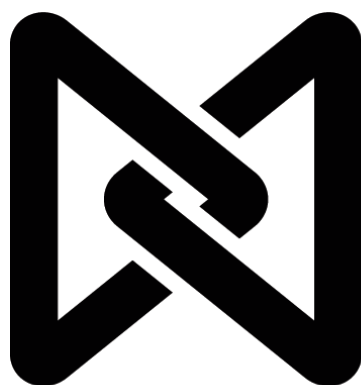


CEPS^{PLC}



Half-Yearly Report
to Shareholders 2026

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Chairman's Statement

Shareholders will be aware from my statement in the Annual Report 2025, published in May of this year, of the radical changes that have taken place in CEPS PLC over the past few months. These have, unfortunately, made these accounts almost unreadable. I will endeavour to highlight to shareholders the most important points, and the indicators of strategy, value creation and of course future value.

Macro overview

If one only reads the mainstream media, one could be forgiven for thinking that, of all the developed countries in the world, the United Kingdom is the only one facing the problems of being a developed nation with an ageing population.

The problems facing the United Kingdom ('UK') are well documented. Too much government spending as compared to government revenues, resulting in increasing debt on which higher interest is having to be paid to attract lenders. Coupled with this, the current tax burden in the UK is the highest it has been since the Second World War. In addition, a greater part of the UK debt, as compared to other comparable nations, is inflation linked and, consequently, with a stubbornly high level of inflation, this is further raising our costs of servicing it.

As I said in the Annual Report 2025 in May, the only solution to the 'doom loop' we are heading towards is to reduce government spending and, simultaneously, cut taxes for individuals and businesses. In addition, we must do everything possible to remove all indirect costs on companies and make it easier to do business in the UK. During the interminable Brexit farrago, the concept of London becoming 'Singapore on Thames' was both applauded and decried in equal measure. Having recently visited Singapore and seen the place at work and aware of the economics behind it, the aspiration was, I believe, correct and should, as Mr Burnham would say, be extended to every post code!

The UK has recently got a new Prime Minister, Mr Andrew Burnham, to replace Sir Keir Starmer. About the only

memorable thing about Mr Burnham is that he studied English at University rather than the 'usual' Philosophy, Politics and Economics ('PPE')! The problem for Mr Burnham is that all the issues facing Sir Keir Starmer and Rachel Reeves remain, must still be faced and ultimately resolved.

The inexorable rise in the minimum wage and the continued rise in the cost of employing people, in particular those under 21 years of age, has been a serious headwind for the CEPS companies, in common with all other employers in the UK. When the alternative available is to purchase products produced more cheaply in the Far East, it is little wonder that there has been a process of deindustrialisation in the UK. Only when the cost of employing people in the UK is corrected and the cost of doing business in the UK is reduced, such that it is comparable to other European countries, will we be able to consistently grow the economy.

In this period under review our companies have had to manage their way through the full impact of the Employer's National Insurance increase, the reduction in the threshold for National Insurance and the significant rise in the National Minimum Wage. These impact the remuneration of every employee in a company, as of course differentials need to be maintained.

Review of the period

This period has been dominated by the disposal of the ICA Group in March. We instigated the sales process in June 2025, and completion was eventually concluded in March 2026.

Sadly, in July we decided to place Milano Pro-Sport ('Milano') into voluntary liquidation, and I will set out why we took this decision later in this report.

Whilst we were expecting to receive the proceeds from the sale of the ICA Group it was difficult, and probably pointless, to start any meaningful planning until the quantum and the timing of arrival of the cash received was known. Since then, we have been working on several projects, some of which we now expect to come to fruition.

Chairman's Statement continued

Operational review

Aford Awards

In a difficult market, Aford Awards has continued to grow its business. I have reported in previous statements about the development and innovation taking place in the company, and this continues.

Now that the final acquisition payment in respect of the purchase of the business and assets of Impact Promotional Merchandise has been made and the company has continued to generate profits and, therefore, free cash, it has been able to commence the repayment of its outstanding loan notes.

The company remains focused on identifying attractive 'bolt-on' acquisitions and has, with recent experience, developed a process and structure to facilitate the integration of future acquisitions to maximise return on investment.

Friedman's and Milano International

Friedman's, also operating in a difficult market, has made modest progress in the first six months. The major problem area remained Milano.

Milano, a manufacturer of gymnastic leotards, was acquired in October 2019. The business was a customer of Friedman's, and this commercial relationship had been longstanding.

The timing of the acquisition, in hindsight, could not have been worse. From acquisition to the first lockdown considerable resources were applied to update all aspects of the business and to facilitate its ability to grow. Sadly, with a great relaunch planned for mid-April 2020, the UK went into Covid lockdown and, of course, the entire client base were prohibited from attending gyms.

Milano did not recover from this body blow for some time. However, with considerable time and effort from the team at Friedman's, Milano was heading back to profitability in 2024. Unfortunately, the changes to National Insurance instigated by Rachel Reeves in the October 2024 Budget and the extraordinary rise in the National Minimum Wage over several years, and in particular in April 2025, escalated costs in Milano in 2025 and drove it back into a loss-making position.

Simultaneously, the sourcing of lower quality but much cheaper products from China by other small distribution companies captured a growing share of the market.

The Board concluded that UK manufacture was no longer viable and a liquidator was appointed in July 2026. Further information is included in note 10 – Post balance sheet event and closure of operation.

ICA Group ('Inspection, Compliance and Audit')

These results include two months trading from the ICA Group until its sale in early March 2026.

We were delighted with the value achieved in the sale process. This is a good company, with a strong management team operating in a growing sector that is being consolidated.

The investment and acquisition model that was used with the ICA Group/Hickton Group will be adapted and developed for the future growth strategy of the Aford Awards Group.

Financial review

Sales for the Group for the first six months of 2026 were £8.998m as compared to 2025 of £16.817m. Obviously 2025 included six months of the ICA Group and 2026 only included two months.

Aford Awards generated revenue of £2.232m for the first six months of 2026 compared to £2.217m for the same period in 2025. The segmental result, presented as EBITDA, was £433,000 in H1 2026 compared to £417,000 in the same period in the previous year.

Revenue from Friedman's was £2.143m in H1 2026 compared to £2.103m in H1 2025. The segmental result, presented as EBITDA, was £282,000 in H1 2026 compared to £237,000 in the same period in the previous year.

The results for the ICA Group and Milano are not discussed here as they will not form part of the Group going forwards.

The operating profit for CEPS Group was £35,000 compared to £1.354m in H1 2025. However, this is of course comparing 'apples and pears' and is not comparable in any way.

Chairman's Statement continued

Net finance costs have reduced period-on-period from £403,000 in H1 2025 to £192,000 in H1 2026. The reduction is because the cash received on the sale of the ICA Group was used to repay outstanding CEPS debt in March 2026 and the balance placed on deposit to produce an interest receipt.

The sale of the ICA Group produced an exceptional profit for CEPS of £11.058m.

Profit after tax for the period was £10.857m. Any comparison with the prior year would be meaningless.

The equity value on the balance sheet has increased from £4.057m – 19.32p per share, to £12.509m – 59.6p per share. Probably more important is the fact that cash has increased to £9.742m – 46.4p per share.

Debt

The two loans of £2.00m and £2.95m outstanding at 31 December 2025, plus accrued interest, were repaid when the cash was received for the sale of the ICA Group and the balance of the funds, some £8.64m, was placed on deposit.

Whilst CEPS has no external debt at this time, the Board does not preclude the possibility that in the future some debt may be taken on to finance the development of further opportunities.

Dividend

The Board remains keen to recommence the payment of dividends after a very long period of non-payment. The corporate entity of CEPS PLC, because of the significant profits made on the sale of The ICA Group, now has significant revenue reserves such that the Board can consider buying back shares and cancelling them and also paying dividends. Currently the Board's favoured option of returning cash to shareholders is to buy back shares and to cancel them for the benefit of all shareholders.

Share capital

There has been no share issuance, or share cancellation, in the current year and, therefore, the issued share capital remains at 21,000,000 shares, as it has since September 2021.

Reporting on the progress of the six business drivers

1. Increase in the profits of the two subsidiaries

In tough markets Aford Awards and Friedman's have produced a small increase in EBITDA.

2. Self-funded 'bolt-on deals' in each of the subsidiaries in the manner that has occurred over the past five years

None in the period.

3. Repayment of loan stocks from the subsidiaries, absent any acquisitions

Given the problems at Friedman's and Milano, there have been only modest repayments of loan instruments.

Aford Awards repaid all the outstanding loan notes due to Jon Ford, the previous managing director.

In addition, some other loan instruments held by CEPS and the management team were repaid.

4. Increase in CEPS' shareholdings in its subsidiary companies

No change in this period.

5. Share buy backs and cancellation

CEPS is not yet in a position to commence a share buy-back programme, but the Board continues to regard share buy-backs as an attractive means of deploying capital where appropriate.

6. Offer to buy a subsidiary

As has been said above, the sale of The ICA Group, representing some two thirds of the CEPS Group, took place in March 2026.

Whilst we are now in a development phase, it is very unlikely that there will be another disposal for several years.

Prospects

In a tough macro environment, the Board was pleased with the significant value created by the disposal of the ICA Group. The cash generated for CEPS from the disposal has enabled the £4.95m of outstanding loans to be repaid.

Chairman's Statement continued

Aford Awards has produced a resilient performance with strong cash generation. Whilst Friedman's continues to struggle, all the team's energy and effort will be focused on improving its performance, now that Milano has been removed.

Market commentators expect inflation to rise modestly over the next six months, driven by heightened energy costs, and then to decline sharply. Once there is evidence of this, the Bank of England is expected to recommence reducing the bank interest rate.

The commercial world is yet again waiting on a Budget. The return to modest growth in the European trading bloc, coupled with the stated aim of this new government to grow the economy, by helping businesses grow and improve productivity, will hopefully see the macro position improve.

The Board has clear objectives as to how the CEPS Group will develop from this point and will be setting these out over the next few months. The Board is confident that, over the next few years, these steps will create future increases in the value of the ordinary shares.



David Horner
Chairman
16 September 2026

Consolidated Statement of Comprehensive Income

		Unaudited 6 months to 30 June 2026		
	Note	Continuing operations £'000	Discontinued operations £'000	Total £'000
Revenue	3	5,115	3,883	8,998
Cost of sales		(3,093)	(2,097)	(5,190)
Gross profit		2,022	1,786	3,808
Impairment of goodwill		(263)	–	(263)
Administration expenses		(2,001)	(1,509)	(3,510)
Operating (loss)/profit	3	(242)	277	35
Analysis of operating (loss)/profit				
Trading subsidiaries before exceptional costs		57	349	406
Exceptional costs	2	(47)	(72)	(119)
Group net costs		(252)	–	(252)
		(242)	277	35
Profit on disposal of subsidiary		–	11,058	11,058
Finance income		64	–	64
Finance costs		(227)	(29)	(256)
(Loss)/profit before tax		(405)	11,306	10,901
Taxation		13	(57)	(44)
(Loss)/profit and total comprehensive (expense)/income for the period		(392)	11,249	10,857
Total comprehensive (expense)/income attributable to:				
Owners of the parent		(223)	11,204	10,981
Non-controlling interests		(169)	45	(124)
		(392)	11,249	10,857
(Loss)/earnings per share attributable to owners of the parent during the period				
basic and diluted (pence)	4	(1.06)p	53.4p	52.3p

The notes on pages 11 to 15 form part of the half-yearly results.

Consolidated Statement of Comprehensive Income

(prior year)

		Unaudited 6 months to 30 June 2025		
	Note	Continuing operations £'000	Discontinued operations £'000	Total £'000
Revenue	3	5,287	11,530	16,817
Cost of sales		(3,300)	(6,338)	(9,638)
Gross profit		1,987	5,192	7,179
Administration expenses		(1,965)	(3,860)	(5,825)
Operating profit	3	22	1,332	1,354
Analysis of operating profit				
Trading subsidiaries before exceptional costs		234	1,377	1,611
Exceptional costs	2	–	(45)	(45)
Group net costs		(212)	–	(212)
		22	1,332	1,354
Finance income		–	2	2
Finance costs		(257)	(148)	(405)
(Loss)/profit before tax		(235)	1,186	951
Taxation		13	(289)	(276)
(Loss)/profit and total comprehensive (expense)/income for the period		(222)	897	675
Total comprehensive (expense)/income attributable to:				
Owners of the parent		(198)	524	326
Non-controlling interests		(24)	373	349
		(222)	897	675
(Loss)/earnings per share attributable to owners of the parent during the period				
basic and diluted (pence)	4	(0.94)p	2.49p	1.55p

The notes on pages 11 to 15 form part of the half-yearly results.

Consolidated Statement of Financial Position

		Unaudited as at 30 June 2026 £'000	Audited as at 31 December 2025 £'000	Unaudited as at 30 June 2025 £'000
	Note			
Assets				
Non-current assets				
Property, plant and equipment		679	726	926
Right-of-use assets		1,041	1,227	1,849
Intangible assets		3,631	3,976	13,085
		<u>5,351</u>	<u>5,929</u>	<u>15,860</u>
Current assets				
Inventories		1,857	1,913	2,068
Trade and other receivables		1,070	802	5,396
Corporation tax recoverable		7	28	–
Cash and cash equivalents		9,742	1,108	1,552
		<u>12,676</u>	<u>3,851</u>	<u>9,016</u>
Current assets excluding assets classified as held for sale		12,676	3,851	9,016
Assets relating to disposal group classified as held for sale		–	12,735	–
		<u>–</u>	<u>12,735</u>	<u>–</u>
Total current assets		12,676	16,586	9,016
Total assets	3	18,027	22,515	24,876
Equity				
Capital and reserves attributable to owners of the parent				
Called up share capital	6	63	63	63
Retained earnings		13,032	2,011	2,788
		<u>13,095</u>	<u>2,074</u>	<u>2,851</u>
Non-controlling interest in equity		(586)	1,983	2,416
		<u>–</u>	<u>1,983</u>	<u>2,416</u>
Total equity	3	12,509	4,057	5,267
Liabilities				
Non-current liabilities				
Borrowings		1,373	4,393	6,983
Lease liabilities		699	900	1,446
Trade and other payables		35	43	215
Provisions		442	400	412
Deferred tax liability		191	204	325
		<u>2,740</u>	<u>5,940</u>	<u>9,381</u>
Current liabilities				
Borrowings		135	2,412	3,218
Lease liabilities		436	451	564
Trade and other payables		1,819	1,469	4,704
Current tax liabilities		388	298	1,742
		<u>2,778</u>	<u>4,630</u>	<u>10,228</u>
Total current liabilities excluding liabilities relating to disposal group classified as held for sale		2,778	4,630	10,228
Liabilities relating to disposal group classified as held for sale		–	7,888	–
		<u>–</u>	<u>7,888</u>	<u>–</u>
Total current liabilities		2,778	12,518	10,228
Total liabilities	3	5,518	18,458	19,609
Total equity and liabilities		18,027	22,515	24,876

The notes on pages 11 to 15 form part of the half-yearly results.

Consolidated Statement of Cash Flows

	Unaudited 6 months to 30 June 2026 £'000	Unaudited 6 months to 30 June 2025 £'000
Cash flows from operating activities		
Profit for the financial period	10,857	675
Adjustments for:		
Depreciation and amortisation	384	463
Impairment of goodwill	263	–
Profit on disposal of subsidiary group	(11,058)	–
Loss on disposal of fixed assets	–	1
Share-based payment charge	72	–
Net finance costs	192	403
Taxation charge	44	276
Changes in working capital		
Movement in inventories	56	278
Movement in trade and other receivables	(861)	(758)
Movement in trade and other payables	443	552
Movement in provisions	42	–
Cash generated from operations	434	1,890
Corporation tax paid	(198)	(283)
Net cash generated from operating activities	236	1,607
Cash flows from investing activities		
Interest received	64	1
Acquisition of businesses and subsidiaries net of cash acquired including deferred consideration paid (note 9)	(11)	(833)
Proceeds on disposal of subsidiary group shares (net of costs and £139,000 of cash balances disposed of, note 8)	12,208	–
Loan to disposal subsidiary group repaid	1,270	–
Purchase of property, plant and equipment	(32)	(83)
Purchase of intangible fixed assets	(53)	(115)
Net cash generated from/(used in) investing activities	13,446	(1,030)
Cash flows from financing activities		
Purchase of subsidiary shares from minority holders	–	(374)
Proceeds from borrowings	311	2,585
Loan issue costs paid	–	(62)
Repayment of borrowings	(5,206)	(1,179)
Interest paid	(207)	(400)
Lease liability payments	(245)	(272)
Net cash flow (used in)/from financing activities	(5,347)	298
Net increase in cash and cash equivalents	8,335	875
Cash and cash equivalents at the beginning of the period	1,407	677
Cash and cash equivalents at the end of the period	9,742	1,552

The notes on pages 11 to 15 form part of the half-yearly results.

Consolidated Statement of Changes in Equity

	Share capital £'000	Retained earnings £'000	Attributable to owners of the parent £'000	Non- controlling interest £'000	Total equity £'000
At 1 January 2025 (audited)	63	2,754	2,817	2,149	4,966
Profit and total comprehensive income for the financial period	–	326	326	349	675
Changes in ownership interest in subsidiaries (note 7)	–	(292)	(292)	(82)	(374)
At 30 June 2025 (unaudited)	63	2,788	2,851	2,416	5,267
Loss and total comprehensive expense for the period	–	(1,063)	(1,063)	(362)	(1,425)
Changes in ownership interest in subsidiaries	–	166	166	(166)	–
Share-based payments	–	120	120	95	215
At 31 December 2025 (audited)	63	2,011	2,074	1,983	4,057
Profit and total comprehensive income for the financial period	–	10,981	10,981	(124)	10,857
Share-based payments	–	40	40	32	72
Sale of subsidiary (note 8)	–	–	–	(2,477)	(2,477)
At 30 June 2026 (unaudited)	63	13,032	13,095	(586)	12,509

The notes on pages 11 to 15 form part of the half-yearly results.

Notes to the Financial Information

1. General information

CEPS PLC (the 'Company') is a company incorporated and domiciled in England and Wales. The Company is a public company limited by shares, which is admitted to trading on the AIM market of the London Stock Exchange. The address of the registered office is 11 Laura Place, Bath BA2 4BL.

The registered number of the Company is 00507461.

This condensed consolidated half-yearly financial information was approved by the directors for issue on 16 September 2026.

This condensed consolidated half-yearly financial information does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2025 were approved by the Board of directors on 11 May 2026 and delivered to the Registrar of Companies. The report of the auditor on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

This condensed consolidated half-yearly financial information is unaudited and has not been reviewed by the Company's external auditors.

Basis of preparation

This condensed consolidated half-yearly financial information for the six months ended 30 June 2026 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The condensed consolidated half-yearly financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2025, which have been prepared in accordance with IFRS as adopted by the United Kingdom.

Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2025 and with those to be applied for the year ending 31 December 2026, as described in the 2025 annual financial statements. There are no new standards or interpretations expected to be adopted in 2026 that would have a significant impact on the financial statements.

2. Exceptional items

In the period to 30 June 2026, the Group incurred £47,000 of professional fees in respect of an acquisition that did not proceed, together with £72,000 of share-based payment charges in the discontinued subsidiary group. In the prior period £45,000 of acquisition costs were expensed in the discontinued subsidiary group.

3. Segmental analysis

The chief operating decision maker of the Group is its Board. Each operating segment regularly reports its performance to the Board which, based on those reports, allocates resources to and assesses the performance of those operating segments. The results for Milano, formerly combined with Friedman's, are now shown separately as part of continued operations as the directors were assessing its viability and monitoring this separately from Friedman's with the company closed shortly after the period end.

Operating segments and their principal activities are as follows:

Continuing:

- Aford Awards, an engraving and colour print company specialising in the personalisation of sports and corporate awards;
- Friedman's, a convertor and distributor of specialist lycra; and
- Milano International (trading as Milano Pro-Sport), a designer and manufacturer of leotards.

Discontinued:

- ICA Group, comprising Hickton Quality Control, Cook Brown Building Control, Cook Brown Energy, Align Building Control, Morgan Lambert and Qualitas Compliance, providers of services in the construction industry.

Group costs, assets and liabilities are not allocated to segments as they represent costs incurred at Head Office level together with related assets and liabilities which are primarily funding balances which support the investments in the trading subsidiary groups.

The United Kingdom is the main country of operation from which the Group derives its revenue and operating profit and is the principal location of the assets of the Group. The Group information provided below, therefore, also represents the geographical segmental analysis. Of the £8,998,000 (2025: £16,817,000) of revenue, £8,283,000 (2025: £16,113,000) is derived from UK customers.

The Board assesses the performance of each operating segment by a measure of adjusted earnings before interest, tax, depreciation and amortisation and Group costs. Other information provided to the Board is measured in a manner consistent with that in the financial statements.

Notes to the Financial Information

3. Segmental analysis

continued

i) Results by segment

Unaudited 6 months to 30 June 2026

	Continuing			Discontinued ICA	Total
	Aford	Friedman's	Milano	Group	
	£'000	£'000	£'000	£'000	£'000
Revenue	2,232	2,143	740	3,883	8,998
Expenses excluding exceptional costs	(1,752)	(1,861)	(850)	(3,489)	(7,952)
Impairment of goodwill	–	–	(263)	–	(263)
Exceptional costs	(47)	–	–	(72)	(119)
Segmental result (EBITDA)	433	282	(373)	322	664
Depreciation and amortisation charge	(87)	(60)	(4)	(16)	(167)
IFRS 16 depreciation charge	(53)	(124)	(4)	(29)	(210)
Group costs (including depreciation)					(252)
Profit on disposal of subsidiary group					11,058
Net finance costs					(192)
Profit before taxation					10,901
Taxation					(44)
Profit for the period					10,857

Unaudited 6 months to 30 June 2025

	Continuing			Discontinued ICA	Total
	Aford	Friedman's	Milano	Group	
	£'000	£'000	£'000	£'000	£'000
Revenue	2,217	2,103	967	11,530	16,817
Expenses excluding exceptional costs	(1,800)	(1,866)	(1,067)	(10,017)	(14,750)
Exceptional costs	–	–	–	(45)	(45)
Segmental result (EBITDA)	417	237	(100)	1,468	2,022
Depreciation and amortisation charge	(86)	(49)	(4)	(67)	(206)
IFRS 16 depreciation charge	(53)	(124)	(5)	(68)	(250)
Group costs (including depreciation)					(212)
Net finance costs					(403)
Profit before taxation					951
Taxation					(276)
Profit for the period					675

Notes to the Financial Information continued

3. Segmental analysis continued

ii) Assets and liabilities by segment

Unaudited as at 30 June

	Segment assets		Segment liabilities		Segment net assets/(liabilities)	
	2026	2025	2026	2025	2026	2025
	£'000	£'000	£'000	£'000	£'000	£'000
Continuing:						
Aford Awards	3,990	4,300	(1,511)	(1,857)	2,479	2,443
Friedman's	4,320	4,619	(3,325)	(3,366)	995	1,253
Milano	475	2,255	(210)	(262)	265	1,993
Discontinued:						
ICA Group	–	12,859	–	(8,649)	–	4,210
Continuing unallocated:						
CEPS Group	9,242	843	(472)	(5,475)	8,770	(4,632)
Total – Group	18,027	24,876	(5,518)	(19,609)	12,509	5,267

4. Earnings per share

Basic earnings per share is calculated on the profit after taxation for the period attributable to owners of the Company of £10,981,000 (2025: £326,000) and on 21,000,000 (2025: 21,000,000) ordinary shares, being the weighted number in issue during the period.

5. Net cash/(debt) and gearing

Gearing ratios at 30 June 2026, 30 June 2025 and 31 December 2025 are as follows:

	Group unaudited 30 June 2026 £'000	Group unaudited 30 June 2025 £'000	Group audited 31 December 2025 £'000
Total borrowings	(1,508)	(10,201)	(9,465)
Less: acquisition loan notes	1,068	2,340	2,340
Less: cash and cash equivalents	9,742	1,552	1,407
Net cash/(debt)	9,302	(6,309)	(5,718)
Total equity	12,509	5,267	4,057
Gearing ratio	n/a	120%	141%

In order to provide a more meaningful gearing ratio, total borrowings are the sum of bank borrowings and third-party debt, excluding loan notes used to finance the Group's acquisitions. At 30 June 2026, following the sale of the ICA subsidiary group, the Group had net cash and therefore had no gearing ratio for borrowings.

6. Share capital and premium

	Number of shares	Share capital £'000	Share premium £'000	Total £'000
At 30 June 2025 and 30 June 2026	21,000,000	63	–	63

Notes to the Financial Information continued

7. Equity reserve movements In 2025 the Company's subsidiary, ICA Group Limited, purchased and cancelled 3,500 of its minority held ordinary shares for £374,000, which was considered to be the market value of the shares at that date. There was a release from non-controlling interests in respect of the corresponding proportion of net assets in the subsidiary, resulting in a net debit to Group shareholders' equity of £126,000.

8. Disposal of subsidiary group On 6 March 2026, the Company sold its shareholdings in ICA Group Limited for a cash consideration, net of disposal fees, of £12,347,000. A consolidated profit on disposal of £11,058,000 arose as follows:

	£'000	£'000
ICA net assets on disposal:		
Goodwill	7,135	
Other intangible fixed assets	587	
Tangible fixed assets	176	
Right of use assets	431	
Debtors	4,715	
Cash	139	
Borrowings	(4,400)	
Creditors	(4,279)	
Corporation tax	(202)	
Lease liabilities	(454)	
Deferred tax	(82)	
		3,766
Less: non-controlling interests		(2,477)
Profit on disposal of subsidiary group		11,058
		<u>12,347</u>
Net cash proceeds		
		<u>12,347</u>

9. Prior period business combination On 1 April 2025, the Company's subsidiary, ICA Group Limited, acquired Align Building Control Limited and Align Building (UK) Limited which provide a range of building inspector services in the construction sector. The acquisition had the following provisional effect on the Group's assets and liabilities.

	Book value £'000	Fair value adjustments £'000	Fair value £'000
Intangible assets – customer assets	–	133	133
Property, plant and equipment	3	–	3
Cash and cash equivalents	154	–	154
Receivables	154	–	154
Payables	(271)	–	(271)
Borrowings	(25)	–	(25)
Corporation tax	7	–	7
Deferred tax	–	(33)	(33)
			<u>122</u>
Goodwill			1,355
			<u>1,477</u>
Consideration payable			
			<u>1,477</u>

The cash outflow, net of cash acquired, at the date of acquisition was £745,000. £118,000 of consideration was settled by the issue of loan notes and £460,000 of deferred consideration is payable over a period of three years, with £22,000 paid in the period to 30 June 2025. The deferred consideration has not been discounted on the basis of materiality.

Notes to the Financial Information continued

10. Post balance sheet event and closure of an operation

On 16 July 2026 a subsidiary, Milano International Limited, was placed into a creditors' voluntary liquidation as it was considered that it was no longer commercially viable for this company to continue trading. In accordance with IFRS 5 (*Non-current Assets Held for Sale and Discontinued Operations*), as the closure occurred after 30 June 2026, the results, net assets and liabilities are included at 30 June 2026 on a trading basis with the results presented as part of continuing operations. The goodwill in respect of Milano was, however, fully impaired down to £nil by a further £263,000 charge and any further costs of the closure will be reflected in the full year results to December 2026 because it was a non-adjusting post balance sheet event.

11. Related-party transactions

During the period the Company entered into the following transactions with its subsidiary groups:

	Aford Awards Group Holdings Limited £'000	Signature Fabrics Holdings Limited £'000	ICA Group Limited £'000
Loan note interest receivable			
6 months to 30 June 2026	37	129	18
6 months to 30 June 2025	37	107	62
Management charge income receivable			
6 months to 30 June 2026	10	17	5
6 months to 30 June 2026	10	18	12
Amount owed to the Company			
30 June 2026	1,210	3,455	–
30 June 2025	1,235	3,354	1,255

The Company is under the control of its shareholders and not any one individual party.

Statement of Directors' Responsibility

The directors confirm that, to the best of their knowledge, these condensed consolidated half-yearly financial statements have been prepared in accordance with IAS 34 as adopted by the United Kingdom. The interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, alongside a fair review of material related-party transactions that have taken place during the period and any material changes in the related-party transactions described in the last Annual Report.

A list of current directors is maintained on the CEPS PLC website: www.cepsplc.com.

By order of the Board

A handwritten signature in black ink, appearing to read 'D. Horner', with a small dot below it.

David Horner
Chairman
16 September 2026