

Power Probe PLC
2025 Preliminary Results

Pivotal year delivering strong financial performance and accelerated strategic delivery

Power Probe ("**Power Probe**", the "**Group**" or the "**Company**"), a leading producer of automotive electrical diagnostic tools for professional service technicians, today reports its preliminary results for the year ended 31 December 2025 ("**FY25**")¹.

2025 Financial Highlights

- Revenue of \$39.4 million, an increase of 25.7% (2024: \$31.3 million)
 - Revenue from new products of 34.8% (2024: 15.5%)²
- Adjusted EBITDA³ of \$9.0 million, an increase of 6.7% (2024: \$8.4 million)
- Adjusted EBITDA margin of 22.9% (2024: 26.9%)
- Gross margin of 40.0% (2024: 44.5%)
- Cash of \$15.3 million (2024: \$2.1m) including \$13.0 million net IPO proceeds

Strategic and Operational Highlights

- Successfully completed IPO on the London Stock Exchange's AIM in December 2025, raising gross proceeds of approximately \$15 million, to support future growth plans
- Six new products launched during the year, each designed to meet increasingly sophisticated technician requirements in a rapidly evolving diagnostics landscape
- Adoption of Power Probe products in major car manufacturers' dealership programmes including newly opened strategic accounts with Ford, Hyundai, Honda and Toyota
- Opening of our new distribution facility in Nuneaton, UK to facilitate expansion initially into the UK and selected European markets

Dividend

- Initial dividend of 2.16 cents (1.60 pence) per ordinary share, to be declared and announced separately
- This initial dividend will carry an ex dividend date of 7 May, with payment no later than 29 May
- Going forwards, the Board will declare interim and final dividends in line with a progressive dividend policy which reflects the long-term earnings and cashflow potential of the Group whilst maintaining an appropriate level of dividend cover

Outlook

Trading in the first quarter of 2026 has been encouraging and in line with management's expectations. We continue to make good progress on the execution of our strategy, launching four new products in the year-to-date and securing product in the programmes of new manufacturers and dealerships including GM and Stellantis. Our Nuneaton distribution centre, opened in 2025, is now fully operational and building strong customer and sales momentum.

The Group is reliant on seaborne and airborne transport for the import of its products from Asia into the US and Europe, with seaborne transport typically crossing the Pacific Ocean and passing through the Panama Canal. These routes have not suffered any significant dislocation as a result of the conflict in the Middle East during the first quarter of our financial year 2026 and as such we have not experienced any material impact on our operations to date.

The launch of our manufacturing facility in the USA will increase our operational flexibility as well as opportunities for longer-term growth in both top line and in margin. We anticipate that this will also strengthen the Group's innovation pipeline and expand production closer to the Group's key US market.

Chema Garcia, Chief Executive Officer, commented:

"We're pleased to have delivered a strong financial and operational performance in FY25, alongside the successful AIM IPO in December. Our revenue performance was driven by continued product innovation and supported by further growth into new markets, reflecting the significant strategic progress made during the year.

We enter 2026 with strong momentum and enthusiasm for the opportunity ahead. While we continue to monitor potential implications from the conflict in the Middle East, our operations remain unaffected and trading in the first quarter of 2026 has been in line with expectations.

We have a clear strategy for growth centred on continued product innovation, expansion into new markets and territories, and investment into our Charlotte, N.C. facility to develop our first "Made in USA" product. Supported by strong structural market growth drivers, our IPO has provided an expanded platform from which to continue to deliver against these initiatives and create long-term, sustainable growth."

1 The financial information is presented unaudited, the annual report and accounts are expected to be finalised shortly and no changes are expected to these results as part of the audit finalisation.

2 Revenue from products launched in the last three years (excluding private brands)

3 Adjusted EBITDA is a non-GAAP measure defined as EBITDA (operating profit before depreciation and amortisation) adjusted to exclude non-underlying, non-recurring items, specifically IPO related expenses, one-off litigation costs and IFRS 2 share-based payment charges

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CONTACT DETAILS

Power Probe

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Fabio Medina, Chief Financial Officer
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About Power Probe

Power Probe is a leading producer of automotive electrical diagnostic tools for professional service technicians.

The Group was founded in 1992 in California, USA, and has grown to become an internationally renowned brand, designing and distributing over 120 products. It is driven by a relentless focus on product quality, continuous innovation and customer care, as captured in its mission statement: "Simplifying Automotive Diagnostics".

CHAIRMAN'S STATEMENT

Introduction

I am pleased to present Power Probe PLC's inaugural Annual Report and Accounts following our successful admission to trading on the London Stock Exchange's AIM Market in December 2025. Our IPO marks a pivotal point in our corporate journey, which began in 1992. Raising \$15 million of primary capital will accelerate our growth opportunity through investment in new manufacturing facilities, enhancing our product development and speed to market with launching new products and technologies, and elevating the profile of the Power Probe brand.

Since 1992, Power Probe has grown to become an internationally renowned brand and a leading producer of automotive electrical diagnostic tools for professional service technicians. Our aim is to deliver sustainable, profitable growth and drive long term value for our employees, our partners and our shareholders through executing on our core mission of *Simplifying Automotive Diagnostics*. Our growth strategy is based on three primary objectives: continued product innovation; diversifying and strengthening of our supply chains under our 'Made in USA' brand; and entry into new markets and verticals.

We benefit from strong underlying market trends of non-cyclical car parc growth, the increasing average age of vehicles within the global car parc and increasing vehicle complexity. All of these provide a positive supporting tailwind as we move into 2026 and beyond.

Product innovation

Our growth in 2025 has been supported by continuous innovation, both in incremental advancements made to existing product lines and the development of new products, incorporating new technologies. We believe there is a significant opportunity to accelerate innovation in new products within our niche. A number of new product initiatives are currently underway, and we expect several of those to come to market during the course of 2026.

Investing in 'Made in USA'

The addition of US production to complement our existing supply chain will leverage the extensive experience of our management team to realise further operational efficiencies. The investment in new manufacturing assets in our Charlotte, N.C. facility will strengthen our innovation pipeline and expand production capacity closer to our key US market. We see a significant opportunity arising out of this initiative as we move towards launching our first 'Made in USA' product to the US market. We look forward to updating shareholders on our progress here during the course of 2026.

New markets and verticals

Whilst approximately 95% of our revenue was generated from the US market in 2025, we see significant opportunities in new territories. In 2025 we marked a major milestone with the opening of our distribution facility in Nuneaton to facilitate further expansion into the UK and selected European markets. The Directors have also identified opportunities for expansion into new geographies within well-established markets, including Canada, Mexico and Latin America.

During the year we established several accounts with major car manufacturers, incorporating our products into their dealership programmes. This is a new market for Power Probe and one we believe has the potential to be a significant source of growth in the near future. The Group is also exploring the potential for additional verticals for its specialised products, such as military automotive fleets, boating maintenance and repair, and the global car rental fleet.

Board and Governance

The Board was strengthened in advance of the Company's IPO with the appointment of experienced independent and executive directors to ensure that the Company operates to high standards of governance. The Board has been constituted in line with the principles of the Quoted Companies Alliance Corporate Governance Code, which we believe provides an appropriate balance between robust governance whilst maintaining the entrepreneurial culture that has underpinned Power Probe's success to date.

Cynthia Alers, an Independent Director with extensive experience in finance, governance and strategy, chairs both the Audit & Risk Committee and the Remuneration Committee. Jackie Ip as Non-Executive Director brings deep industry expertise in electrical measurement and diagnostic tools, currently serving as Chair and CEO of Precision Mastech Enterprises, having previously co-founded the MGL Group alongside our CEO, Chema Garcia.

Colin Fielding joined the Board as an Independent Director, contributing more than two decades of experience in strategic planning and business transformation across automotive and industrial testing businesses, including

Bosch Automotive Service Solutions, SPX Flow and Snap-on Inc. Fabio Medina joined the Board as Chief Financial Officer and Executive Director. I am pleased to welcome my fellow Board members and look forward to working with them as we guide Power Probe through its next stage of growth.

Dividend policy

The Board has adopted a progressive dividend policy which reflects the long-term earnings and cashflow potential of the Group whilst maintaining an appropriate level of dividend cover.

Conclusion

Our successful admission to AIM marks the next chapter in Power Probe's growth, and I am very proud to help guide the company through the opportunities ahead. I would like to thank our shareholders for their support, especially those new shareholders who have joined us on this journey, as well as our employees and partners who have been and will continue to be an essential part of our success.

M Sherwin
Chairman

CHIEF EXECUTIVE OFFICER'S REPORT

Introduction

I am delighted to present Power Probe's results for the 2025 financial year, which marked a milestone year for the Group. Our strategy continues to deliver results: we are driving revenue growth, broadening our product portfolio, and strengthening our position across both established and emerging markets and territories.

As a publicly traded company, we can now utilise our listing to secure and retain top-tier engineering talent within industrial technology and research and development, whilst providing an additional route to incentivising our existing employees who have been an instrumental part of our growth journey. I am incredibly grateful for the continued hard work and dedication of all our employees across the Group, especially in this pivotal year of our IPO.

Our successful \$15m primary capital raise alongside our IPO will allow us to accelerate our strategy by opening a new manufacturing facility in the US, in turn strengthening our innovation pipeline and adding production capability closer to our core US markets. This will provide additional capacity in conjunction with our existing supply chain, which will remain strategically important as we grow our international footprint outside of the core US market.

Power Probe continues to benefit from a large, resilient and growing core market in the United States – supported by strong underlying market trends. The US accounted for \$37.5 million of revenue in 2025, representing 95.4% of the Group's total and growing 25.4% year on year. Revenue from the Rest of World segment grew by 33.6% to \$1.8 million, with activity concentrated primarily in the UK and Europe. While still a modest proportion of total Group revenue, these additional territories represent an important opportunity for growth.

Robust financial performance

The Group delivered a robust financial performance, with revenue increasing by 25.7% to \$39.4 million (2024: \$31.3 million). This growth was underpinned by sustained demand across Power Probe's core product lines and accelerating adoption of new products launched in the last three years. Gross profit increased by 13.0% to \$15.7 million (2024: \$13.9 million), adjusted EBITDA increased 6.7% to \$9.0 million (2024: \$8.4 million), with an adjusted EBITDA margin of 22.9% (2024: 26.9%)

Innovation remains a central driver of Power Probe's long-term growth strategy. In 2025, revenue growth was strongly supported by innovation within our portfolio, with new products launched in the last three years contributing 34.8% of revenue (excluding private brands), more than double the 15.5% contribution in 2024.

We are seeing increasing adoption of our products in the UK and Europe and the funds from the IPO will support our expansion into these new geographies by providing additional working capital and supporting the continued build-out of our UK distribution centre, based in Nuneaton.

\$'000s	2025	2024	Change
Revenue	39,354	31,296	+25.7%
Gross profit	15,746	13,930	+13.0%
Gross margin	40.0%	44.5%	-4.5% pts

Adjusted EBITDA *	8,996	8,434	+6.7%
Adjusted EBITDA margin	22.9%	26.9%	-4.1% pts
Revenue by geography:			
US	37,529	29,929	+25.4%
Rest of World	1,825	1,366	+33.6%
New products **	34.8%	15.5%	+19.3% pts

**Adjusted EBITDA is a non-GAAP measure defined as EBITDA (operating profit before depreciation and amortisation) adjusted to exclude non-underlying, non-recurring items, specifically IPO related expenses, one-off litigation costs and IFRS 2 share-based payment charges*

***Revenue from products launched in the last three years (excluding private brands)*

We launched six new products during the year, each designed to meet increasingly sophisticated technician requirements in a rapidly evolving diagnostics landscape. These new products were the primary engine of Group growth, reinforcing the success of our continued investment in innovation. Key new products contributing towards our top line growth included PPDRAW, PPFUSE and DM300AUTO within the parasitic draw and multimeter categories, supporting overall resilience in our core product offerings of powered circuit probes and associated testing kits.

Within our private brands business we are focused on developing new, higher margin revenue channels focused on mobile tool distributor customers, replacing low margin legacy accounts (c.15% of revenue in 2025). This marks a strategic shift as we prioritise our efforts both on Power Probe branded products and, within our private brands business, on accounts offering potential for higher margins and greater strategic growth – particularly with the mobile distributors.

During the year we opened a new market focused on major car manufacturers' dealership programmes, with the adoption of Power Probe products in multiple programmes including Ford, Hyundai, Honda and Toyota. We expect sales within this market to contribute to revenue growth across the Group in 2026, becoming an increasingly meaningful revenue stream in time. We expect these relationships and programmes to develop in conjunction with our innovation pipeline, especially in areas of focus such as diagnostics related to the growing market for electric vehicles and other areas of market need arising from the growing complexification of new cars, for example parasitic drain technologies.

	2025	2024
- Product category:		
Powered circuit probes	29.6%	39.0%
Parasitic draw meters	19.6%	9.4%
Cable tracers	10.9%	13.6%
Testing kits	10.7%	15.4%
Multimeters	6.3%	2.2%
Other	7.7%	4.1%
Private brands	15.4%	16.3%

Outlook and future prospects

Trading in the first quarter of 2026 has been encouraging and in line with management expectations. We continue to make good progress on the execution of our strategy, launching four new products in the year-to-date and securing product in the programmes of new manufacturers and dealerships including GM and Stellantis. Our Nuneaton distribution centre, opened in 2025, is now fully operational and building strong customer and sales momentum.

The Group is reliant on seaborne and airborne transport for the import of its products from Asia into the US and Europe, with seaborne transport typically crossing the Pacific Ocean and passing through the Panama Canal. These routes have not suffered any significant dislocation as a result of the conflict in the Middle East during the first quarter of our financial year 2026 and as such we have not experienced any material impact on our operations up to the date of publication of this report.

The launch of our manufacturing facility in the USA will increase our operational flexibility as well as opportunities for longer-term growth in both top line and in margin. We anticipate that this will also strengthen the Group's innovation pipeline and expand production closer to the Group's key US market.

2025 marked a pivotal year for Power Probe and we enter 2026 with continued momentum. Supported by strong

structural market growth drivers, our IPO has provided an expanded platform from which we are well positioned to continue to deliver long-term, sustainable growth.

Chema Garcia Riera
Chief Executive Officer

FINANCE REVIEW

Revenues grew to \$39.4 million, an increase of 25.7% (2024: \$31.3 million). Revenues from Power Probe branded products grew strongly by 27.2%, driven by new product launches in the year and continuing strong contributions from products launched in the last three years. Private brands contributed \$6.1 million, an increase of 18.4% (2024: \$5.1 million).

\$'000s	2025	2024	Change
Revenue by business unit:			
Power Probe branded products	33,299	26,182	+27.2%
Private brands	6,055	5,114	+18.4%

Gross margin was 40.0%, down 4.5% pts (2024: 44.5%), impacted in the year by product mix and lower margin across the private brands business unit. As noted elsewhere, the Group is strategically moving away from this legacy business as we focus on developing new, higher margin revenue opportunities in private brands. New product introductions continue to be a source of higher margin revenue, and we expect to benefit from this as our pipeline of new Power Probe branded products are released to the market.

Selling and marketing costs were \$3.9 million, up 27.2% (2024: \$3.1 million), whilst general and administrative expenses were \$6.7 million, an increase of 138.4% (2024: \$2.8 million), largely as a result of IPO-related expenses incurred during the year and additional hiring in key management positions across the Group.

\$'000s	2025	2024	Change
Revenue	39,354	31,296	+25.7%
Cost of sales	(23,608)	(17,365)	+35.9%
Gross profit	15,746	13,931	+13.0%
Gross profit margin	40.0%	44.5%	-4.5% pts
Selling and marketing expenses	(3,922)	(3,083)	+27.2%
General and administrative expenses	(6,696)	(2,809)	+138.4%
Research and development expenses	(467)	(94)	+398.8%
Operating profit	4,662	7,945	-41.3%
Finance income	4	9	-47.5%
Finance costs	(123)	(254)	-51.4%
Profit before tax	4,543	7,700	-41.0%
Tax	(1,487)	(1,948)	-23.7%
Profit after tax	3,056	5,752	-46.9%

Adjusted EBITDA was \$9.0 million, an increase of 6.7% (2024: \$8.4 million).

Adjusting items in the year comprised \$3.3 million of IPO-related expenditure (2024: nil), \$0.6 million of one-off litigation costs predominantly incurred in the second half of 2025 (2024: \$0.1m) and a small IFRS 2 charge in relation to share awards granted to employees at IPO (2024: nil).

\$'000s	2025	2024	Change
Operating profit	4,662	7,945	-41.3%
Depreciation	377	355	+6.2%
Amortisation	5	-	-
EBITDA	5,044	8,299	-39.2%
IPO related expenses	3,272	-	-
One-off litigation	640	134	+377.2%
Share based payments	40	-	-
Adjusted EBITDA*	8,996	8,434	6.7%
Adjusted EBITDA margin	22.9%	26.9%	-4.1% pts

**Adjusted EBITDA is a non-GAAP measure defined as EBITDA (operating profit before depreciation and amortisation) adjusted to exclude non-underlying, non-recurring items, specifically IPO related expenses, one-off litigation costs and IFRS 2 share-based payment charges*

Adjusted EBITDA	8,996	8,434	6.7%
Depreciation	(377)	(355)	+6.2%
Amortisation	(5)	-	-
Adjusted EBIT	8,614	8,079	+6.6%
Finance income	4	9	-47.5%
Finance costs	(123)	(254)	-51.4%
Adjusted profit before tax	8,496	7,834	+8.4%
Tax *	(2,124)	(1,958)	+8.4%
Adjusted profit after tax *	6,372	5,875	+8.4%
Adjusted EPS **	8.65 cents	7.97 cents	+8.4%

**Adjusted profit after tax is calculated using a group effective tax rate of 25%*

***Adjusted EPS is calculated using adjusted profit after tax, as defined above, and the shares in issue from the date of IPO, being 73,702,404 ordinary shares. See note 13 to the consolidated financial statement for a reconciliation of basic and diluted earnings per share on a statutory basis*

Balance sheet and cash flow

Total assets were \$32.3 million, an increase of 73.1% (2024: \$18.7 million), largely due to cash rising by \$13.1 million, including \$13.0 million of net IPO proceeds. Long-term assets increased following changes to leased facilities with right-of-use assets increasing by \$3.0 million, reflecting the renewal of the Charlotte facility lease and a new lease entered into for the UK facility in Nuneaton.

Total cash increased by \$13.1 million, ending the year at \$15.3 million (2024: \$2.1 million) and net operating cash flow was \$5.1 million, an increase of 19.7% (2024: \$4.2 million). Inventory decreased by \$3.3 million, while payables decreased by \$1.4 million due to a lower value of purchases and efficient management of inventory levels. Accounts receivable balances were broadly stable at \$5.8 million (2024: \$5.3 million) as sales increased. Finance costs were lower in the year, reflecting reduced utilisation of the revolving credit facility.

Total shareholders' equity increased by \$10.9 million following the issuance of new shares whilst retained earnings decreased by \$0.9 million, reflecting the \$4.0 million dividend paid during the first quarter of the year, prior to IPO.

Funding and facilities

On 31 October 2025, the Group entered into a new revolving line of credit agreement with Bank of America, N.A., which replaced the Group's previous line of credit facility with The PNC Financial Services Group, Inc.

The new facility offers a drawdown of up to \$8.0 million and was made available from 31 October 2025 until 30 November 2027. The interest rate applicable to the facility is the Term SOFR Daily Floating Rate plus 1.9 per cent. per annum, subject to a minimum base rate of 1.25 per cent.

The facility allows for early repayment without penalty and is secured by the Group's inventory and receivables. The agreement includes financial covenants requiring the Group to maintain an Asset Coverage Ratio of at least 1.0:1.0 and a Basic Fixed Charge Coverage Ratio of at least 1.15:1.0.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	2025 \$	2024 \$
Revenue	6	39,353,959	31,295,736
Cost of sales		(23,607,551)	(17,365,420)
Gross profit		15,746,408	13,930,316
Selling and marketing expenses		(3,921,941)	(3,083,113)
General and administrative expenses		(3,423,559)	(2,809,136)
Exceptional costs in connection with IPO		(3,272,307)	-
Research and development expenses		(466,786)	(93,581)
Operating profit	7	4,661,815	7,944,486
Finance income		4,467	8,515
Finance costs	11	(123,210)	(253,514)
Profit before tax		4,543,072	7,699,487
Income tax	12	(1,487,133)	(1,947,862)
Profit for the year		3,055,939	5,751,625
Other comprehensive income/(loss)		352,637	(3,259)
Total comprehensive income		3,408,576	5,748,366
Basic earnings per share (cents)	13	5.03	9.60
Diluted earnings per share (cents)	13	5.02	9.60

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	2025 \$	2024 \$
Assets			
Non-current assets			
Intangible assets	14	162,892	-
Property, plant and equipment	15	3,774,725	735,447
Deferred tax assets	16	777,624	816,207
		4,715,241	1,551,654
Current assets			
Inventories	17	6,120,378	9,467,132
Trade receivables	18	5,850,562	5,305,216
Other receivables and prepayments	19	361,087	198,803
Cash and cash equivalents	20	15,255,062	2,134,531
		27,587,089	17,105,682
Total assets		32,302,330	18,657,336
Equity and liabilities			
Equity			
Ordinary share capital	21	93,675	4,043,128
Deferred share capital	21	3,702,306	-
Share premium	21	13,004,716	-
Share-based payment reserve	22, 23	39,774	-

Other reserve	23	(2,880,852)	(1,580,973)
Foreign currency reserve	23	309,980	(42,657)
Retained earnings	23	5,923,545	6,867,606
Total equity		20,193,144	9,287,104
Non-current liabilities			
Lease liabilities	24	3,477,902	424,348
		3,477,902	424,348
Current liabilities			
Trade and other payables	25	7,156,459	7,366,841
Lease liabilities	24	258,239	362,457
Provisions	26	1,216,586	1,216,586
		8,631,284	8,945,884
Total liabilities		12,109,186	9,370,232
Total equity and liabilities		32,302,330	18,657,336

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Ordinary share capital \$	Deferred share capital \$	Share premium \$	Share- based payment reserve \$	Other reserve \$	Foreign currency reserve \$	Retained earnings \$	Total equity \$
At 1 January 2025	4,043,128	-	-	-	(1,580,973)	(42,657)	6,867,606	9,287,104
Comprehensive income for the year								
Profit for the year	-	-	-	-	-	-	3,055,939	3,055,939
Other comprehensive income for the year	-	-	-	-	-	352,637	-	352,637
Total comprehensive income for the year	-	-	-	-	-	352,637	3,055,939	3,408,576
Transactions with owners								
Removal of old capital structure	(4,043,128)	-	-	-	4,043,128	-	-	-
Issue of shares on share-for-share exchange	3,777,863	-	-	-	(3,777,863)	-	-	-
Subdivision of shares	(3,702,306)	3,702,306	-	-	-	-	-	-
Issue of shares for cash	18,118	-	13,004,716	-	-	-	-	13,022,834
Dividends paid	-	-	-	-	-	-	(4,000,000)	(4,000,000)
Movement on other reserve	-	-	-	-	(1,565,144)	-	-	(1,565,144)
Share-based payments	-	-	-	39,774	-	-	-	39,774
Total transactions with owners	(3,949,453)	3,702,306	13,004,716	39,774	(1,299,879)	-	(4,000,000)	7,497,464
At 31 December 2025	93,675	3,702,306	13,004,716	39,774	(2,880,852)	309,980	5,923,545	20,193,144

	Ordinary share capital \$	Other reserve \$	Foreign currency reserve \$	Retained earnings \$	Total equity \$
At 1 January 2024	4,043,128	(2,288,516)	(39,398)	1,115,981	2,831,195
Comprehensive income for the year					
Profit for the year	-	-	-	5,751,625	5,751,625
Other comprehensive income for the year	-	-	(3,259)	-	(3,259)
Total comprehensive income for the year	-	-	(3,259)	5,751,625	5,748,366
Transactions with owners					
Movement on other reserve	-	707,543	-	-	707,543
Total transactions with owners	-	707,543	-	-	707,543
At 31 December 2024	4,043,128	(1,580,973)	(42,657)	6,867,606	9,287,104

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Profit before tax for year		4,543,072	7,699,487
Adjustments to reconcile profit before tax to net cash flows:			
Amortisation of intangible fixed assets	14	5,108	-
Depreciation of property, plant and equipment	15	376,699	354,683
Share-based payments	22	39,774	-
Finance income		(4,467)	(8,515)
Finance costs	11	123,210	253,514
Foreign exchange differences		(39,913)	(3,259)
Decrease/(increase) in inventories		3,346,754	(2,345,122)
Increase in trade receivables		(545,346)	(588,064)
Increase in other receivables and prepayments		(162,284)	(48,437)
(Decrease)/increase in trade and other payables		(1,387,217)	1,741,773
Tax paid		(1,222,542)	(2,817,118)
Net cash flows generated from operating activities		5,072,848	4,238,942
Cash flows from investing activities			
Purchase of intangible fixed assets		(168,000)	-
Purchase of property, plant and equipment	15	(77,191)	(5,089)
Interest received		4,467	8,515
Net cash flows (used in)/generated from investing activities		(240,724)	3,426
Cash flows from financing activities			
Issue of shares, net of issuance costs		13,022,834	-
Cash flows relating to spin out	29	(475,183)	707,543
Net repayments to revolving credit facility	28	-	(2,309,847)
Lease payments	24	(383,840)	(336,419)
Interest paid		(123,210)	(277,952)
Dividends paid		(4,000,000)	-
Net cash generated from/(used in) financing activities		8,040,601	(2,216,675)
Net increase in cash		12,872,725	2,025,693
Cash at beginning of year		2,134,531	108,838
Exchange differences on cash		247,806	-
Cash at the end of year	20	15,255,062	2,134,531
Comprising:			
Cash and cash equivalents		15,255,062	2,134,531

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Power Probe Plc ("the Company") is a public limited company incorporated and domiciled in England and

Wales. The registered office address is 15 Whitehall, London, United Kingdom, SW1A 2DD. The Company was incorporated on 16 January 2025. On 17 November 2025, the Company re-registered as a public limited company. The Company's shares were listed on the London Stock Exchange's AIM on 11 December 2025.

Power Probe Plc together with its subsidiaries form the Power Probe Group ('the Group'). The Group's principal activity is the marketing and sale of diagnostic equipment for the automotive industry.

The Group was formerly part of the MGL Group and was created through a spin-out of the Power Probe business from the MGL Group. On 24 December 2024, Power Probe Group Limited, the former parent company of the Power Probe Group, was legally separated from the MGL Group through a distribution of its shares to MGL members. The Company was subsequently incorporated on 16 January 2025 and, on 26 February 2025, issued shares to the shareholders of Power Probe Group Limited via a share-for-share exchange. This constitutes a capital reorganisation of the Group.

2. Basis of preparation

The financial information for the year ended 31 December 2025 as set out in this preliminary announcement does not constitute the statutory accounts of the Group for the relevant year within the meaning of section 435 of the Companies Act 2006. The financial statements for the year ended 31 December 2025 are unaudited. These accounts will be finalised on the basis of the financial information presented by the Directors in the preliminary announcement and will be delivered to the Registrar of Companies following the Company's annual general meeting.

The financial information in this preliminary announcement have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The financial statements have been prepared in accordance with the requirements of the AIM Rules for Companies, UK adopted International Accounting Standards (IFRS) and the Companies Act 2006. The financial statements have been prepared on a historical cost basis.

The financial statements are presented in US dollars (\$).

As explained in note 1, the Group did not exist in its current form during the comparative period. The Directors have considered the basis on which comparative information is presented, applying both the principles set out in IAS 8.10-12 and the Conceptual Framework for Financial Reporting ('Conceptual Framework'). The Directors have judged that in order to maximise relevance and reliability of the comparative information, the comparative information should be presented as if the Group existed in its current legal structure throughout the comparative period.

Further to this, the results for the current reporting period have also been prepared as if the Group existed in its current legal structure throughout the reporting period.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates and judgements. It also requires management to exercise judgement of the most appropriate application in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 5.

3. Going concern

The financial information has been prepared on the going concern basis. The Directors have reviewed the Group's cashflow forecasts, committed borrowing facilities and covenant headroom, and considered principal downside sensitivities and management's mitigations. On the basis of that review the Directors concluded that the Group is sufficiently funded to continue to meet its obligations and to operate as a going concern for at least 12 months from the date of this financial information. No material uncertainties that cast significant doubt on the Group's ability to continue as a going concern were identified.

4. Summary of material accounting policies

4.1 Basis of consolidation

The consolidated financial information incorporates the financial information of the Company and entities controlled by the Company (its subsidiaries), together comprising the Group. Control is achieved when a company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Where necessary, adjustments are made to the financial statements of subsidiary to bring the accounting policies used into line with those used by other members of the Group. All significant inter-company transactions and balances between Group entities are eliminated on consolidation.

The acquisition of Power Probe Group Limited by the Company in February 2025, as explained in note 1, is a common control transaction outside the scope of IFRS 3. A predecessor value method has been applied, with the assets and liabilities of the acquired business recognised at their existing carrying values (rather than at fair value). The difference between the carrying values of the assets and liabilities of the acquired business and the value of the shares issued in the capital reorganisation is included in equity in the other reserve.

Subsidiary companies

Name of company	Country of incorporation	Nature of business	Interest	Proportion voting rights shares held
Power Probe UK Limited	England and Wales	Marketing and sale of diagnostic equipment for the automotive industry	100%	100%
Power Probe Group, Inc	United States of America	As above	100%	100%
Power Probe Group, S.L.	Spain	As above	100%	100%

The registered office address of Power Probe UK Limited is 15 Whitehall, London, SW1A 2DD, United Kingdom. The principal place of business of Power Probe UK Limited is Unit 3 Bermuda Industrial Estate, Buckingham Close, St Georges Way, Nuneaton, CV10 7JT, United Kingdom.

The registered office address of Power Probe Group, Inc is 651 N. Broad St., Suite 206, Middletown, DE 19709, United States of America. The principal place of business of Power Probe Group, Inc is 6509 Northpark Blvd, Suite 400, Charlotte, NC 28216, United States of America.

The registered office address and principal place of business of Power Probe Group, S.L. is C/Picu Castiellu, Parcela i1-i4, 33163, Argame, Morcin, Asturias, Spain.

4.2 Revenue

Revenue comprises sales of goods to customers outside the Group, measured at the transaction price, net of value added tax and other sales taxes. Revenue is recognised when control of the goods transfers to the customer, which is generally at the point goods leave the warehouse or on delivery in accordance with the contract terms. Variable consideration, including expected returns which are estimated with reference to historical return rates and updated for current expectations, discounts and rebates, is estimated and recognised such that revenue reflects only amounts the Group expects to be entitled to. A returns liability and a corresponding inventory asset for the right to recover products are recognised, and disclosed separately where material. The returns liability at the reporting period is not material.

Significant judgements in applying IFRS 15 include the assessment of timing of transfer of control and the estimation of expected returns, which are estimated by reference to historical returns rates. Revenue is disaggregated by geography in note 6.

4.3 Research and development

Research and development expenditure that does not meet the criteria for capitalisation are recognised as an expense as incurred.

4.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the parent Company is pound sterling (GBP). The functional currency of the principal operating subsidiary is US dollars (USD).

The consolidated financial statements are presented in USD. Management has determined that USD is the most relevant presentation currency for users of the financial statements, as the Group's primary operations, revenue streams and cash flows are denominated in USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in profit or loss, within finance costs. All other foreign exchange gains and losses are presented in profit or loss on a net basis within 'general and administrative expenses'.

4.4 Foreign currency translation (continued)

Group companies

On consolidation, the results and financial position of subsidiaries (none of which has the currency of a hyperinflationary economy) that have a functional currency other than USD are translated as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position,
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income.

4.5 Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which

applicable tax regulation is subject to interpretation, and it considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances based on either the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable profits will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

4.6 Intangible assets

Separately acquired patents, trademarks and other rights are shown at historical costs. They have a finite useful life of ten years and are subsequently carried at cost less accumulated amortisation and impairment losses.

4.7 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Right of use assets are depreciated on a straight-line basis over the lease term. The estimated useful lives are as follows:

Office equipment	2-5 years
------------------	-----------

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

4.8 Leases

Assets and liabilities arising from a lease are initially measured on a present value basis, with the Group's incremental borrowing rate as the discount rate. Lease liabilities include the net present value

of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- lease payments to be made under an extension option if the Group is reasonably certain to exercise the option, and payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Payments are recognised as financing activities in the Statement of Cash Flows.

Right-of-use assets are measured at cost, comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date, less any lease incentives received,
- any initial direct costs, and
- restoration costs.

The Company takes advantage of the practical expedient which allows an exemption from recognition for leases with terms of 12 months or less and low value assets. Leases with terms of 12 months or less or which are considered low value are recognised on a straight-line basis over the lease term.

4.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is calculated on a weighted average cost basis.

Inventories are assessed for impairment at the end of each reporting period. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

4.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are classified into one of the categories discussed below in accordance with IFRS 9, with reference to the business model for that instrument and the contractual cash flow characteristics.

Financial assets and liabilities are offset and the net amount reported in the financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

The accounting policy for each category is as follows:

Financial assets

Financial assets comprise cash and cash equivalents and receivables.

Receivables consist of trade and other receivables. These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are initially recognised at transaction price plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, adjusted for any change in expected credit losses.

Impairment of financial assets

The IFRS 9 impairment model requires the recognition of 'expected credit losses'. Therefore, it is not necessary for a credit event to have occurred before credit losses are recognised. The impairment model applies to the Group's financial assets.

For trade receivables the Group has applied the simplified approach permitted by IFRS 9 in calculating expected credit losses. This approach requires expected lifetime losses to be recognised from initial recognition of the receivables.

In addition to adopting the IFRS 9 simplified approach for trade receivables, the Group discloses an ageing analysis of trade receivables, and the basis of the lifetime expected credit loss calculation (historical loss rates, forward looking adjustments and any segmentation) together with a movement schedule of the loss allowance (see note 18).

Financial liabilities

Financial liabilities comprise trade and other payables, borrowings and lease liabilities.

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Lease liabilities

Lease liabilities are recognised at the present value of future lease payments and subsequently carried at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Classification of financial instruments issued by the Group

Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

Right-of-use assets are measured at cost, comprising the following:

- they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and
- where the instrument will or may be settled in the Group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Group's own equity instruments or is a derivative that will be settled by the Group exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

4.11 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and demand deposits held with financial institutions.

4.12 Share capital

Share capital is the nominal value of the entire share capital of the Company. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds. IPO costs have been shown as a deduction from the proceeds where it has been determined that they are directly attributable to the share issuance. All other costs of the IPO have been recognised in profit or loss.

4.13 Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on management's estimate of the number of equity instruments that will eventually vest. At each reporting date, management revises their estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

4.14 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period. Interim dividends are recorded as paid.

4.15 Segment information

The chief operation decision-maker ("CODM") is considered to be the Board of Directors. The CODM allocates resources and assesses the performance of the business and other activities at the operating segment level.

The CODM has determined that the Group has one operating segment, which is the marketing and sale of diagnostic equipment for the automotive industry. The Group's products are similar in nature, and the business is managed on a unified basis by the Board of Directors.

4.16 Product warranty provision

A product warranty provision corresponds to warranties provided as part of the sale of goods and provide assurance to the customer that the product will work as sold. Provision is made for the expected costs based on historical claims experienced and expected future trends

4.17 New and amended IFRS standards that are effective for the current year

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Lack of exchangeability – Amendments to IAS 21

For annual reporting periods beginning on or after 1 January 2025, Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other

currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments did not have a material impact on the Group's financial statements.

5. Critical accounting judgements and key sources of estimation uncertainty

The Group makes judgements, estimates and assumptions that affect the application of policies and the carrying values of assets and liabilities, income and expenses. The resulting accounting estimates calculated using these judgements will, by definition, seldom equal the related actual results but are based on the experience of the Directors and expectation of future events. The estimates are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

Whilst the Directors have made estimations, none of them are considered to have a significant risk of a material change to the carrying amount of the financial assets and liabilities of the Group in the next financial year.

6. Analysis of revenue

The whole of the revenue is attributable to the principal activity of the Group, the marketing and sale of diagnostic equipment for the automotive industry.

	2025 \$	2024 \$
Analysis of revenue by geography		
US	37,528,883	30,405,061
Rest of World	1,825,076	890,675
	39,353,959	31,295,736

The Directors consider the Group to have only one operating segment. Details of the sole operating segment are shown in the consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows.

The following customers made up over 10 per cent. of revenue:

	2025 \$	2024 \$
Customer 1	6,282,878	4,626,434
Customer 2	5,597,011	6,246,772
Customer 3	-	3,536,911

Where revenue from any of the customers shown above was less than 10 per cent. of total revenue in any year, the amount of revenue has been shown as \$nil.

7. Operating profit

The following expenses are included within cost of sales:

	2025 \$	2024 \$
Sale of inventory	23,504,879	17,397,470
Reversal of inventory write-down	(26,523)	(96,493)
Freight costs	129,195	64,443
	23,607,551	17,365,420

The following expenses are included within selling and marketing expenses:

	2025 \$	2024 \$
Employee benefits expense	2,028,514	1,836,017
Depreciation expense	10,944	7,825
	<u> </u>	<u> </u>

The following expenses are included within general and administrative expenses:

	2025 \$	2024 \$
Employee benefits expense	1,253,943	805,691
Depreciation expense	365,852	346,858
	<u> </u>	<u> </u>

The following expenses are included within research and development expenses:

	2025 \$	2024 \$
Employee benefits expense	193,326	-
Amortisation expense	5,108	-
	<u> </u>	<u> </u>

8. Auditors' remuneration

	2025 \$	2024 \$
Fees payable to the Group's auditors for the audit of the Group's and Company's annual accounts	262,626	-
Fees payable to the Group's auditors for other services	579,176	-
	<u> </u>	<u> </u>
	841,802	-
	<u> </u>	<u> </u>

9. Employees

Staff costs, including director's remuneration, were as follows:

	2025 \$	2024 \$
Wages and salaries	3,421,607	2,369,699
Social security costs	199,317	151,285
Pension costs	66,448	1,073
	<u> </u>	<u> </u>
	3,687,372	2,522,057
	<u> </u>	<u> </u>

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

	Group 2025	Group 2024
Operational staff	12	14
Administrative staff	22	16
	<u> </u>	<u> </u>
	34	30
	<u> </u>	<u> </u>

10. Directors' remuneration and key management personnel compensation

The Directors' aggregate remuneration in respect of qualifying services were:

	2025 \$	2024 \$
Directors' emoluments	390,432	164,962

Additional remuneration was paid to the directors by entities in the MGL Group that do not form part of the Group. The cost of this remuneration was not charged to the Group.

Key management equates to Directors' remuneration.

11. Finance costs

	2025 \$	2024 \$
Interest payable on borrowings	98,922	221,991
Interest payable on leases	24,288	31,523
	123,210	253,514

12. Taxation

	2025 \$	2024 \$
Corporation tax		
US corporate income tax	1,448,551	2,012,644
Total current tax	1,448,551	2,012,644
Deferred tax		
Origination and reversal of timing differences	38,582	(64,782)
Total deferred tax	38,582	(64,782)
Income tax charge	1,487,133	1,947,862

Factors affecting tax charge for the year

The tax charge for the year can be reconciled to the profit per the Statement of Comprehensive Income as follows:

	2025 \$	2024 \$
Profit before tax	4,543,072	7,699,487
Profit before tax multiplied by the US federal corporate income tax rate of 21%	954,046	1,616,892
Effects of:		
Disallowable expenditure	213,600	1,796
Tax credits	-	(41,750)
State corporate taxes	20,384	419,915
Overseas tax profits and losses taxed at different rates	-	(1,574)
Impact of carve-out of profits and losses	-	(47,417)

Withholding taxes	215,882	-
Losses for which no deferred tax asset recognised	83,221	-
Income tax charge	1,487,133	1,947,862

There were no changes in the US deferral corporate income tax rate throughout the periods.

The Group is also subject to income tax on profits in the United Kingdom and Spain.

13. Earnings per share

	2025 \$	2024 \$
Net profit attributable to ordinary shareholders (\$)	3,055,939	5,751,625
Basic weighted average number of shares in issue (number)	60,750,836	60,000,020
Basic earnings per share (cents)	5.03	9.60
	2025 \$	2024 \$
Net profit attributable to ordinary shareholders (\$)	3,055,939	5,751,625
Diluted weighted average number of shares in issue (number)	60,899,410	60,000,020
Diluted earnings per share (cents)	5.02	9.60

Basic earnings per share is calculated by dividing profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period. Diluted earnings per share is calculated by adjusting profit attributable to ordinary shareholders and the weighted average number of ordinary shares for the effects of all dilutive potential ordinary shares.

As explained in notes 1 and 2, the Group did not exist in its current legal form during the comparative period. Therefore, the comparative basic and diluted earnings per share figures presented above are pro forma in nature.

The weighted average number of ordinary shares used for comparative purposes is 60,000,020, which represents the number of shares issued upon the Group reorganisation which commenced in December 2024 (see note 1). On 17 November 2025, the Company consolidated its ordinary shares. The impact of this has also been included in the calculation of the weighted average number of shares.

Earnings per share are presented in cents and have been rounded to two decimal places.

14. Intangible assets

	Patents, trademarks, and other rights \$
Cost	
At 1 January 2025	-
Additions in year	168,000
At 31 December 2025	168,000

Depreciation

At 1 January 2025

Charge in year

-
5,108**At 31 December 2025****5,108****Net book value**

At 31 December 2025

162,892**15. Property, plant and equipment**

	Right of use assets \$	Office equipment \$	Total \$
Cost			
At 1 January 2024	1,699,758	265,063	1,964,821
Additions in year	-	5,089	5,089
Disposals in year	-	(86,261)	(86,261)
At 31 December 2024	1,699,758	183,891	1,883,649
Additions in year	3,334,028	77,191	3,411,219
Disposals in year	-	(9,189)	(9,189)
Foreign exchange movement	6,564	282	6,846
At 31 December 2025	5,040,350	252,175	5,292,525
Depreciation			
At 1 January 2024	668,758	211,022	879,780
Charge in year	334,378	20,305	354,683
Eliminated on disposal	-	(86,261)	(86,261)
At 31 December 2024	1,003,136	145,066	1,148,202
Charge in year	356,187	20,512	376,699
Eliminated on disposal	-	(7,799)	(7,799)
Foreign exchange movement	575	123	698
At 31 December 2025	1,359,898	157,902	1,517,800
Net book value			
At 31 December 2025	3,680,452	94,273	3,774,725
At 31 December 2024	696,622	38,825	735,447

Right of use assets comprise land and buildings.

16. Deferred tax assets

	2025 \$	2024 \$
At 1 January	816,207	751,424

(Charge)/credit to profit or loss	(38,583)	64,783
At 31 December	777,624	816,207

The deferred tax assets arise on:

	2025	2024
	\$	\$
Intangible assets	386,513	412,497
Property, plant and equipment	24,820	36,204
Inventories	17,293	31,015
Loss allowance for trade receivables	7,417	18,489
Accruals	179,514	153,634
Lease liabilities	13,499	18,938
Share options	3,138	-
Provisions	145,430	145,430
	777,624	816,207

The Group has recognised deferred tax assets where management considers it probable that sufficient future taxable profits will be available to utilise deductible temporary differences. The directors' assessment is based on the Group's taxable profit forecasts prepared by management.

Deductible temporary differences and tax losses for which no deferred tax asset is recognised total £174,383 in the UK and €nil in Spain. The losses attributed to Spain arose in a legal entity that is not included in the Power Probe Plc tax group and are therefore not available for utilisation by the Group. Movements in recognised and unrecognised deferred tax balances are shown in note 12.

17. Inventories

	2025	2024
	\$	\$
Finished goods	6,120,378	9,467,132

All inventories are pledged as collateral under a first-ranking security interest in favour of Bank of America, N.A. as security for the Group's revolving credit facility (see note 27). The security interest extends to all inventories together with related proceeds.

Details of the amount of inventories recognised as an expense, including write-downs and reversals of write-downs, are shown in note 7.

18. Trade receivables

Trade receivables do not contain a significant financing component. These financial assets have been reviewed at each year end and the following provision for expected credit losses is considered necessary:

	2025	2024
	\$	\$
Gross carrying amount	5,858,063	5,356,332
Loss allowance	(7,501)	(51,116)
	5,850,562	5,305,216

The loss allowances for trade receivables as at 31 December reconcile to the opening loss allowances as follows:

	2025 \$	2024 \$
Opening loss allowance at 1 January	51,116	195,575
Decrease in loss allowance recognised in profit or loss	(43,615)	(140,125)
Receivables written off during the year as uncollectible	-	(4,334)
Closing loss allowance at 31 December	7,501	51,116

The maximum exposure to credit risk at the reporting date is the carrying value of the trade receivables balance. The Group does not hold any collateral as security.

19. Other receivables and prepayments

	2025 \$	2024 \$
Current		
Related party receivables	-	66,357
Prepayments	11,320	5,976
Other receivables	349,767	126,470
	361,087	198,803

Other receivables include sales taxes receivable and deposits. Sales taxes receivable are due from government authorities and are considered to carry no material credit risk.

The maximum exposure to credit risk at the reporting date is the carrying value of the other receivables balances. Related party receivables included at the comparative reporting date were on normal commercial terms with no collateral held as security. Further information in respect of credit risk for financial assets is included in note 27.

20. Cash and cash equivalents

	2025 \$	2024 \$
Cash at bank and on hand	15,255,062	2,134,531

21. Share capital and share premium

The allotted, called up and fully paid share capital is as follows:

	2025 \$	2024 \$
73,702,404 Ordinary shares of £0.001 each	93,675	-
60,000,020 Deferred shares of £0.049 each	3,702,306	-
	3,795,981	-

The movements in share capital and share premium during the year were:

	Number of shares	Ordinary share capital \$	Share premium \$	Total \$
As at the beginning of the year	-	-	-	-
Issued on incorporation	1	-	-	-
Issued on share-for-share exchange	300,000,099	3,777,863	-	3,777,863
Consolidation and subdivision	(240,000,080)	(3,702,306)	-	(3,702,306)
Issued for cash	13,702,384	18,118	14,838,361	14,856,479
Issuance costs	-	-	(1,833,645)	(1,833,645)
At the end of the year	73,702,404	93,675	13,004,716	13,098,391

	Number of shares	Deferred share capital \$	Share premium \$	Total \$
At the beginning of the year	-	-	-	-
Subdivision of ordinary shares	60,000,020	3,702,306	-	3,702,306
At the end of the year	60,000,020	3,702,306	-	3,702,306

The ordinary shares carry full voting rights, with one vote per share, are eligible to receive dividends when declared by the Board and rank for any capital distribution on a liquidation, sale or other exit event.

The deferred shares carry no voting or dividend rights. On a winding up, holders of deferred shares are entitled to receive the amount paid up or credited as paid up on the deferred shares, but only after payment to holders of ordinary shares of the amounts paid up or credited as paid up on such shares together with £1,000 per ordinary share. Deferred shares have no further right to share in the assets of the company and are not redeemable.

On 26 February 2025, the Company issued 300,000,009 ordinary shares for £0.01 per share, equal to the nominal value.

On 17 November 2025, the Company consolidated its existing share capital on a 5-for-1 basis. As a result, 300,000,010 ordinary shares of £0.01 nominal value each were consolidated into 60,000,020 ordinary shares of £0.05 nominal value each.

Immediately following the consolidation, the Company subdivided each £0.05 ordinary share, creating 60,000,020 new ordinary shares of £0.001 nominal value each and 60,000,020 new deferred shares of £0.049 nominal value each.

On 11 December 2025, the Company issued 13,702,384 new ordinary shares of £0.001 each for £0.82 per share.

22. Share-based payments

On 4 December 2025, the Company approved its long-term incentive performance share plan ("LTIP").

Under this LTIP, executive directors and employees of the Group are eligible to receive awards of performance shares. The number, performance period, performance metrics, threshold performance level, maximum performance level, exercise price, exercise period, and vesting conditions or other conditions and limitations applicable to exercise of each award are not specified in the LTIP and are instead determined for each individual share award.

On 4 December 2025, 1,990,862 performance shares were awarded to certain employees of the Group, with a total fair value of \$1,756,788. Executive directors of the Company received awards under the LTIP during the year.

For all of these awards, the performance period is the period from 1 January 2026 to 31 December 2028. The performance metric for 50% of the performance shares is Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA'), and the performance metric for the remaining 50% is Adjusted Earnings per Share.

Each of these metrics has a threshold performance level and a maximum performance level. If the threshold performance level is not met, then none of the performance shares will vest. If the maximum performance level is met, then all of the performance shares will vest. If the performance metric falls in between the threshold level and the maximum level, then a proportionate number of performance shares will vest, calculated on a straight-line basis. The awards will also only vest if the relevant individual remains continuously employed by the Group to the date of publication of the Group annual report for the year ending 31 December 2028.

The exercise price is £0.001 per share and the exercise period ends on 31 December 2029.

An expense of \$39,774 (2024: \$nil) arises on the relation to the LTIP. This expense is included within general and administrative expenses. Since no consideration is paid for the awards, the fair value of the awards is based on the share price at the date of grant, as adjusted for the probability of the likely vesting of the performance conditions. The probability of performance conditions which contain non-market conditions being met are reassessed annually.

At the year end 1,990,862 (2024: nil) LTIP performance shares were outstanding. The weighted average remaining vesting period of the LTIP performance shares outstanding at the year end was 3.5 years (2024: nil).

23. Reserves

Share-based payment reserve

This reserve holds the fair value of share-based payments made prior to the issuance of the relevant shares.

Foreign currency reserve

This reserve arises on the currency translation of subsidiaries with functional currencies that differ from the functional currency of the Group.

Other reserve

This reserve represents the net investment attributable to the non-Power Probe business and to the Group capital reorganisation. For further details, see notes 1 and 2.

Retained earnings

This reserve holds the accumulation of profits and losses including any dividends paid to shareholders.

24. Lease liabilities

	2025 \$	2024 \$
At beginning of year	786,805	1,123,224
Additions	3,334,028	-
Interest expense	24,288	31,523
Payments	(408,128)	(367,942)
Foreign exchange movement	(852)	-

At end of year

3,736,141

786,805

The Group has lease contracts for land and buildings.

Throughout the prior year, the Group had one lease with an end date of 31 January 2027. On inception this lease was discounted at the Group's incremental borrowing rate of 3.25%. During the year, the Group extended the end date of this lease to 31 January 2034. On extension this lease was discounted at 5.58%.

During the year, the Group entered into a new lease with an end date of 26 June 2030. This lease was discounted at 7.25%.

The weighted average remaining lease term is 7.88 years (2024: 2.08 years).

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The Group has not identified any leases with lease terms of 12 months or less. The Group does not have any leases where the Group is a lessor.

	2025	2024
	\$	\$
Maturity analysis of leases		
Current	258,239	362,457
1 to 5 years	3,477,902	424,348
	3,736,141	786,805

25. Trade and other payables

	2025	2024
	\$	\$
Current		
Trade payables	3,811,686	221,033
Current tax payable	758,957	532,949
Other taxes and social security payable	71,629	231,090
Related party payables	218,731	5,003,257
Accruals	1,975,551	1,126,512
Other payables	319,905	252,000
	7,156,459	7,366,841

26. Provisions

	2025	2024
	\$	\$
At 1 January	1,216,586	831,858
Charge to profit or loss	-	384,728
At 31 December	1,216,586	1,216,586

Provisions are recognised in respect of uncertain taxes. The uncertain tax position relates primarily to US corporate tax and relates to earlier periods. The liability has been measured based on the most likely amount. Any movement in the provision is recognised in income tax expense.

27. Financial instruments

The Group's treasury policy is to avoid transactions of a speculative nature. In the course of trade, the Group is exposed to a number of financial risks that can be categorised as market, credit and liquidity risks. The Board has identified the risks within each category and considers the impact on the activities of the Group as part of their regular meeting routine.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

Trade receivables
Other receivables and prepayments
Cash and cash equivalents
Trade and other payables
Borrowings
Lease liabilities

A summary of the financial instruments held by category is provided below:

	2025	2024
	\$	\$
Financial assets at amortised cost		
Cash and cash equivalents	15,255,062	2,134,531
Trade receivables	5,850,562	5,305,216
Other receivables	-	66,357
Total financial assets	21,105,624	7,506,104
Financial liabilities at amortised cost		
Trade and other payables	6,325,873	6,602,802
Lease liabilities	3,736,141	786,805
	10,062,014	7,389,607

The carrying amounts of all financial assets and financial liabilities recognised in the financial statements approximate their fair values (due to their interest-bearing nature or short times to maturity).

Currency risk

The Group's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to currency or interest rate risks. The Group is exposed to transactional foreign exchange risk and takes profits and losses as they arise, as in the opinion of the Directors, the cost of hedging against fluctuations would be greater than the related benefit from doing so.

The Group does not hold any trade or other receivables or cash balances in any currency other than US dollars.

The Group does not hold any significant trade payables in any currency other than US dollars and therefore any sensitivity analysis would be immaterial to these accounts.

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the Group. Credit risk within the Group arises from cash and cash equivalents, and trade and other receivables. The maximum exposure to credit risk is the carrying amount of these financial instruments.

The Group's exposure to credit risk arises principally from cash and cash equivalents and trade and other receivables. The Group applies the IFRS 9 simplified approach to trade receivables and measures loss allowances at an amount equal to lifetime expected credit losses. Other financial assets use a 12-month or lifetime expected credit loss basis as appropriate. The maximum exposure to credit risk at 31 December 2025 is set out in note 18. Movements in the loss allowance for trade receivables are shown in note 18. The Group applies a rebuttable presumption that receivables more than 30 days past due are credit-impaired and assesses impairment using historical loss rates adjusted for forward-looking information. No collateral is held against trade receivables. Where there is objective evidence that recovery is improbable the asset is written off against the allowance.

The contractual cash flows on these financial assets have not been modified or renegotiated in the current or prior year.

If there is evidence that there is no reasonable expectation of recovery and the counterparty is in severe financial difficulties, the financial asset will be written off.

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Liquidity risk

At 31 December 2025 the Group was exposed to liquidity risk as part of its normal trading cycle. This risk was managed historically through short- and long-term cashflow forecasting and the use of cash resources and credit facilities — at that date the Group held cash and cash equivalents of \$15,255,062 and had no drawn borrowings; further details of the Group's historical liquidity are shown in the consolidated cash flow statement.

In addition, on 31 October 2025, the Group entered into a new revolving line of credit agreement with Bank of America, N.A., which replaced the Group's previous line of credit facility with The PNC Financial Services Group, Inc.

The new facility offers a drawdown of up to \$8,000,000, available from 31 October 2025 until 30 November 2027. The interest rate applicable to the facility is the Term SOFR Daily Floating Rate plus 1.9 per cent. per annum, subject to a minimum base rate of 1.25 per cent.

The facility allows for early repayment without penalty and is secured by the Group's inventory and receivables. The agreement includes financial covenants requiring the Group to maintain an Asset Coverage Ratio of at least 1:1.0 and a Basic Fixed Charge Coverage Ratio of at least 1.15:1.0.

The table below summarises the maturity profile of the Group's financial liabilities, based on contractual, undiscounted payments:

	Less than 1 year \$	2 to 5 years \$	More than 5 years \$	Total \$
Year ended 31 December 2025				
Trade and other payables	6,325,873	-	-	6,325,873
Lease liabilities	462,631	4,236,138	-	4,698,769
	6,788,504	4,236,138	-	11,024,642

Capital risk

The Directors define capital as the total equity of the Company. The Directors' current objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal structure to reduce

the cost of capital.

Capital is monitored using gearing ratios and liquidity metrics. There are no externally imposed capital requirements, and internal requirements are designed to maintain adequate financial flexibility to preserve its ability to meet financial obligations, both current and long term. As part of this, the Group has access to various revolving credit facilities, which are drawn down as required.

In order to maintain an optimal capital structure, the directors may adjust the amount of dividends paid to shareholders, return capital to shareholders and issue new stock to reduce debt.

28. Net debt reconciliation

All changes in liabilities arising from financing activities relate to movements in borrowings and lease liabilities. An analysis is provided below:

Borrowings	2025 \$	2024 \$
At beginning of year	-	2,334,285
Cash flows		
Net repayments to revolving credit facility	-	(2,309,847)
Non-cash changes		
Movement on accrued interest	-	(24,438)
At end of year	-	-

Lease liabilities	2025 \$	2024 \$
At beginning of year	786,805	1,123,224
Cash flows		
Principal payments	(383,840)	(336,419)
Interest payments	(24,288)	(31,523)
Non-cash changes		
Lease additions	3,334,028	-
Interest accrued in the year	24,288	31,523
Foreign exchange movement	(852)	-
At end of year	3,736,141	786,805

The changes in net debt are:

	2025 \$	2024 \$
At beginning of year	1,347,726	(1,014,386)
Cash flows	408,128	2,369,197
Additions or acquisitions	(3,334,028)	-
Other non-cash changes	(23,436)	(7,085)
At end of year	(1,601,610)	1,347,726

29. Cash flows relating to spin out

Prior to the spin out, the previous group maintained a central cash function and thus the cash flows relating to the non-Power Probe business have been presented within financing activities as “cash flows relating to spin out”. These cash flows represent those cash movements that were not attributed to the Power Probe business.

30. Related party transactions

The Group has the following transactions with entities under common significant influence and with key management personnel in common:

Sales of goods	2025 \$	2024 \$
KPS Euman S.L.	44,857	-
KPS USA, Inc	3,648	-
MGL Global Solutions Ltd	-	87,376
Purchases of goods	2025 \$	2024 \$
MGL APPA Corporation	9,653,441	71,189
MGL Global Solutions Ltd	9,057,830	18,815,079
KPS Euman S.L.	729,204	-
MGL Global Solutions Limited	330,258	2,060,684

The Group has the following balances with entities under common significant influence and with key management personnel in common:

Related party receivables	2025 \$	2024 \$
MGL Global Solutions Ltd	-	13,206
Related party payables	2025 \$	2024 \$
KPS Euman S.L.	100,995	-
Power Probe Group, S.L.	97,055	-
MGL APPA Corporation	32,400	-
KPS UK Legacy Projects Limited	16,413	-
KPS USA, Inc	4,285	-
MGL Global Solutions Ltd	-	3,504,787
MGL Global Solutions Limited	-	1,407,851
MGL International Group Limited	-	99,712

A significant proportion of the Group’s purchases are made from related party entities, giving rise to risk related to counterparty dependence. A full description of the risk arising and the mitigations in place can be found in the Principal Risks and Uncertainties section of the Strategic Report.

All of the above balances are unsecured and are to be settled in cash.

Directors’ remuneration and key management personnel compensation are disclosed in note 10.

31. Ultimate controlling party

The Directors consider that there is not one ultimate controlling party.

