CEPS Plc

1st July 2025

Investor Presentation FY 2024

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Contents

FY 24

Overview

CEPS PLC
Partnering for success

CEPS is a diverse trading company combining the benefits of the financial structuring of a private equity style investment with the entrepreneurial drive and flair of incentivised management teams within an AIM traded holding company

1 **Equity value:**

Acquire growing cash generative companies using vendor & shareholder loan notes with a small amount of equity. Over a period of time, the underlying companies repay the loan notes using their own cashflow, resulting in a large increase in the value of the equity

2 **Growing investments:**

Providing capital growth by the re-rating of underlying companies through steadily growing profits (both organic and acquisitive growth) and aggressive repayment of the acquisition debt

3 **Reliable income**

Provide a robust and steadily growing dividend stream from an increasing number of growing, profitable and cash generative companies

Investment Philosophy

Our approach differs from the traditional private equity model:

- *We do not fund acquisitions through excessive debt*
- *The portfolio will not be primed for short term exit strategies*

The key to our philosophy is our focus on businesses ideally valued at between **£2m and £10m**

Main Glass — **> £20m**

- Higher value corporate businesses with access to capital from Venture Capital firms, private equity houses etc

Stem — **£2m - £20m**

- Profitable and growing businesses which struggle to attract capital
- Off the radar screen of the larger private equity houses

Base — **< £2m**

- Smaller businesses where requirements for equity can be met by support from friends, family and associates

Target companies

There are significant opportunities amongst the companies that can be found in the ‘stem’ of the glass which have the potential to produce the following:

- *Significant cash generation and capital repayment*
- *A robust and steadily growing dividend stream*

Growth Strategy

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Portfolio Companies

Enhance	Grow
• Utilise CEPS' team experience to refine growth strategy • Provide support to subsidiary company management during transition periods • Recurring performance analysis identifying business development opportunities • Implement disciplined approach to financial and operational reporting	• Profitability improvement through organic growth ➢ increase market share within existing markets ➢ cost efficiencies, with a focus on operational automation ➢ identify adjacent growing markets that can be targeted ➢ synergies between portfolio companies • Growth through bolt-on acquisitions ➢ competitive market position ➢ earnings accretive ➢ complimentary to existing businesses model ➢ cash generative ➢ low/phased capital expense with debt and deferred consideration to de-risk ➢ certainty of execution and speed to completion

Growth Strategy

CEPS Group – long term strategy to provide value to shareholders contains six pillars

1. **Increase earnings per share** – increase profits of subsidiaries
2. **Increase earnings per share** – share buybacks in Plc
3. **Loan stock repayment** – Some CEPS loan stock rank ahead of other vendor loan notes
4. **Bolt-on acquisitions** – self funded accretive M&A in subsidiaries
5. **Increase equity ownership in subsidiaries**
6. **3rd party purchase of a core "platform" subsidiary**

The Group

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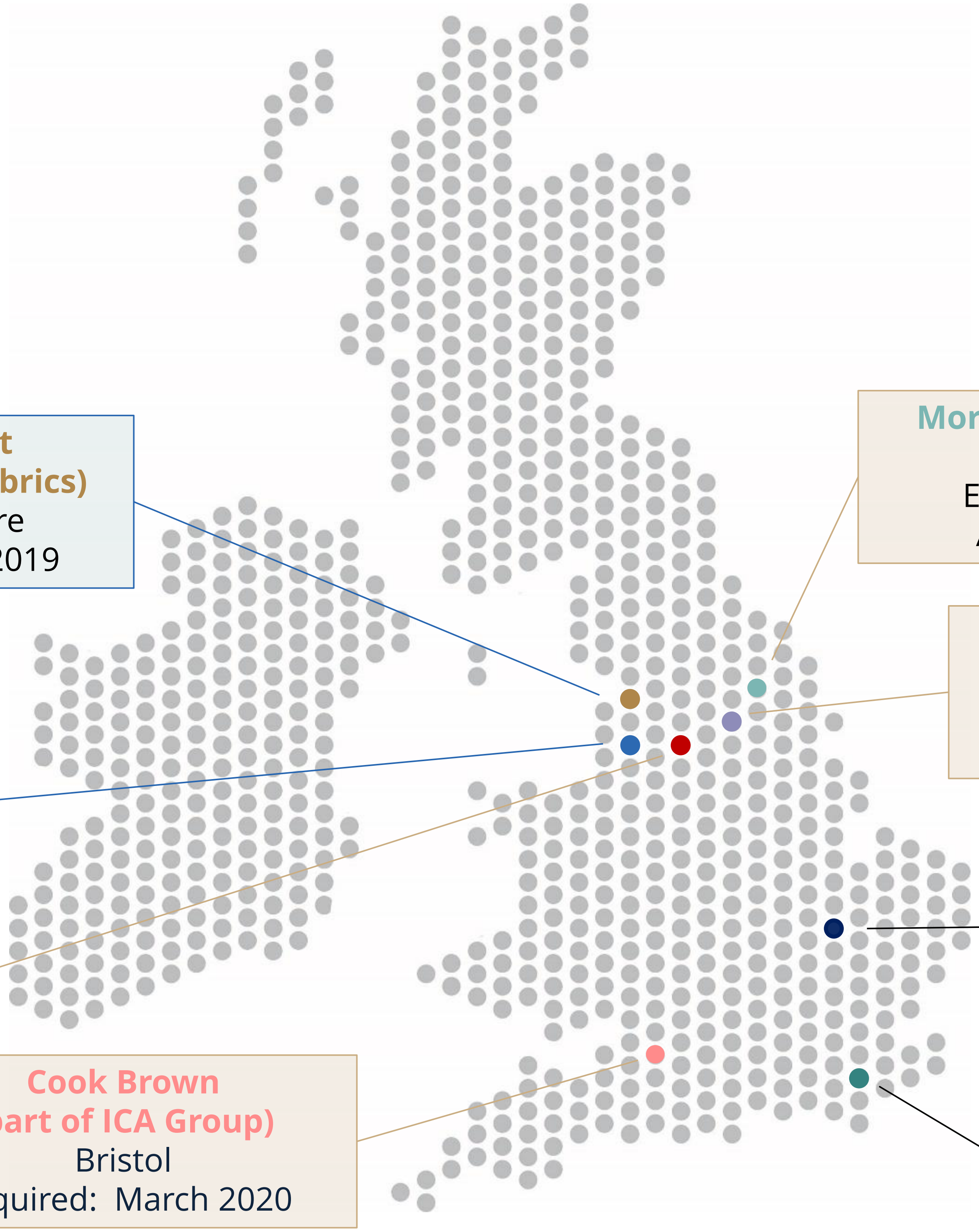
Underlying companies are regional businesses spread across the UK



Milano Pro-Sport
(part of Signature Fabrics)
Preston, Lancashire
Acquired: October 2019

Friedman's
(part of Signature Fabrics)
Altrincham, Cheshire
Acquired: January 2005

Align
(part of ICA Group)
Cheadle, Manchester
Acquired: April 2025

Cook Brown
(part of ICA Group)
Bristol
Acquired: March 2020

Morgan Lambert & Qualitas
(part of ICA Group)
Escrick, North Yorkshire
Acquired: March 2021

Hickton Quality Control
(part of ICA Group)
Elsecar, South Yorkshire
Acquired: January 2016

Impact
(part of Aford Awards)
Harpenden, Hertfordshire
Acquired: April 2022

Aford Awards
Maidstone, Kent
Acquired: November 2014

Subsidiaries

AS AT 31/12/2024

Aford Awards	Location	Maidstone, Kent
	Employees	44
	Business Activities	Sports trophies, promotional goods and engravings
	Revenue	£3.7m
	EBITDA	£0.6m
Signature Fabrics	Location	Altringham & Preston
	Employees	55
	Business Activities	Convertor and distributor of specialist lycra; a designer and manufacturer of leotards
	Revenue	£6.9m
	EBTIDA	£0.6m
ICA Group	Location	Elsecar, Escrick, Bristol and Cheadle
	Employees	178
	Business Activities	Providers of services to the construction industry
	Revenue	£21.4m
	EBTIDA	£2.6m

FY2024 Highlights

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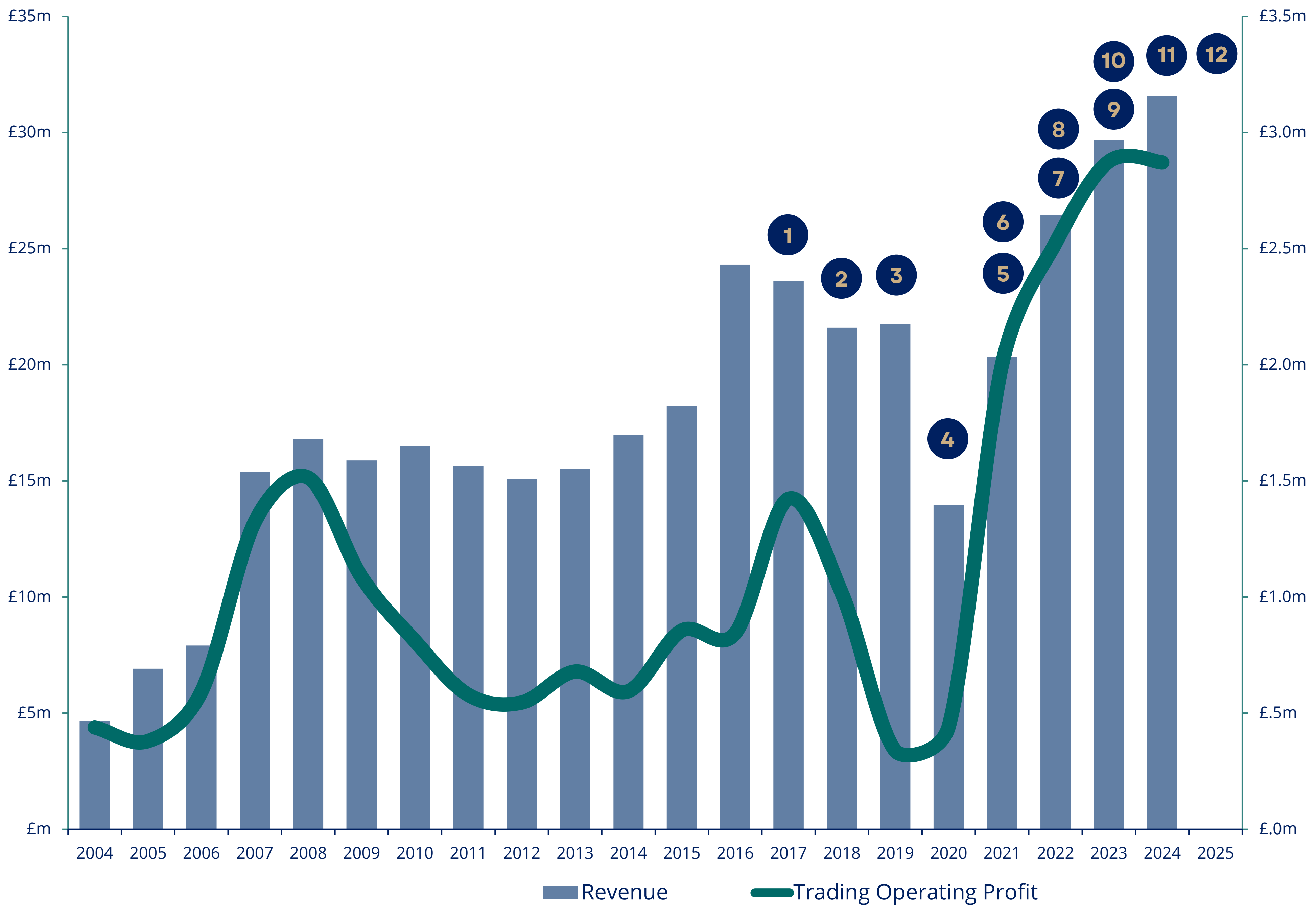
Metric	FY24	FY23
Total Revenue	£31.6m	FY23: £29.7m (+6%)
Gross Profit	£13.3m	FY23: £12.5m (+6%)
EBITDA	£3.8m	FY23: £3.7m (+2%)
Profit Before Tax	£1.7m	FY23: £1.8m (-3%)
Gearing Ratio	109%	FY23: 108% (+1%)
EPS	2.76p	FY23: 2.65p (+4%)
Sales per Employee	£113,928	FY23: £113,697 (+0.2%)
External Debt / Loans Due	76%	FY23: 115% (-39%)

Financial Overview



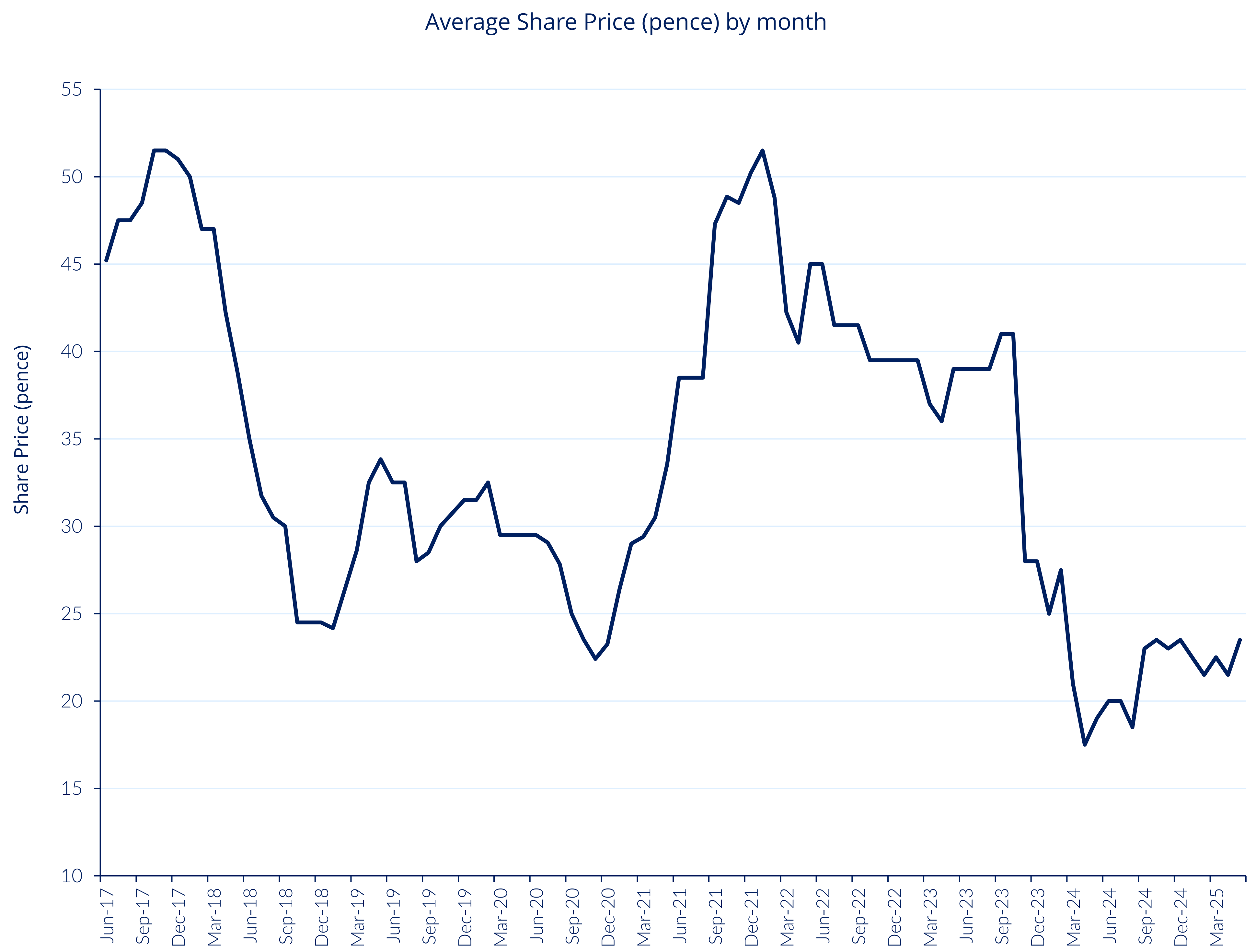
1.	2017	Exceptional profits from Friedman's
2.	2018	Administration of Sunline
3.	2019	Administration of CEM and Travelfast
4.	2020	COVID 19
5.	2021	Recovery, no write-offs
6.	2021	Acquisitions during the year
7.	2022	Impact acquisition by Aford Awards
8.	2022	Further recovery and growth
9.	2023	Pension scheme converted to full buy-out policy
10.	2023	Administration of Vale Brothers
11.	2024	Increase in CEPS's shareholding and capital reconstruction of Signature Fabrics
12.	2025	Align acquisition by ICA Group

Debt

Debt as at 31 December 2024	Altonover Enterprises	£2,000,000
	Chelverton Asset Management	£2,950,000
	Total	£4,950,000

Loans due to CEPS as at 31 December 2024	Aford Awards Group	£1,235,000
	ICA Group	£1,864,360
	Signature Fabrics	£3,387,737
	Total	£6,487,097
	Ratio (loans due to CEPS/debt)	1.31

Share Capital



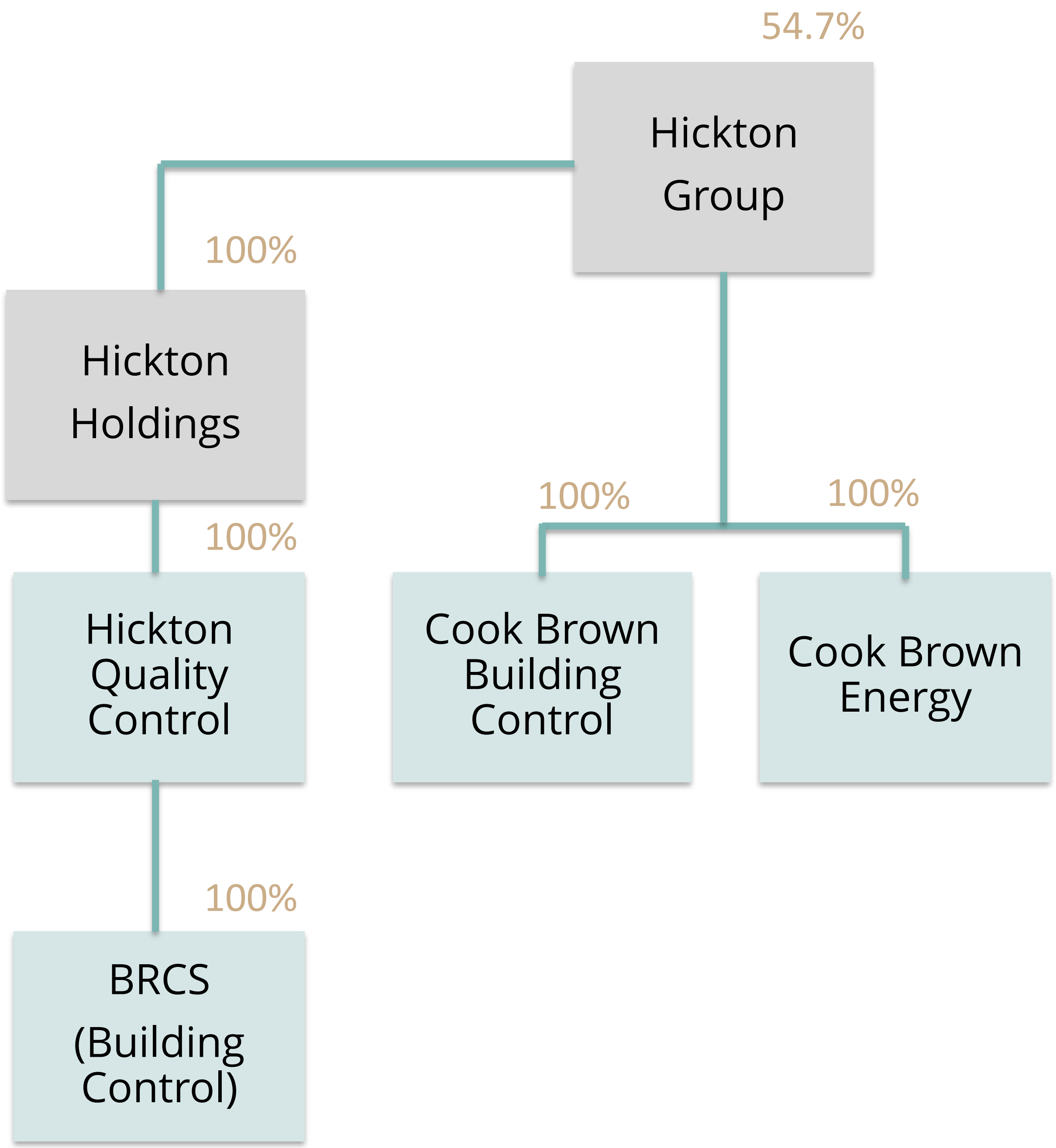
- No share issuance since September 2021
- Total shares in issue 21,000,000
- Nominal value of shares reduced from 10 pence to 0.3 pence in May 2024 as oart of Capital Reconstruction
- In process of setting up an ESOT to acquire shares on an ad hoc basis
- Longer term plan, now CEPS has positive balance on revenue reserves post capital reduction, is to buy back shares to cancel

ICA Group

Phase I: Acquisition of Hickton Consultants (now known as Hickton Quality Control): A ‘Clerk of Works’ Business

- Established in 1991
- Vendor Tony Hickton sells to Tony Mobbs, MD
- Fragmented market
- EBITDA £433,000
- Price £1.825m: EBITDA multiple of 4.2
- Vendor Loan £650,000; MD: £100,000; CEPS & Chelverton Investors £975,000
- NewCo Hickton Holdings:
  - £895,000 Loan Stock
  - 100,000 shares for £100,000
- CEPS holding in Hickton Holdings: 52.4%
- May 2017: Hickton Quality Control acquire BRCS, a building control company

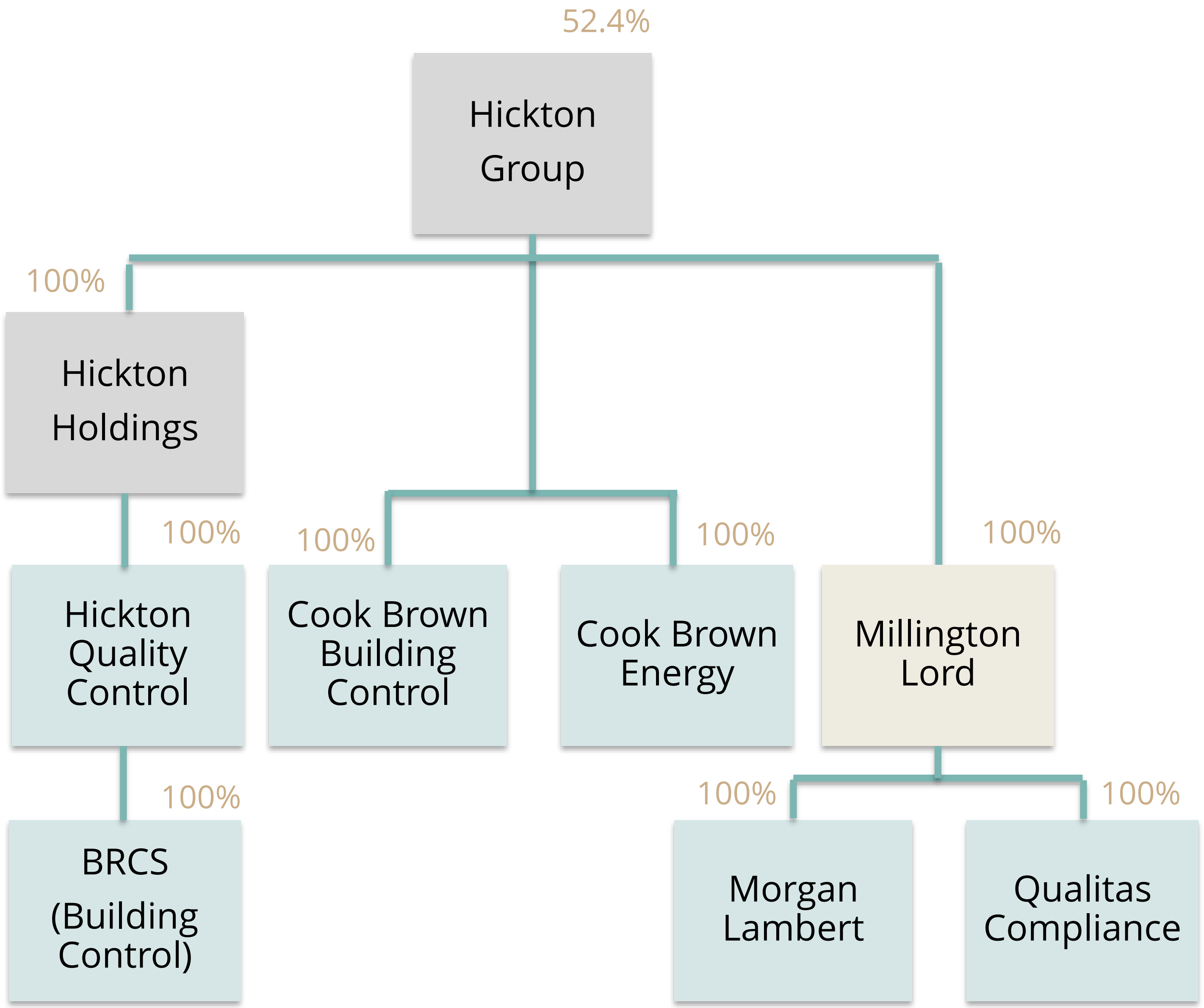
ICA Group



Phase II: Acquisition of Cook Brown Building Control: A 'Building Compliance' Company

- Established in 2013, fast growing, two principals aged 45
- March 2020: Hickton Group, a new company set up to buy Hickton Holdings and Cook Brown Building Control
- *Total payment:* *£3,530,000*
Cash: *£1,870,000*
Vendor Loan Notes: *£760,000*
Shareholder Loan Notes: *£875,000*
Share Capital: *£25,000*
- CEPS holding in Hickton Group: 54.7%

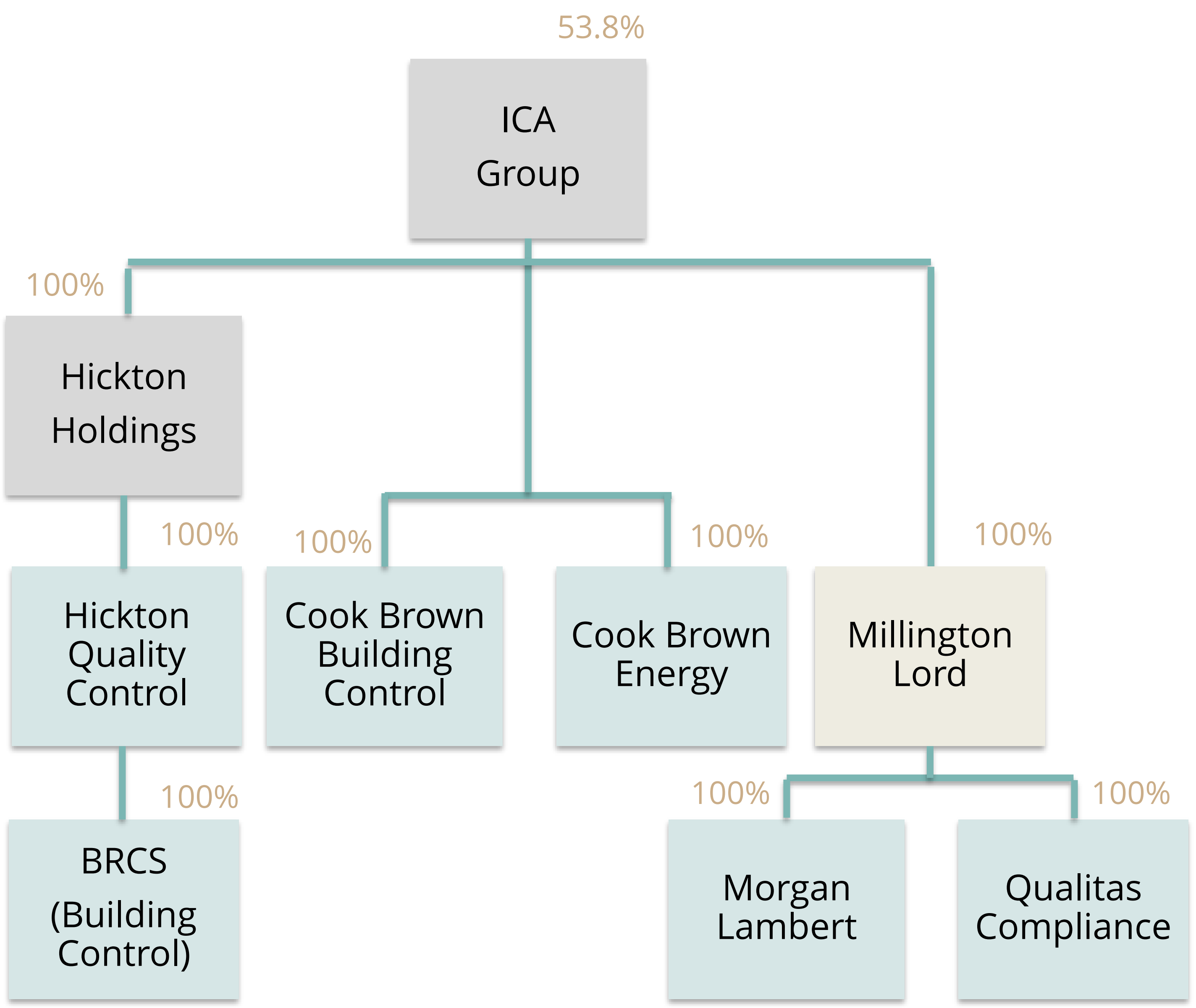
ICA Group



Phase III: Acquisition of Millington Lord: A 'Gas & Electrical Safety Consultancy, providing Auditing, Consulting and Training Services' Company

- *Maximum purchase price:* *£1,100,000*
  On completion: *£700,000*
  Deferred: *£300,000*
  Subject to performance: *£100,000*
- June 2021: CEPS invested another £143,640, made up of £3,990 into equity of Hickton Group and £139,650 in loan stock
- CEPS holding in Hickton Group reduced to 52.4%

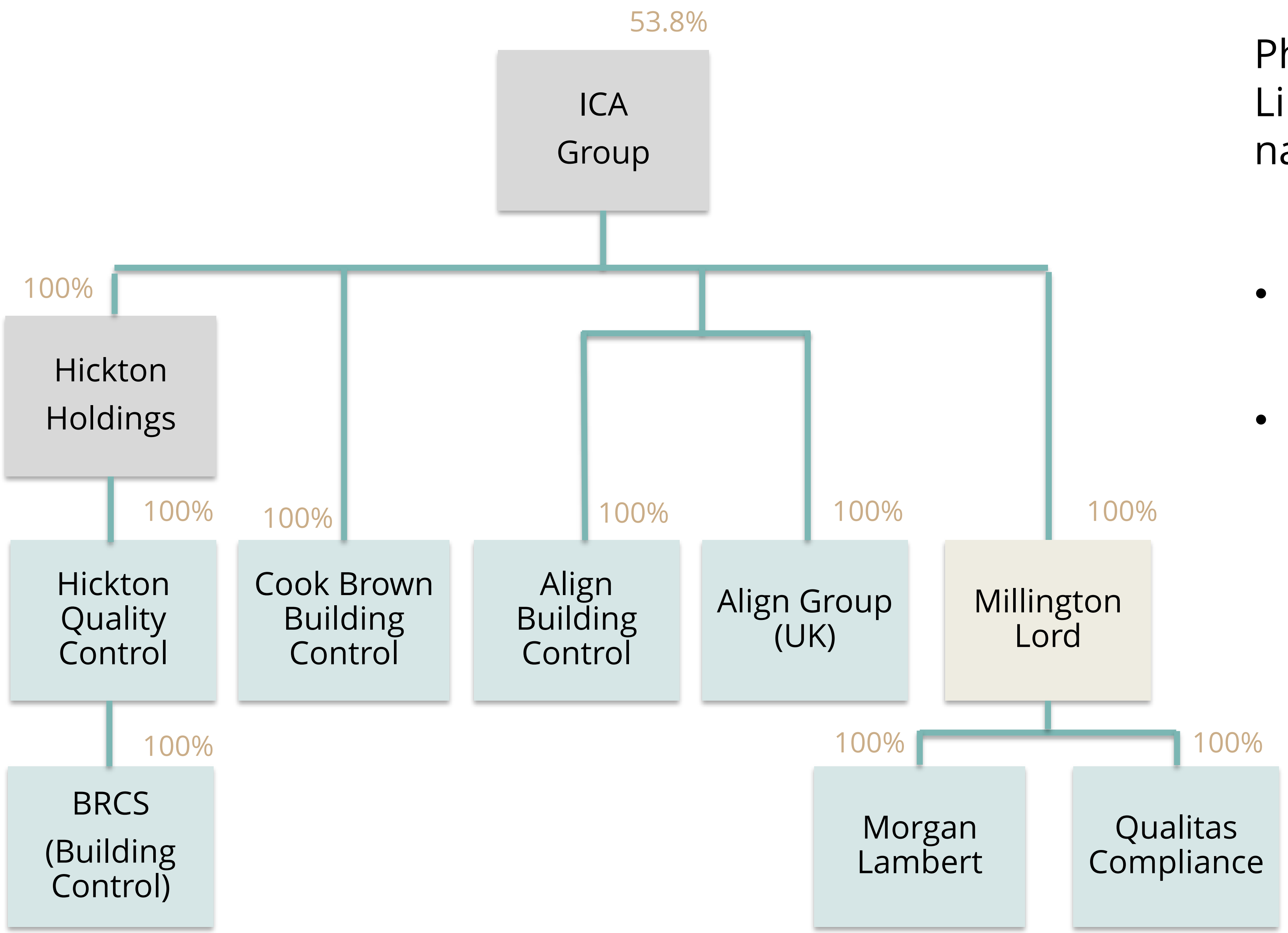
ICA Group



Phase IV: Purchase of Additional Shares and Loan Stock from a Retiring Employee

- July 2023: CEPS invested another £58,509, made up of £1,625 into equity of Hickton Group and £56,884 in loan stock
- CEPS holding in Hickton Group increased to 53.8%
- Hickton Group changed name to ICA Group in January 2025

ICA Group



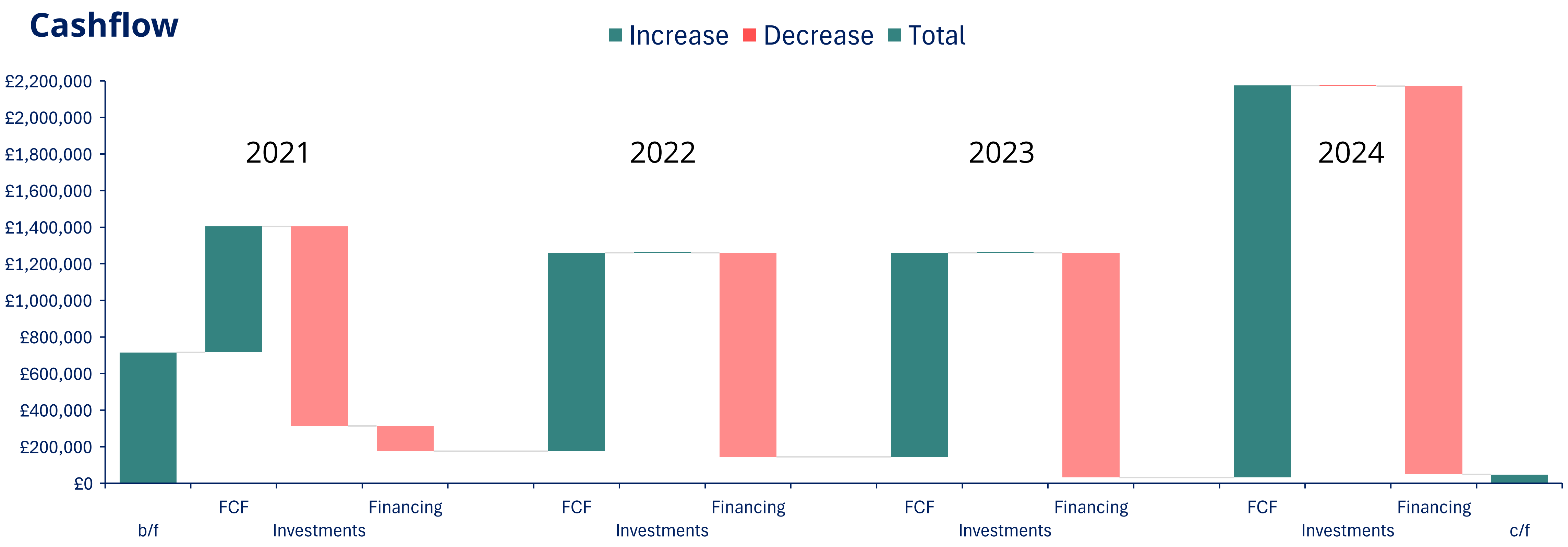
Phase V: Acquisition of Align Building Control Limited and Align Group (UK) Limited ('Align'), a group of building compliance companies operating nationally but with particular reach in the North of England

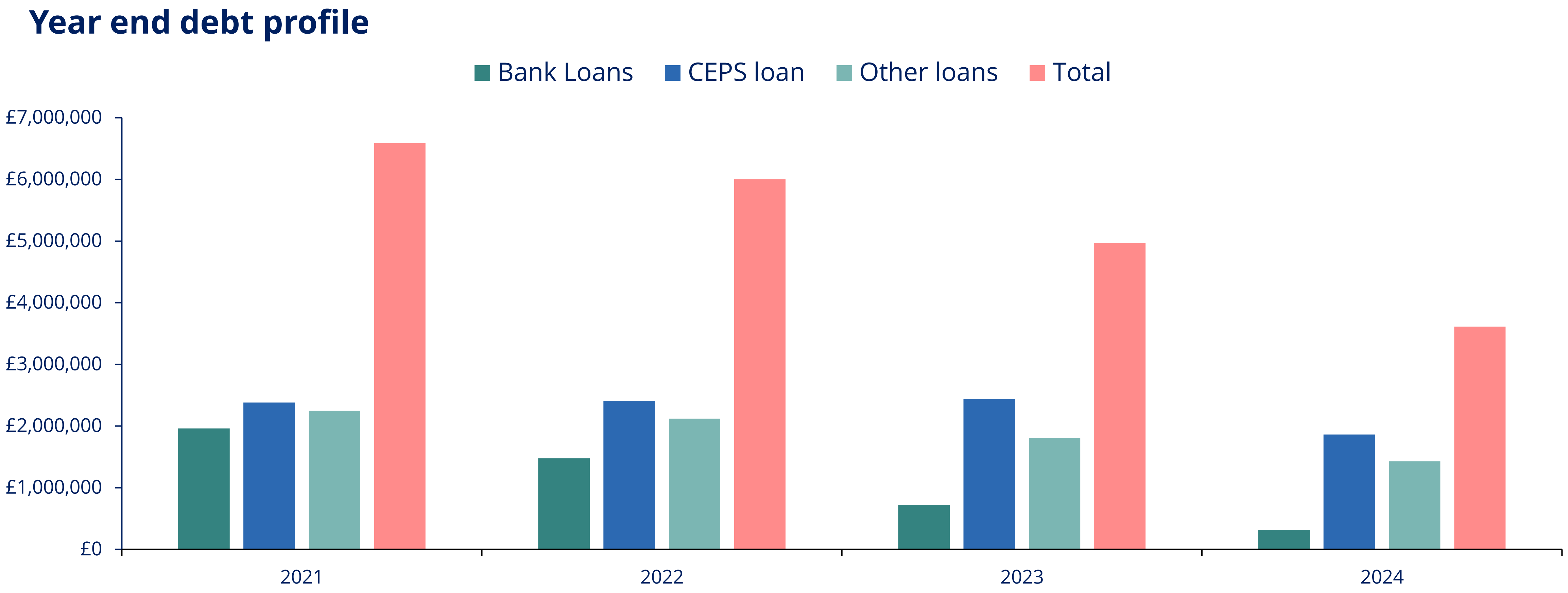
- April 2025: ICA Group purchases Align, with FY24 revenue of £1.25m and PBT of c.£260k
- *Total Consideration:* *£1,186,350*
  Cash at Completion: *£898,921*
  Deferred Payment: *£287,429*

Case study: ICA Cashflow & Debt

An example of CEPS' investment strategy is illustrated in the two adjacent graphs:

- Graph 1 illustrates the high free cash flow that ICA generates servicing its existing debts (shown in graph 2)
- Once all the debt has been paid down with ICA's free cash flow, ICA will more easily be able to fund further M&A from its own cashflow and the valuation of CEPS' equity holding will be dramatically increased





Outlook

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1 — Increase EPS

Expected increase in the profits of the three subsidiaries

2 — Increase EPS

Share buybacks and cancellation

3 — Bolt-on acquisitions

Self funded accretive acquisitions in each of the subsidiaries

4 — Loan stock repayment

Some CEPS loan stock rank ahead of other vendor loan notes

5 — Increase equity ownership in subsidiaries

Through transactions such as Signature Fabrics acquisition in October 2024

6 — Third party offer to purchase a subsidiary

As our subsidiaries grow their profits, they will attract interest from potential purchasers

OUR TEAM

Our team combines a wealth of experience in small company investments across fund management, corporate finance, equity sales and accounting. The team is dedicated to growing underlying portfolio investments and maxmising CEPS' shareholder value

David Horner
Founder & Chairman

Vivien Langford
Finance Director

Charlie Beeson
Business Development Manager

Kevin Allen
Non-Executive Director

David Johnson
Non-Executive Director

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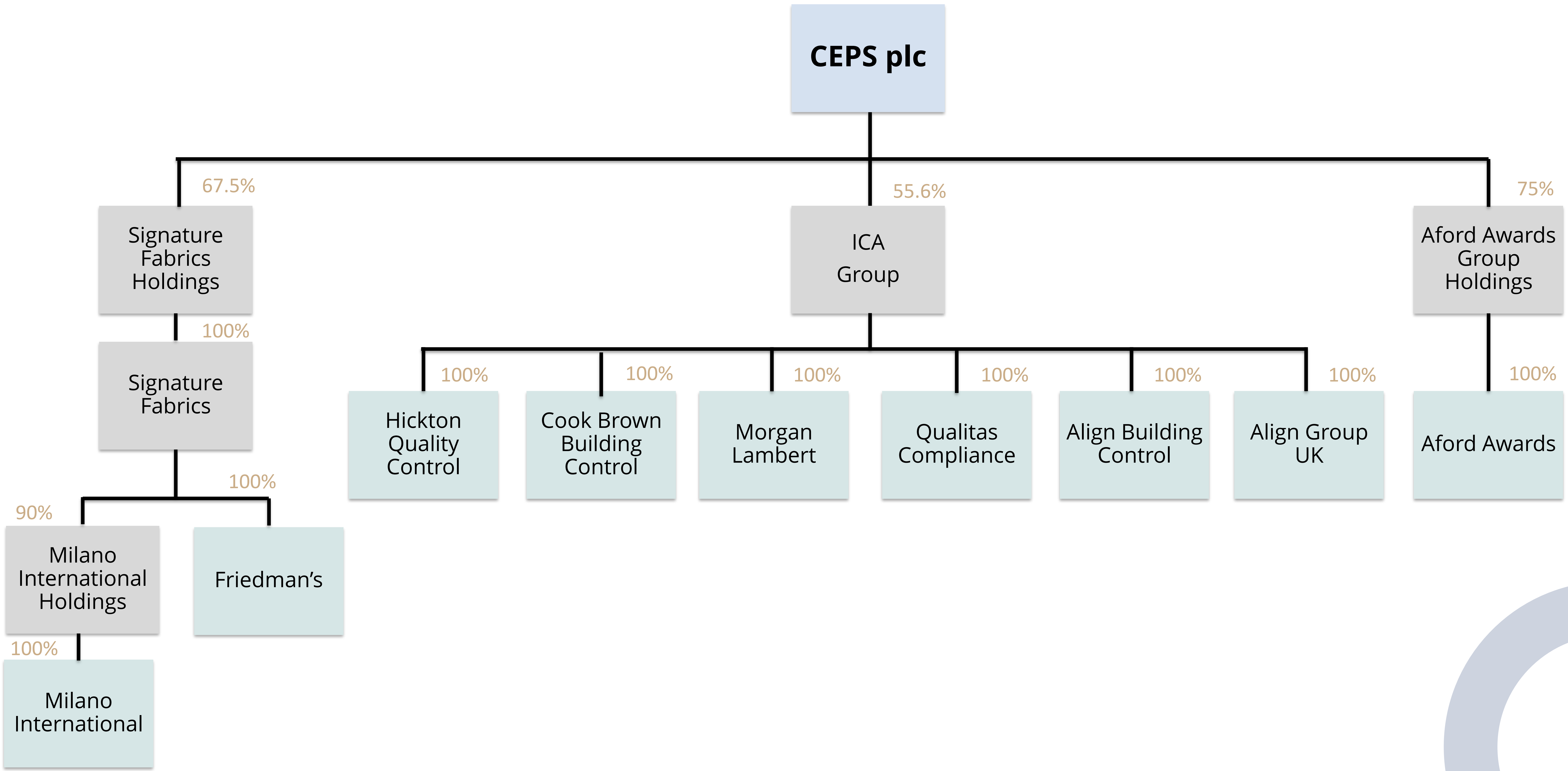
Organisational Structure

Appendix I



Restructuring of the Group

Date	Event
June 2018	Removal of loss-making Sunline by way of Administration
October 2019	Acquisition of Milano International by Signature Fabrics, the parent company of Friedman’s
January 2020	Removal of the loss making CEM Group of Companies by way of administration
March 2020	Acquisition of Cook Brown Building Control and Cook Brown Energy by Hickton Group and reorganisation of the capital structure and modest increase in CEPS shareholding
September 2020	Change of management, increase in CEPS’ shareholding and capital reconstruction of Aford Awards
December 2020	Merger of Davies Odell and Vale Brothers and revised capital structure of the new holding company for these companies
March 2021	Acquisition of the Millington Lord Group of Companies by the Hickton Group
September 2021	Acquisition of business and assets of three small bolt-on businesses by Aford Awards
April 2022	Acquisition of business and assets of Impact Promotional merchandise by Aford Awards
October 2023	Vale Brothers into administration
October 2024	Increase in CEPS’s shareholding and capital reconstruction of Signature Fabrics
April 2025	Acquisition of Align Building Control and Align Group (UK) by the ICA Group (renamed from Hickton Group)

Major Shareholders

Appendix III

SHAREHOLDER	NUMBER OF SHARES	% HOLDING
DAVID HORNER AND FAMILY	6,299,000	29.99
MARK THISTLETHWAYTE AND FAMILY	3,000,000	14.29
ALTONOVER ENTERPRISES	1,000,000	4.76
IONIC INVESTMENTS SA	968,539	4.61
MARK POLLARD	705,376	3.36
BARNARD NOMINEES	645,000	3.07
	12,617,915	60.09
FURTHER 200 SHAREHOLDERS	8,382,085	39.91
TOTAL	21,000,000	100.00