	(5)	—	—	(5)
As at 31 July 2025	2,414	528	28	2,970
<i>Net book value</i>				
As at 31 July 2025	4,780	363	39	5,182
At 31 July 2024	5,184	334	43	5,561

Included within development costs are assets under construction of £nil (2024: £1,472,000) which are not amortised.

Volution Ventilation UK Limited

Notes forming part of the financial statements
for the year ended 31 July 2025 (*continued*)

10 Right of use assets and lease liabilities

Right of use assets

	Land & buildings £'000	Fixtures, fittings, tools, equipment and vehicles £'000	Total £'000
<i>Cost</i>			
At 1 August 2024	14,519	2,257	16,776
Additions	—	721	721
Modification and other	3,658	—	3,658
Expiration and disposal of leases	(1,085)	(32)	(1,117)
As at 31 July 2025	17,092	2,946	20,038
<i>Accumulated Depreciation</i>			
At 1 August 2024	5,783	880	6,663
Charge for the year	1,071	561	1,632
Expiration and disposal of leases	(644)	(2)	(646)
As at 31 July 2025	6,210	1,439	7,649
<i>Net book value</i>			
As at 31 July 2025	10,882	1,507	12,389
As at 31 July 2024	8,736	1,377	10,113

	Land & buildings £'000	Fixtures, fittings, tools, equipment and vehicles £'000	Total £'000
Lease liabilities			
At 1 August 2024	9,751	1,290	11,041
Additions to lease liabilities	—	721	721
Modification and other	2,834	(411)	2,423
Expiration and disposal of leases	(290)	—	(290)
Interest expense	286	64	350
Lease payments	(1,541)	(1,042)	(2,583)
As at 31 July 2025	11,040	622	11,662
<i>Analysis</i>			
Current	1,453	514	1,967
Non-current	9,587	108	9,695
As at 31 July 2025	11,040	622	11,662

The following are amounts recognised in the statement of comprehensive income:

	2025 £'000	2024 £'000
Depreciation expense of right-of-use assets (cost of sales)	1,071	1,313
Depreciation expense of right-of-use assets (administrative expenses)	561	563
Interest expense	350	237

Volution Ventilation UK Limited

Notes forming part of the financial statements
for the year ended 31 July 2025 (*continued*)

11 Tangible assets

	Land & buildings £'000	Plant & machinery £'000	Fixtures, fittings, tools, equipment and vehicles £'000	Total £'000
<i>Cost</i>				
At 1 August 2024	4,478	6,979	5,725	17,182
Additions	60	313	1,078	1,451
Disposals	—	(103)	(1,264)	(1,367)
As at 31 July 2025	4,538	7,189	5,539	17,266
<i>Accumulated Depreciation</i>				
At 1 August 2024	1,104	2,393	2,217	5,714
Charge for the year	188	722	769	1,679
Disposals	—	(103)	(1,207)	(1,310)
As at 31 July 2025	1,292	3,012	1,779	6,083
<i>Net book value</i>				
As at 31 July 2025	3,246	4,177	3,760	11,183
At 31 July 2024	3,374	4,586	3,508	11,468

Land with net book value of £1,636,000 (2024: £1,636,000) included within land and buildings is freehold.

12 Inventories

	2025 £'000	2024 £'000
Raw materials and consumables	8,162	8,108
Work in progress	390	308
Finished goods and goods for resale	7,907	7,725
	16,459	16,141

13 Trade and other receivables

	2025 £'000	2024 £'000
Trade receivables	26,343	23,488
Amounts owed by group undertakings	15,729	11,358
Prepayments	3,147	1,463
Other receivables	378	1,365
	45,597	37,674

Amounts owed by group undertakings are interest-free, unsecured and are repayable on demand or have contractual maturities of less than 12 months.

Volution Ventilation UK Limited

Notes forming part of the financial statements for the year ended 31 July 2025 (continued)

14 Trade and other payables

	2025 £'000	2024 £'000
Trade payables	14,176	10,682
Amounts owed to group undertakings	14,668	12,392
Sales tax and social security taxes payable	4,358	4,478
Other payables	1,147	578
Accruals	4,642	3,190
	38,991	31,320

Amounts owed to group undertakings are interest-free, unsecured and are repayable on demand, or have contractual maturities of less than 12 months.

15 Provisions for liabilities

	Product warranties £'000	Property dilapidations £'000	Total £'000
At 1 August 2024	605	366	971
Arising during the year	1,330	6	1,336
Utilised	(1,337)	—	(1,337)
	598	372	970
At 31 July 2025	598	372	970
Analysis			
Current	598	—	598
Non-current	—	372	372
	598	372	970

Volution Ventilation UK Limited

Notes forming part of the financial statements
for the year ended 31 July 2025 (*continued*)

16 Deferred tax

	1 August 2024 £'000	Prior year adjustments £'000	Charge/ (credit) to income £'000	31 July 2025 £'000
Fixed assets	2,398	(41)	9	2,366
Temporary differences	(107)	120	(13)	—
	<u>2,291</u>	<u>79</u>	<u>(4)</u>	<u>2,366</u>
Deferred tax liability				

	1 August 2023 £'000	Prior year adjustments £'000	Charge to income £'000	31 July 2024 £'000
Fixed assets	2,298	(129)	229	2,398
Temporary differences	48	(165)	10	(107)
Losses	(27)	27	—	—
Research and development expenditure	(18)	18	—	—
	<u>2,301</u>	<u>(249)</u>	<u>239</u>	<u>2,291</u>
Deferred tax liability				

17 Called up Share capital

	2025 £'000	2024 £'000
<i>Authorised, called up and fully paid</i>		
3 ordinary shares of £1.00 each	<u>—</u>	<u>—</u>

18 Commitments

Guarantees

The Company has provided a guarantee to Volution Group plc for its share of a £230 million multicurrency "Sustainability Linked Revolving Credit Facility".

19 Controlling parties

The Company's immediate parent undertaking is Volution Ventilation Group Limited.

The parent undertaking of the largest and smallest group for which consolidated financial statements are drawn up that include the results of the Company is Volution Group plc, a public company incorporated in England and Wales. Copies of the group financial statements of Volution Group plc are available from Fleming Way, Crawley, West Sussex RH10 9YX.

The Directors consider the ultimate parent and controlling party of the Company to be Volution Group plc.

