MS INTERNATIONAL plc

Annual Report 2026

Company Registration Number 00653735

MSI

Contents

The year in brief

	2026 Total £'000	2025 Total £'000
Revenue	**115,007**	117,503
Profit before taxation	**15,056**	20,050
Earnings per share: basic	**67.4p**	90.0p
Earnings per share: diluted	**65.7p**	87.0p
Dividends payable per share	**26.0p**	23.0p

Financial calendar key dates

Annual results announced	July
Annual general meeting	September
Final dividend payable	September
Half-year results announced	January
Interim dividend payable	February

Chairman's statement

Introduction

An encouraging development we have seen in the last twelve months has been the number of new shareholders investing in the business. I am delighted to welcome them. For their benefit, and to remind longstanding shareholders, in June 2025, I announced the outcome of our internal review of strategic priorities and the decision to focus on our developing 'Defence and Security' division.

This statement, therefore, focuses on that division but also covers the pleasing progress made in the other two divisions, 'Forgings' and the recently merged 'Petrol Station Superstructures and Branding' division.

Operating Environment

In my interim results statement in January, I said that "…*I am delighted to tell shareholders that I believe our medium to long term prospects are better than at any time in the Company's history.*"

I still believe this to be the case despite the unparalleled political turmoil we are witnessing as world economies struggle with growth and the repercussions of the conflict in the Middle East.

We continue to receive substantial international interest for our range of defence and security products, especially our timely combat proven counter-drone capability. This is detailed in the Outlook section of this statement.

Additionally, it's very encouraging that most Governments now regularly state that defence should have a higher priority. However, getting to the point where these objectives translate into firm defence orders is a jump that's taking longer than reasonably anticipated. Anyone with an eye on the political agenda will have seen how Governments are reassessing their defence priorities and objectives against other financial demands.

2025/6 Results

Against this context, I can report similar Group revenues broadly in line with last year of £115.01m (2025 – £117.50m) with a reduced profit before tax of £15.06m (2025 – £20.05m), which was both anticipated and signalled in earlier shareholder communications.

Basic earnings per share were 67.4p (2025 – 90.0p).

The balance sheet has strengthened considerably with cash and cash equivalents of £46.53m (2025 – £27.78m).

The Group order book at the April year end was marginally lower than the previous two years mainly owing to delays in the placing of some substantial anticipated defence orders.

a) 'Defence and Security' – This was a year of resilient performance and continued progress for the division, notwithstanding the delays in worldwide defence procurement decisions. The division delivered sales ahead of budget and maintained strong profitability even though order intake was slow. The US business performed particularly well with continuing success with the US Navy.

b) 'Forgings' – Forgings' had a challenging year in the UK, US and Brazil owing to the many uncertainties with US tariffs. This resulted in a disruption in the market and pricing became challenging.

Nevertheless, new strategic customers were gained, particularly in the US with our appropriately located facility. The outlook for 'Forgings' is most encouraging.

Chairman's statement

Continued

2025/6 Results (continued)

c) 'Petrol Station Superstructures and Branding' – Our decision to merge the 'Petrol Station Superstructures' and 'Corporate Branding' divisions was announced in October 2025. The legal merger of these two businesses completed at the end of January this year. The merger has already produced new opportunities from cross selling and the UK company has gained new business as a consequence.

Despite the negative effects of the war in Ukraine, our business in Poland remains resilient, particularly as a supplier of EV charging infrastructure programmes across Western Europe.

It's also encouraging that our dedicated branding business in the Netherlands has now returned to profit.

Outlook

a) 'Defence and Security' – Despite the worldwide political and economic uncertainty, we have received our first contract for our newly developed MSI-DS Multi Weapon Station for delivery into the Middle East in 2027.

Following on from the successful trials of the MSI-DS Terrahawk VSHORAD, these systems have been providing vital protection within the Middle East. The MSI-DS Terrahawk has been officially recognised as having provided protection against a significant number of drones within the region during the conflict.

Aside from our success with the US Navy, other significant international Navies continue to express interest with defined requirements. There is hardly a conversation or story worldwide about the future of defence that doesn't refer to drones. Our equipment is at the forefront of counter-drone capabilities, which has stimulated a substantial level of international recognition and interest in our combat proven systems. We anticipate that much of this international interest should convert to orders, which we will, of course, report to shareholders appropriately.

We already have the facilities and capacity to meet this demand when it crystalises in the foreseeable future.

In light of this, we recently appointed a new US Vice President of Business Development, who is suitably qualified with a commitment to develop the US land and naval markets in the long term.

In looking at future financial performance, shareholders should be reminded that our revenue from defence contracts is recognised only once obligations are satisfied, which is when control of goods and services has transferred to the customer. The significance is that, whilst we might be busy in our manufacturing and production facilities, the timing of the transfer of control means revenue and profits are not instantly recognised.

b) 'Forgings' – In the US, we have begun supplying a major international fork lift truck manufacturer with fork arms and we are optimistic that orders from their US plants will provide consistent revenues in the future. We have the opportunity and flexibility to supply either from our superb US, UK and Brazilian facilities.

Our manufacturing plants in the UK, US and Brazil provide many strategic options, particularly in a world where tariffs on steel fork arms and low cost Chinese imports remain key issues.

c) 'Petrol Station Superstructures and Branding' – This division has excellent prospects based on the new type of superstructures being designed and built for petrol stations in the UK and Europe. Contemporary sites require an EV facility to complement existing facilities. We are also receiving a growing number of requests for complex structures providing additional road-user facilities such as meeting rooms, car wash facilities and coffee shops.

Chairman's statement

Continued

Outlook (continued)

Our unique database of over 40,000 thousand designs and plans, of both UK and European petrol stations, built up over the last 30 years give us an advantage in terms of immediate access to construction details and gives us a significant competitive advantage in this diverse market.

In the UK Corporate Branding business, we are aware of planned changes by some of the on sites owned and managed by the independent operators, so our pipeline is excellent.

In our corporate branding business in the Netherlands, our customer portfolio has become more widely diversified as we service other markets such as theme parks, hotels, automotive showrooms, and airports as well as petrol stations. This diversification across different sectors has not yet been tested in the UK but our success in Europe will provide a strong impetus when we have the UK capacity to diversify.

We will continue to see the benefits of increasingly being the UK and Eastern Europe market leader in this wide sector.

Progress on Strategic Priorities

Shareholders may recall that early in 2025 we tested the market's appetite for their interest in acquiring our 'Forgings' and 'Petrol Station Superstructures and Branding' businesses. Whilst interest was expressed, mainly from financial buyers, it wasn't at levels that we felt valued the business fairly given their prospects.

Following a sale process, I am pleased to report that, at the time of this announcement, we have encouraging interest from potential buyers for our recently merged 'Petrol Station Superstructures and Branding' business.

Presently, I am not in a position to give more detail as we are currently negotiating with potential buyers but I am hoping that an announcement can be made before the end of the summer.

Meanwhile, we have received unsolicited interest in the 'Forgings' business but have not undertaken a formal sale process. We intend to revisit this once the 'Petrol Station Superstructures and Branding' process is approaching a satisfactory conclusion.

Board Changes

It is with considerable regret and sadness that this will be my last Chairman's statement as I have realised that age brings notable challenges and that I can be of most benefit to the company as an adviser, with substantial experience and knowhow, rather than as an active Board member.

I have been with the Company for over 50 years, the majority of those as Chairman and Chief Executive, and have led the evolution of the Company from an international coal mining equipment business through many changes to its current position as a leading innovative and growing international defence company.

I am honoured that the Board has asked me to assume the title of 'Life President' of the Company and I have signed an agreement which begins immediately so that I am available to help on any issue or initiative.

I will, therefore, be stepping down today from the Board and I am delighted to announce that Anthony Wreford will become the independent Non-Executive Chairman with immediate effect. Anthony first advised our business at the time of the hostile Dobson Park bid for the Company in 1988 and we reengaged with him some two to three years ago as part of our review of strategic priorities. In an independent advisory role, he has played an important part in our recent strategic decisions. His appointment will help a smooth handover given his familiarity with our strategy and our senior management. Further information in accordance with the AIM Rules will be provided in a separate announcement today.

Chairman's statement

Continued

Board changes (continued)

I am also pleased to announce that, with immediate effect, Michael O'Connell has been appointed as Group CEO following his tenure as Group Managing Director. Michael and I have worked together for over 40 years and he is fully aligned with my approach to the business, customer relationships and the principles by which we have grown this business.

This is a brilliant business with tremendous employees and I am so proud of how we have built the Company over the past 40 years. As the largest shareholder in the Company and my strong belief in the Company's prospects, it is my intention to remain a substantial shareholder for the foreseeable future.

I look forward to keeping in touch with employees, customers and shareholders who have supported and contributed to our growth and success. I thank them for the support they have shown me during my tenure as both Chairman and Chief Executive.

Whilst this is, inevitably, a sad day for me, I leave the management of the businesses in very capable hands.

Summary and Final Dividend

As we have previously communicated, these results confirm a year of strategic progress and new opportunities without these being yet reflected in the overall financial performance. I am confident that many of the market barriers that have constrained us last year will ease during the current financial year.

I, therefore, leave the Board confident that our prospects remain excellent.

The Board recommends the payment of a final dividend of 20p per share (2025 – 18p), making a total for the year of 26p per share (2025 – 23p). The dividend is expected to be paid on 18th September 2026 to shareholders on the Register at the close of business on 21st August 2026.

Michael Bell
Executive Chairman
15th July 2026

Directors

Directors

Executive:

Michael Bell ARICS (Executive Chairman)

Michael O'Connell FCA (Managing Director)

Nicholas Bell

Shelley Ashcroft ACMA (Finance Director)

John Meldrum

Non-executive:

Roger Lane-Smith – Age 80

Appointed as a director on 21st January 1983. He is a non-executive director of Mostyn Estates Limited and a number of other private companies.

David Hansell – Age 81

Appointed as a non-executive director on 3rd June 2014. David has been with MS INTERNATIONAL plc, working at 'MSI-Defence Systems Ltd' since 1962, becoming managing director in 2002 until his retirement from the position in May 2014.

Company Secretary

Shelley Ashcroft ACMA

Registered Office

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Doncaster

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Company Registration Number 00653735

Advisors

Independent Auditor

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Registrars and Transfer Office

MUFG Corporate Markets
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Strategic report

This report should be read in conjunction with the Chairman's statement and the Corporate governance statement.

Strategy

The Group is engaged in the design and manufacture of specialist engineering products and the provision of related services.

The Group's long-term strategy is to invest in people, products and processes to seek continuous improvement in its three diverse operating divisions: 'Defence and Security', 'Forgings', and 'Petrol Station Superstructures and Branding', each holding a leading position in its specialist market.

Principal activities

The Group is comprised of three main operating divisions, each with distinct principal activities.

- 'Defence and Security' division - the design and manufacture of defence and security equipment.
- 'Forgings' division – the manufacture of fork-arms and open die forgings.
- 'Petrol Station Superstructures and Branding' – the design, manufacture, construction, and maintenance of petrol station superstructures and the design, manufacture, installation, and service of corporate brandings, including media facades, way-finding signage, public illumination, creative lighting solutions, and the complete appearance of petrol station superstructures and forecourts.

The Company is engaged in the activities of head offices. The Company was also engaged activities of the 'Forgings' and 'Petrol Station Superstructures and Branding' divisions described above up until 31st January 2026 when the trade and assets of these divisions were transferred to 'MSI-Forks Ltd' and 'Global-MSI plc'.

Business review

During the year the Group achieved revenue of £115.01m, which represents a 2.1% decrease on the prior year revenue of £117.50m. The reduction in sales in the 'Defence and Security' division has been partially offset by an increase in the sales in 'Petrol Station Superstructures and Branding' division.

The Group registered a profit before taxation of £15.06m (2025 – £20.05m) after a loss of £0.87m (2025 – £0.07m loss) in relation to marking outstanding forward exchange contracts to fair value.

A review of the operations of the Company and subsidiaries and their position at 30th April 2026 are provided in the Chairman's Statement. Segment information for the year under review is provided in note 4 of the Group financial statements.

Information on the Group's activities, strategy, and future prospects can be found in the Chairman's Statement.

Key performance indicators

	2026	2025
	£'000	£'000
Revenue	**115,007**	117,503
Profit before tax	**15,056**	20,050
Profit before tax %	**13%**	17%
Basic earnings per share	**67.4p**	90.0p
Diluted earnings per share	**65.7p**	87.0p
Cash and cash equivalents	**45,080**	23,745
Total cash balance (including short term Escrow investments)	**46,526**	27,783

A review of the changes in the key performance indicators is provided in the Chairman's Statement.

Strategic report

Continued

Forward exchange contracts

As a result of several USD denominated contracts in the 'Defence and Security' division, management have reduced the risk of currency exposure by taking out a number of USD to GBP forward exchange contracts, the details of which can be found in note 6. Hedge accounting has not been adopted and as a result a loss of £0.87m (2025 – £0.07m loss) in relation to the change in the fair value of the forward contracts has been recognised within the Consolidated income statement.

Cash flow

During the year the Group's cash balance, including restricted cash held in Escrow, increased from £27.78m to £46.53m. This increase was mainly due to more cash being generated from operating activities than in the prior year, £26.79m in 2026 compared to £0.92m in 2025, as the 'Defence and Security' division completed large contracts into which significant working capital investment had been made in the prior year.

The Group's central treasury function has sought to maximise interest income on positive bank balances and has been successful in generating £1.17m (2025 – £1.35m) of interest during the year. The reduction in interest received during the year, despite the increase in cash balances across the group, is a result of falling interest rates. The Group earns interest within transactional bank accounts as well as placing surplus funds in both overnight and 32 day notice deposit accounts.

There continues to be significant investment into product development within the 'Defence and Security' division. Research and development expenditure of £2.37m remains at a similar level to prior year. The spend is primarily on the development of the portfolio of small to medium calibre naval, land-based, and other stabilised weapon systems that the 'Defence and Security' division offers to its worldwide customer base.

Capital expenditure for the Group totalled £2.72m in the year (2025 – £3.73m). This includes £1.3m (2025 – £1.56m) invested into the production facility in Norwich in order to increase production capacity in the 'Defence and Security' division. A total of £6.4m has now been expended on the Norwich facility over the past four years. In addition, £0.49m was spent on a new repair facility for the 'Defence and Security' division in Rock Hill, USA.

Revaluation of land and buildings

In March 2026 management requested desktop valuations of the properties in Doncaster (UK), Norwich (UK), Rock Hill (USA) and Kraków (Poland). Owing to a fall in the rental market, the property in Krakow required a full revaluation, which reduced the value of the property by £0.13m. No other properties required a revaluation. Further details of the revaluation can be found in note 12.

Group restructuring

During the year, the Group merged the 'Petrol Station Superstructures' and 'Corporate Branding' divisions into one division, 'Petrol Station Superstructures' and Branding'. The combined division is now led by Martin Steggles, who was previously the CEO of 'Petrol Station Superstructures' within the UK.

The Group also transferred the trade and assets of the trading divisions 'Global-MSI' and 'Petrol Sign' of MS INTERNATIONAL plc into the previously dormant company 'Global-MSI plc'. Similarly the trade and assets of the trading division 'MSI-Forks' was transferred into the previously dormant 'MSI-Forks Ltd'.

As part of this restructure 100% of the share capital in 'MSI-Sign Group BV' (The Netherlands), 'MSI-Sign Group GmbH' (Germany) and 'Global-MSI Sp.zo.o' (Poland) was transferred from 'MS INTERNATIONAL plc' to 'Global-MSI plc' and 100% of the share capital of 'MSI-Forks Garfos Industriais Ltda' (Brazil) was transferred from 'MS INTERNATIONAL plc' to 'MSI-Forks Ltd'.

Further details can be found in note 15.

Pension scheme

The defined benefit pension liability remains at £nil at the reporting date. The investment strategy implemented in August 2023 has allowed the Company to significantly derisk the Scheme and the majority of the Scheme's assets have been transferred into low risk investments such as UK bond funds. This investment strategy has significantly reduced the risk of interest rate movements and the Scheme's funding has become stable.

The pension scheme remains in a funded surplus, with no further deficit reduction payments required. As the Company does not have an unconditional right to the economic benefit of the surplus, the value of the pension scheme is limited to the present value of future contributions, which at the reporting date was £nil. Details of the defined benefit pension scheme can be found in note 24.

Strategic report

Continued

Principal risks and uncertainties

The principal risks and uncertainties facing the Group have been identified as follows:

Risk and impact	How the risk is mitigated
Defence spending and government procurement As the majority of the Group's revenue is within the 'Defence and Security' division, changes in government defence budgets, procurement priorities or programme cancellations could all impact the Group's results or delay contract awards.	● The 'Defence and Security' division seeks to diversify its customer base across multiple countries and programmes. They division is very active in terms of business development with regular engagement with customers as well as appearance at trade shows.
Foreign exchange A proportion of the Group's revenue, profits, and net assets are denominated in currencies other than Sterling, such as the US Dollar and Euro, and to a lesser extent the Brazilian Real and Polish Zloty. Fluctuations in exchange rates may impact the Group's financial position and results due to translation into sterling, as well as having implications on the pricing of materials sourced in foreign currencies. The risk that foreign exchange fluctuations will impact the Group's performance remains high. A number of international contracts in the 'Defence and Security' division are denominated in USD, which has created a currency exposure within the Group.	● The largest currency exposures are in USD and Euro. Receipts and payments are offset against each other where possible and any surpluses are either hedged or sold at spot rate, depending on the requirements of the Group as a whole. ● Given that a number of international contracts in the 'Defence and Security' division are denominated in USD, management have taken steps to mitigate the risk of currency exposure by taking out various forward exchange contracts (note 6). The level of forward cover is determined on an individual contract basis, taking into account the net currency exposure of USD receipts and USD purchases. ● Cash flows are monitored weekly on a rolling basis to ensure currency requirements are satisfied. ● Cashflows in other currencies, including Brazilian Real and Polish Zloty, are not hedged, however, as volumes are so low management does not deem this necessary. ● A central treasury function monitors foreign currency cashflows, ensuring that balances are transferred around the Group when required, and engaging in foreign currency trading when appropriate. The details of current forward exchange contracts are shown in note 6. The need for further contracts is monitored on an ongoing basis ● More information on the Group's exposure to foreign exchange can be found in note 28 "Financial instruments".
Supply chain disruption Shortages of critical components, supplier failure or logistical disruptions may delay production, increase costs or impact the Group's ability to meet its customers requirements.	● The Group tries to avoid reliance on any one supplier, looking at multiple sourcing options where feasible. ● Ongoing assessments of the supply chain, particularly in the 'Defence and Security' division, allow management to identify risk areas as well as long lead items and put in place strategic inventory management that ensures continuity of supply.

Strategic report

Continued

Principal risks and uncertainties (continued)

Risk and impact	How the risk is mitigated
Inflationary pressures There is a risk to the Group of inflationary increases in the countries in which it operates, particularly in relation to raw materials prices and energy prices. As the Group has a number of long-term contracts, rapid increases in prices could impact the profitability of the contract.	● The impact of raw material price changes is monitored regularly at a divisional level and reported to the Board. Where possible increases are passed to the customer. ● With regards to customers under long-term contracts, such contracts include a clause to allow for raw materials price increases where possible. ● There are a number of projects and energy saving initiatives across the Group to reduce energy consumption as outlined in section 11 of the Report of the directors.
Production capacity Given the increasing interest in the Group's products, specifically in the 'Defence and Security' division, a large contract award may require additional production capacity to satisfy customers' delivery requirements. Managing the increase in production capacity comes with both risks and challenges.	● Significant investment in the facility at Norwich has already taken place over the past few years, including a new production line for PALADIN systems, which adds to the already expanded gun build capacity. Further investment into the facility is planned.
Customer demand The level of customer demand for the Group's products and services is another risk and uncertainty. Customer demand is driven by general economic and political conditions as well as by pricing, product quality, and delivery performance.	● Significant investment into both production facilities and product development has placed the Group in a strong position to be able to take advantage of opportunities worldwide. Both the continuous improvement of existing product ranges and the development of new products has given rise to new opportunities for the Group, which has in turn opened up new markets and territories. Through its ongoing investment into product development, the Group believes it can maintain competitive advantage.
Staff retention The group's performance is largely dependent on the retention of key members of staff, including senior management, technical staff and product development teams. Given the significant growth within the Group over the past few years, particularly in the 'Defence and Security' division, recruitment and training of employees with the right skills is also key to driving value.	● The Group's growth provides excellent opportunities for career development of talented individuals. The Group endeavours to provide an environment in which skilled individuals are attracted to the business through the nature and variety of work on offer. ● Apprenticeship schemes are used where possible, in order for the Group to develop its own people with the relevant skills for the future. ● The Group offers competitive rates of pay and certain incentive schemes to retain key staff.

Strategic report

Continued

Principal risks and uncertainties (continued)

Risk and impact	How the risk is mitigated
Cyber security As the Group services the defence and security sector, it holds sensitive data about government customers, contracts and technical specifications, making it a target for increasingly sophisticated cyber-attacks, including from state sponsored actors. A sucessful cyber attack or data breach could disruption operations, compromise senstive information, or damage customer trust and the Group's reputation in the defence and security industry.	● There is a continued investment in the Group's IT security infrastructure, including network monitoring, intrusion detection, and endpoint protection across all sites. ● Ongoing employee awareness training to raise awareness and mitigate against potential cyber threats or phishing attempts.
Tariffs The introduction of tariffs and potential for the introduction of further tariffs on imports into the USA presents both risks and challenges, specifically for the 'Forgings' division. As a US manufacturer, any tariffs imposed on imports into the USA increases the cost of purchasing raw materials. While the group endeavours to pass on price increases, in doing so there is a risk of reducing customer demand.	● Having 'Forgings' manufacturing facilities in both the UK and the USA, places the Group in a good position to react to the changing tariff environment as and when changes arise. ● When new tariffs are announced, the impact on the supply chain and the division's cost base are assessed in order to make decisions about the best approach for the division. This includes, but is not limited to, decisions to enable the maximisation of profit within the 'Forgings' division as a whole. ● 'Forgings' are well prepared to be able to take advantage of any potential opportunities arising from changing tariffs on competitor product arriving from outside of the USA.

Strategic report

Continued

General duties of directors

The directors of the Company undertake their duties in accordance with the requirements outlined in Section 172 of the Companies Act 2006, which states that "a director of a company must act in a way that they consider, in good faith, would be most likely to promote the success of the company for its members as a whole".

In doing so, the Board is required to have regard for the matters set out below.

The likely long-term consequences of any decision;

The Board considers its employees, customers, suppliers, and shareholders to be its major stakeholders. When taking decisions for the long-term future of the Group, the Board takes into consideration the interests of all these stakeholders in its deliberations.

The interests of the Group's employees;

The Board recognises that employees are essential to the success, growth and development of the Group. Their hard work, skill, and ability to satisfy customers' needs are fundamental in driving the performance of the Group and underpin the Group's ability to deliver future strategy. The retention of staff is therefore critical to the long-term success of the business.

To this end, health, safety and wellbeing of employees is a key priority. The Board seeks to ensure that employees are remunerated competitively and fairly, with pay reviews being conducted at least once per year. Furthermore, various employee incentive schemes align with the goals and objectives of the Group, both in the long and short term, in order to foster mutual success. Finally, the Group identifies opportunities for employee development where possible and it is hoped that the growth in the Group provide exciting and rewarding challenges for staff.

The need to foster and maintain good business relationships with customers, suppliers, and others;

The Group operates on a decentralised structure with employee, customer, and supplier relationships delegated to the management of the operating companies. It is the responsibility of divisional management teams to ensure that good relationships are maintained with employees, customers, and suppliers and to report regularly to the executive directors regarding these relationships.

The Group's divisions maintain good long-term supplier relationships by contracting on standard terms and conditions, and ensuring payment is made on a prompt basis. These relationships with key suppliers ensure the quality and continuity in the supply chain. As the Group is experiencing a period of significant growth, the relationship with the supply chain has become of increasing importance. By working with key suppliers to aid capacity planning, the Group has been able to procure efficiently.

The executive directors receive regular updates from the management of operating companies on both existing and new potential customer relationships. This ensures that the Board's decision making takes into account the commercial and service requirements of the customer base.

Strategic report

Continued

General duties of directors (continued)

The impact of the Group's operations on the community and environment;	The Board recognises the impact of its business decisions on the community and the environment. The Group maintains its continuous improvement approach to reducing energy consumption, particularly at both the Doncaster and Norwich sites. Ongoing energy reduction plans and production efficiency improvements continue to reduce energy usage across the Group, therefore minimising the environmental impact of our processes. Solar panels have been installed at both the Doncaster and Norwich site, allowing the Group to draw on green energy during the day and feed back surplus green energy into the National Grid. Further details of our carbon and energy reporting can be found in the Report of the Directors on page 79.
The Group's reputation for high standards of business conduct and the need to act fairly between members of the Company, and;	The Board recognises the importance of maintaining high standards of business conduct and has appropriate policies in place, such as, employee Whistleblowing and Anti-Bribery and Corruption, to assist in setting a culture of ethical behaviour throughout the Group.
The need to act fairly between members of the Company.	The directors are committed to treating all shareholders equally and, as part of its decision making process, the Board considers the interest of shareholders as a whole. The Board recognises that it may need to balance competing interest in reaching its decisions and where there are competing interests, the Board will act as equitably and fairly as possible. For more information please see the Corporate Governance report.

As an AIM quoted company, the Company has adopted as far as practical for a group of its size, the April 2023 QCA Corporate Governance Code. The Company describes how it complies with the code and provides details of where it does not comply on pages 74 to 77. The Corporate Governance Code is also available on the company's website at www.msiplc.com/corporate-governance.

By order of the Board,

Shelley Ashcroft
Group Finance Director

15th July 2026

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and regulations. Company law requires the directors to prepare such financial statements for each financial year. Under that law, the directors have prepared Group financial statements under UK adopted International Accounting Standards. The directors have elected to prepare Parent Company financial statements under UK adopted International Accounting Standards.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether UK adopted International Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Parent Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Parent Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware;
- the directors have taken all the steps that they as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

To the best of the directors knowledge:

- the Group financial statements, prepared in accordance with UK adopted International Accounting Standards give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- the Strategic report and Directors' report include a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The Statement of directors' responsibilities was approved by the Board on 15th July 2026.

By order of the Board:

M. O'Connell

Michael O'Connell
Group Managing Director

15th July 2026

Independent auditor's report to the members of MS INTERNATIONAL plc

Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of MS INTERNATIONAL plc (the 'parent company') and its subsidiaries (the 'Group') for the year ended 30 April 2026, which comprise the Consolidated income statement, Consolidated statement of comprehensive income, the Consolidated and Company statements of changes in equity, the Consolidated and Company statements of financial position, the Consolidated and Company cash flow statements, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation is applicable law and UK-adopted international accounting standards and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 30 April 2026 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included challenging the underlying data and key assumptions used by the directors to make their going concern assessment, evaluating their plan for future actions in relation to that assessment and challenging the position of the business to assess their ability to meet obligations in a worst-case scenario. The worst-case scenario analysis corroborated the directors' assessment that there is no material uncertainty in relation to going concern. Our evaluation comprised the following procedures:

- Obtaining management's base case cash flow forecasts and other forecast scenarios as detailed below, covering the period to 31 October 2027, and assessing how these cash flows forecasts were compiled;
- Performing arithmetical accuracy procedures on each of management's forecast scenarios;
- Assessing revenue growth and cost inflation assumptions, determining their appropriateness by comparing to external market data and historic performance, applying relevant sensitivities to the underlying assumptions, and challenging those assumptions;
- Assessing the Group's orderbook and corroborating to underlying contracts to verify the accuracy of the orderbook;
- Assessing the accuracy of management's past forecasting by comparing their forecasts for the last two years to the actual results and considering the potential impact on the base case cash flow forecast;
- Assessing worst-case scenario sensitivities to determine the potential impact of possible changes in the assumptions made regarding business performance and position. We evaluated the impact of no new business being secured on the level of forecasted revenue and on the overall performance and position of the business, including the impact on forecast cash headroom. We considered whether the assumptions are consistent with our understanding of the business derived from other detailed audit work undertaken;
- Confirming the cash held by the Group at 30 April 2026, and again at the point of issuing this opinion, and compared this to the cash requirements indicated in management's forecasts, noting that the balance currently held is significantly higher than that forecast;
- Assessing the Group's orderbook and corroborating to underlying contracts to verify the accuracy of the orderbook;
- Assessing the impact and feasibility of mitigating actions available to management in respect of the ability to restrict cash impact, including the level of available facilities; and
- Assessing the adequacy of related disclosures within the annual report.

Independent auditor's report to the members of MS INTERNATIONAL plc

Continued

Conclusions relating to going concern (continued)

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and the parent company's business model including effects arising from macro-economic uncertainties such as the cost of living crisis and global geopolitical uncertainty with considerable impacts on the global defence industry, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and the parent company's financial resources or ability to continue operations over the going concern period.

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Our approach to the audit

Overview of our audit approach

Overall materiality:

Group: £840,000, which represents 5% of the Group's average profit before tax over the past three-years

Parent company: £550,000, which represents 2.5% of the Company's net assets at the time of our planning procedures.

Key audit matters were identified as:

- Defence and Security revenue recognition (same as prior year)

No other key audit matter was identified in the prior year.

Scoping has been determined to ensure appropriate coverage of the significant risks as well as coverage of the key results in the financial statements; specifically, we performed the following audit work:

- Group revenue: 78%
- Group total assets: 88%
- Group profit before tax: 84%

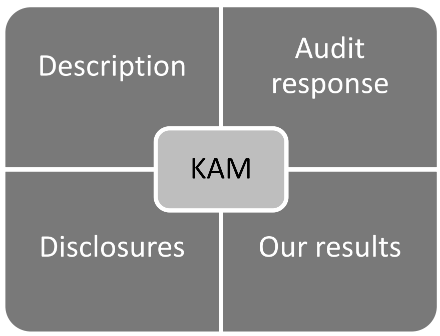
We performed an audit of the financial information of three components using component materiality (full-scope audit).

We then performed specified audit procedures on four components.

We performed analytical procedures at Group level (analytical procedures) on the financial information of all the remaining Group components and performed additional tests on material balances where we considered it appropriate.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

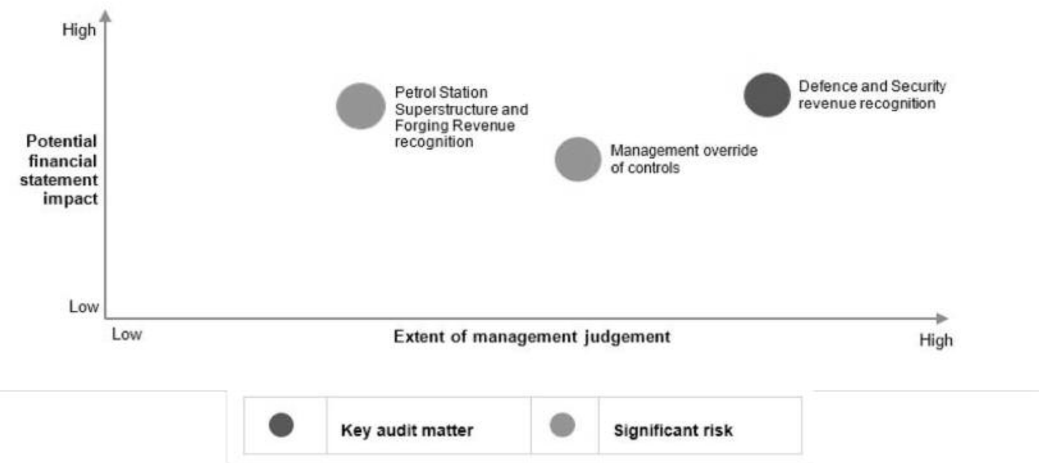


Independent auditor's report to the members of MS INTERNATIONAL plc

Continued

Key audit matters (continued)

In the graph below, we have presented the key audit matters and significant risks relevant to the audit. This is not a complete list of all risks identified by our audit.



Key Audit Matter - Group	How the matter was addressed in the audit - Group and parent company

Defence and Security revenue recognition

We identified Defence and Security revenue recognition as one of the most significant assessed risks of material misstatement due to fraud and error.

Defence and Security revenue is a major driver of business performance and the most significant revenue stream for the Group in the current year. There is judgement around the appropriate method of revenue recognition and the assessment as to whether revenue should be recognised over time or at a point in time.

The Group generates total revenues of £115.0m, £71.5m of which are attributed to the Defence and Security segment. £62.6m of this revenue was recognised at a point in time and £8.9m was recognised over time.

There is a fraud risk that revenue recognised on significant contracts signed in the year may not be appropriately accounted for in accordance with International Financial Reporting Standards ('IFRS') 15 'Revenue from Contracts with Customers' with particular risk related to the identification of performance obligations as being satisfied point in time or over time.

For those revenues recognised at a point in time, there is a risk that revenue may be inappropriately recognised in the last month of the year, and that the impact of doing so might be material as contracts are significant in size.

In responding to the key audit matter, we performed the following audit procedures:

- Understood the design, and assessed the implementation effectiveness, of controls for the recording of revenue.
- Assessed the revenue recognition policies for compliance with IFRS 15 and consistency with previous years.
- Inspected the revenue recorded in the year for adherence to the policy adopted and assessed the adequacy of the disclosures made.
- Obtained management's assessment of new significant contracts signed in the year, including information from management's accounting specialists where relevant, to assess the application of IFRS 15 to these contracts and the conclusions reached.
- Selected a sample of contracts identified in line with our risk assessment and:
  - Obtained management's assessment of the revenue recognition under the contract and assessed for compliance with IFRS 15;
  - Challenged management on their IFRS 15 application, corroborating key judgements to supporting documentation;
  - Obtained the signed contract and supporting information to support the occurrence of revenue including sales invoices, customer orders and delivery information; and
  - Assessed the clauses in the contract to understand any penalties which may have been incurred and require provision.
- Selected a sample of revenue recognised in the last month of the year and agreed to supporting documentation, assessed the point of revenue recognition under IFRS 15, and assessed whether it was recorded in the correct period.
- Assessed the disclosures in the financial statements for appropriateness in accordance with IFRS 15.

Independent auditor's report to the members of MS INTERNATIONAL plc

Continued

Key audit matters (continued)

Key Audit Matter - Group	How the matter was addressed in the audit - Group and parent company
Relevant disclosures in the Annual Report and Accounts 2026	**Our results**
● Financial statements: Note 2, Accounting policies and Note 3, Revenue	Based on the work we have undertaken we have not identified material misstatements in Defence and Security revenue recognition.

Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report.

Materiality was determined as follows:

Materiality measure	Group	Parent
Materiality for financial statements as a whole	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.	
Materiality threshold	£840,000 (2025: £2,005,000), which represents 5% of the Group's three-year average profit before tax. (2025: 10% profit before tax)	£550,000 (2025: £689,000) which represents 2.5% of the parent company's net assets at the time of our planning procedures.
Significant judgements made by auditor in determining the materiality	In determining materiality, we made the following significant judgements: ● The selection of an appropriate benchmark; and ● The selection of an appropriate percentage to apply to that benchmark.. Profit before tax is considered to be the most appropriate benchmark because it is the most relevant performance measure to the stakeholders of the Group. A three-year average was used to account for fluctuations in year-on-year profitability given the uneven timing of revenue recognition for the large defence contracts. Materiality for the current year is lower than materiality determined for the year ended 30 April 2025 primarily due to the Group becoming an Other Entity of Public Interest (OEPI) on 1 January 2026 resulting in a reduction in the percentage applied reflecting increased market and regulatory focus.	In determining materiality, we made the following significant judgements: ● The selection of an appropriate benchmark; and ● The selection of an appropriate percentage to apply to that benchmark. The parent company's net assets balance is considered the most appropriate benchmark because it is the most relevant measure of a company that is primarily a holding company. Materiality for the current year is lower than materiality determined for the year ended 30 April 2025 due to a reduction in the parent company's net asset base.

Independent auditor's report to the members of MS INTERNATIONAL plc

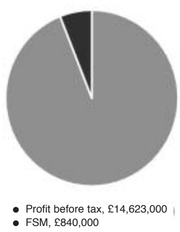
Continued

Our application of materiality (continued)

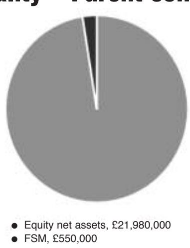
Materiality measure	Group	Parent
Performance materiality used to drive the extent of our testing	We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.	
Performance materiality threshold	£630,000 (2025: £1,504,000), which is 75% (2025: 75%) of financial statement materiality. The range of component materialities used across the Group has been set at between £315,000 to £412,500 for the parent company itself and £441,000 to £504,000 for the Defence and Security divisions, with each component materiality reflecting the contribution of that component to the Group.	£412,500 (2025: £517,000), which is 75% (2025: 75%) of financial statement materiality.
Significant judgements made by auditor in determining the performance materiality	In determining performance materiality, we considered the following significant factors: ● The strength of the control environment based on our assessment of the design and implementation effectiveness of relevant controls; and ● The nature, size and volume of misstatements identified in the previous audit.	In determining performance materiality, we considered the following significant factors: ● The strength of the control environment based on our assessment of the design and implementation effectiveness of relevant controls; and ● The nature, size and volume of misstatements identified in the previous audit.
Specific materiality	We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.	
Specific materiality	We determined a lower level of specific materiality for the following areas: ● Directors' remuneration; and ● Identified related party transactions outside of the normal course of business.	We determined a lower level of specific materiality for the following areas: ● Directors' remuneration; and ● Identified related party transactions outside of the normal course of business.
Communication of misstatements to the audit committee	We determine a threshold for reporting unadjusted differences to the audit committee.	
Threshold for communication	£42,000 (2025: £100,300), which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£27,500 (2025: £34,500), which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality and the range of component materiality interacts with our overall materiality and the threshold for communication to the audit committee

Overall materiality – Group



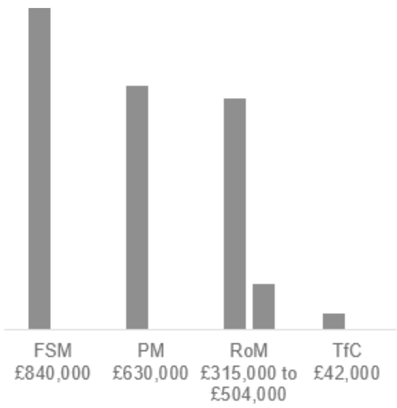
Overall materiality – Parent company

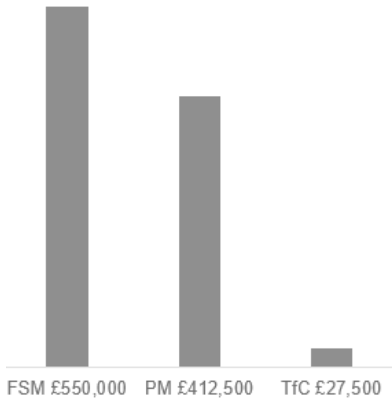


Independent auditor's report to the members of MS INTERNATIONAL plc

Continued

Our application of materiality (continued)





FSM: Financial statement materiality, PM: Performance materiality, RoM: Range of component performance materiality at tested components, TfC: Threshold for communication to the audit committee

An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the Group's and the parent company's business and in particular matters related to:

Understanding the Group, its components, their environments, and its system of internal control including common controls

- Obtaining and documenting an understanding of the group and its environment, including the relevant regulatory and financial reporting requirements.
- Evaluating the group's internal controls, including IT systems and IT controls.
- Obtaining an understanding and assessing the design and implementation of controls in place relating to the significant risks identified.

Identifying components at which to perform audit procedures

The following considerations were taken into account to determine the components on which to perform the specified audit procedures:

- components in scope for further audit procedures due to the nature and size of assets, liabilities and transactions at the component (being of financial significance to one or more scoped items that it is required to be in scope)
- components required to be in scope for further audit procedures to obtain sufficient appropriate audit evidence for significant classes of transactions, account balances and disclosures, or for unpredictability

Type of work to be performed on financial information of parent and other components (including how it addressed the key audit matters)

The engagement team performed full-scope audit procedures on the financial statements of the three significant components.

The engagement team performed specified audit procedures on four components which included material balances; and

Analytical procedures were performed on the financial information of all other components using Group materiality.

Performance of our audit

During our audit, all audit procedures to support the Group audit opinion were performed by the engagement team. Our audit procedures were performed by a combination of remote and in-person auditing, including attending the Group's company's primary locations in Doncaster and Norwich.

As part of planning procedures, an evaluation was completed over the Group's internal control environment including its IT systems and controls to inform our risk assessment. Our audit testing approach was wholly substantive;

Independent auditor's report to the members of MS INTERNATIONAL plc

Continued

Performance of our audit (continued)

The engagement team performed advanced testing of selected components within the Group based on pre-year end transaction listings.

The engagement team engaged tax specialists to support our audit of tax, and the engagement team engaged actuarial and valuation experts to support our audit of pensions, foreign exchange forward contracts and property held at revalued amount.

Audit approach	No of components	% coverage revenue	% coverage profit before tax	% coverage of total assets
Full-scope audit	3 (2025: 5)	62 (2025: 84)	75 (2025: 88)	66 (2025: 74)
Specified audit procedures	4 (2025: 2)	16 (2025: 0)	9 (2025: 0)	22 (2025: 17)
Analytical procedures	7 (2025: 7)	22 (2025: 26)	16 (2025: 12)	12 (2025: 9)
Total	**14 (2025: 14)**	**100 (2025:100)**	**100 (2025: 100)**	**100 (2025:100)**

Changes in approach from previous periods

We performed specific audit procedures on the Forks and Global divisions. As a result of the restructuring in the year, these divisions formed part of the MS International plc parent entity for nine months and then post the hive down formed into separate entities for the final three months. We have treated the division as a whole for the full financial year and were only required to gain sufficient coverage of key balances.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the report of the directors have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and the Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Independent auditor's report to the members of MS INTERNATIONAL plc

Continued

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 16, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Group and Company, and the industry in which it operates which include UK export and firearms legislation. We determined that the laws and regulations most significant to the financial statements are UK-adopted international accounting standards (for the Group and the Company), the AIM Rules, the Companies Act 2006 and relevant tax regulations;

- We corroborated our understanding of the legal and regulatory framework applicable to the entity by discussing relevant frameworks with Group and component management, by seeking and obtaining correspondence with relevant parties, and by reviewing Board minutes;

- We assessed the susceptibility of the Group's and the Company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to:

  - Journal entries that were posted by senior finance personnel;

  - Journal entries relating to related party transactions;

  - Unexpected credits to costs journal entries;

  - Material post-close journal entries; and

  - Judgements and estimates made by management relating to significant accounting estimates.

- Audit procedures performed by the engagement team included:

  - evaluating the design and implementation effectiveness of the processes and controls established to address the risks related to irregularities and fraud

  - journal entry testing, in particular those journals determined to be in respect of our principal risks documented above; and

  - challenging assumptions and judgements made by management in its significant accounting estimates.

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery, or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

Independent auditor's report to the members of MS INTERNATIONAL plc

Continued

Auditor's responsibilities for the audit of the financial statements (continued)

- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation;
  - knowledge of the industry in which the Group and the Company operate; and
  - understanding of the legal and regulatory requirements specific to the Group and the Company.
- We issued engagement team communications in respect of potential non-compliance with laws and regulations and fraud.

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Overfield BSc FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds

15th July 2026

Consolidated income statement

For the year ended 30th April 2026

Continuing operations	Notes	2026 Total £'000	2025 Total £'000
Revenue	3/4	**115,007**	117,503
Cost of sales		**(75,473)**	(77,505)
Gross profit		**39,534**	39,998
Distribution costs		**(4,987)**	(4,727)
Administrative expenses		**(19,727)**	(16,476)
Derivative losses	6	**(867)**	(73)
		(25,581)	(21,276)
Group operating profit	4/5	**13,953**	18,722
Interest received	8	**1,214**	1,354
Other finance costs	8	**(111)**	(26)
		1,103	1,328
Profit before taxation		**15,056**	20,050
Taxation	9	**(4,036)**	(5,519)
Profit for the year attributable to equity holders of the parent		**11,020**	14,531
Basic earnings per share	10	**67.4p**	90.0p
Diluted earnings per share	10	**65.7p**	87.0p

Consolidated statement of comprehensive income

For the year ended 30th April 2026

	Notes	2026 Total £'000	2025 Total £'000
Profit for the year attributable to equity holders of the parent		**11,020**	14,531
Exchange differences on retranslation of foreign operations		**(777)**	435
Net other comprehensive loss to be reclassified to profit or loss in subsequent years		**(777)**	435
Revaluation of land and buildings	12	**(86)**	1,080
Deferred tax on transfer of building	9	**(180)**	–
Deferred tax on revaluation surplus on land and buildings	9	**51**	52
Net other comprehensive (loss)/income not being reclassified to profit or loss in subsequent years		**(215)**	1,132
Total comprehensive income for the year attributable to equity holders of the parent		**10,028**	16,098

Consolidated and company statement of changes in equity

For the year ended 30th April 2026

	Share capital £'000	Capital redemption reserve £'000	Other reserves £'000	Revaluation reserve £'000	Special reserve £'000	Currrency translation reserve £'000	Treasury shares £'000	Retained earnings £'000	**Total shareholders' funds £'000**
(a) Group									
At 30th April 2024	1,784	957	2,815	9,923	1,629	(607)	(3,702)	39,661	**52,460**
Profit for the year	–	–	–	–	–	–	–	14,531	**14,531**
Other comprehensive (loss)/income	–	–	–	(1,677)	–	435	–	2,809	**1,567**
Total comprehensive (loss)/income	–	–	–	(1,677)	–	435	–	17,340	**16,098**
Equity settled share-based payment expense	–	–	–	–	–	–	–	78	**78**
Deferred tax on share option relief	–	–	–	–	–	–	–	192	**192**
Purchase of own shares (note 23)	–	–	–	–	–	–	(4,483)	–	**(4,483)**
Exercise of share options (note 23)	–	–	–	–	–	–	798	(447)	**351**
Dividends paid (note 11)	–	–	–	–	–	–	–	(3,507)	**(3,507)**
Transactions with owners recognised directly in equity	–	–	–	–	–	–	(3,685)	(3,684)	**(7,369)**
At 30th April 2025	1,784	957	2,815	8,246	1,629	(172)	(7,387)	53,317	**61,189**
Profit for the year	–	–	–	–	–	–	–	11,020	**11,020**
Other comprehensive (loss)/income	–	–	–	(136)	–	(777)	–	(79)	**(992)**
Total comprehensive (loss)/income	–	–	–	(136)	–	(777)	–	10,941	**10,028**
Equity settled share-based payment expense	–	–	–	–	–	–	–	71	**71**
Deferred tax on share option relief	–	–	–	–	–	–	–	608	**608**
Exercise of share options (note 23)	–	–	–	–	–	–	881	(544)	**337**
Dividends paid (note 11)	–	–	–	–	–	–	–	(3,922)	**(3,922)**
Transactions with owners recognised directly in equity	–	–	–	–	–	–	881	(3,787)	**(2,906)**
At 30th April 2026	**1,784**	**957**	**2,815**	**8,110**	**1,629**	**(949)**	**(6,506)**	**60,471**	**68,311**

Consolidated and company statement of changes in equity

Continued

For the year ended 30th April 2026

	Share capital £'000	Capital redemption reserve £'000	Other reserves £'000	Revaluation reserve £'000	Special reserve £'000	Currrency translation reserve £'000	Treasury shares £'000	Retained earnings £'000	**Total shareholders' funds £'000**
(b) Company									
At 30th April 2024	1,784	957	7,620	–	1,629	–	(3,702)	22,367	**30,655**
Profit for the year	–	–	–	–	–	–	–	4,293	**4,293**
Other comprehensive income	–	–	–	–	–	–	–	–	**–**
Total comprehensive income	–	–	–	–	–	–	–	4,293	**4,293**
Equity settled share-based payment expense	–	–	–	–	–	–	–	78	**78**
Deferred tax on share option relief	–	–	–	–	–	–	–	192	**192**
Purchase of own shares (note 23)	–	–	–	–	–	–	(4,483)	–	**(4,483)**
Exercise of share options (note 23)	–	–	–	–	–	–	798	(447)	**351**
Dividends paid (note 11)	–	–	–	–	–	–	–	(3,507)	**(3,507)**
Transactions with owners recognised directly in equity	–	–	–	–	–	–	(3,685)	(3,684)	**(7,369)**
At 30th April 2025	1,784	957	7,620	–	1,629	–	(7,387)	22,976	**27,579**
Profit for the year	–	–	–	–	–	–	–	(77)	**(77)**
Other comprehensive income	–	–	–	–	–	–	–	–	–
Total comprehensive income	–	–	–	–	–	–	–	(77)	**(77)**
Equity settled share-based payment expense	–	–	–	–	–	–	–	71	**71**
Deferred tax on share option relief	–	–	–	–	–	–	–	608	**608**
Exercise of share options (note 23)	–	–	–	–	–	–	881	(544)	**337**
Dividends paid (note 11)	–	–	–	–	–	–	–	(3,922)	**(3,922)**
Transactions with owners recognised directly in equity	–	–	–	–	–	–	881	(3,787)	**(2,906)**
At 30th April 2026	**1,784**	**957**	**7,620**	**–**	**1,629**	**–**	**(6,506)**	**19,112**	**24,596**

Consolidated and company statements of financial position

At 30th April 2026 Company number: 00653735

	Notes	Group 2026 £'000	Group 2025 £'000	Company 2026 £'000	Company 2025 £'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	**30,578**	30,257	**318**	1,571
Right-of-use assets	13	**895**	385	**–**	5,421
Intangible assets	14	**2,901**	2,367	**–**	–
Investments in subsidiaries	15	**–**	–	**15,312**	16,449
Deferred income tax asset	17	**4**	7	**1,115**	584
Derivative assets	6	**4**	–	**4**	–
Trade and other receivables	19	**–**	–	**7,289**	8,492
Contract assets	27	**540**	428	**–**	–
		34,922	33,444	**24,038**	32,517
Current assets					
Inventories	18	**20,677**	30,733	**–**	3,109
Derivative asset	6	**263**	1,134	**263**	1,134
Trade and other receivables	19	**20,471**	33,669	**7,362**	4,355
Contract assets	27	**4,919**	7,376	**–**	–
Cash and cash equivalents	20	**45,080**	23,745	**2,050**	9,087
Restricted cash held in Escrow	20	**1,446**	4,038	**–**	–
		92,856	100,695	**9,675**	17,685
TOTAL ASSETS		**127,778**	134,139	**33,713**	50,202
EQUITY AND LIABILITIES					
Equity					
Share capital	22	**1,784**	1,784	**1,784**	1,784
Capital redemption reserve	23	**957**	957	**957**	957
Other reserves	23	**2,815**	2,815	**7,620**	7,620
Revaluation reserve	23	**8,110**	8,246	**–**	–
Special reserve	23	**1,629**	1,629	**1,629**	1,629
Currency translation reserve	23	**(949)**	(172)	**–**	–
Treasury shares	23	**(6,506)**	(7,387)	**(6,506)**	(7,387)
Retained earnings		**60,471**	53,317	**19,112**	22,976
TOTAL EQUITY SHAREHOLDERS' FUNDS		**68,311**	61,189	**24,596**	27,579
Non-current liabilities					
Contract liabilities	27	**2,198**	7,208	**–**	–
Deferred income tax liability	17	**2,310**	2,242	**–**	–
Lease liabilities	13	**677**	61	**–**	5,123
Trade and other payables	25	**1,253**	623	**921**	–
		6,438	10,134	**921**	5,123
Current liabilities					
Trade and other payables	25	**18,694**	15,863	**8,196**	13,759
Warranty provision	26	**899**	929	**–**	–
Current tax liabilities		**1,003**	1	**–**	–
Contract liabilities	27	**32,200**	45,670	**–**	3,092
Lease liabilities	13	**233**	353	**–**	649
		53,029	62,816	**8,196**	17,500
TOTAL EQUITY AND LIABILITIES		**127,778**	134,139	**33,713**	50,202

No profit and loss account is presented for the Company, as permitted by section 408 of the Companies Act 2006. The Company's profit or loss for the financial year amounted to £77,000 loss (2025 – £4,293,000 profit).

The financial statements of MS INTERNATIONAL plc, registered number 00653735, on pages 26 to 72 were approved by the Board of Directors on 15th July 2026 and signed on its behalf by:

M. O'Connell

Michael O'Connell
Managing Director

Shelley Ashcroft
Finance Director

Consolidated and company cash flow statements

For the year ended 30th April 2026

		Group		Company	
		2026	2025	**2026**	2025
	Note	**£'000**	£'000	**£'000**	£'000
Profit/(loss) before taxation		**15,056**	20,050	**(5,797)**	(537)
Adjustments to reconcile profit/(loss) before taxation to cash generated from operating activities:					
Depreciation charge of owned assets and right-of-use assets	12/13	**2,740**	2,514	**1,098**	1,382
Amortisation charge	14	**138**	89	**–**	–
Profit on disposal of property, plant and equipment		**(82)**	(194)	**(33)**	(190)
Profit on disposal of right of use assets		**–**	–	**(374)**	–
Loss on transfer of group companies	15	**–**	–	**2,943**	–
Equity settled share-based payment expense		**71**	78	**71**	78
Finance income	8	**(1,103)**	(1,328)	**(5)**	(212)
Foreign exchange movements		**(1,131)**	(117)	**–**	–
Decrease/(increase) in inventories		**10,067**	(5,862)	**1,422**	(1,286)
Decrease/(increase) in receivables		**14,994**	(13,105)	**(1,600)**	1,929
Decrease in derivatives	6	**867**	73	**867**	73
Increase/(decrease) in payables		**3,431**	(3,332)	**(1,105)**	3,666
(Decrease)/increase in contract liabilities		**(18,256)**	2,055	**(2,299)**	1,308
Cash generated from operating activities		**26,792**	921	**(4,812)**	6,211
Net interest received		**1,136**	1,350	**133**	399
Taxation (paid)/received		**(1,915)**	(5,520)	**572**	193
Net cash inflow/(outflow) from operating activities		**26,013**	(3,249)	**(4,107)**	6,803
Investing activities					
Dividends received from subsidiaries		**–**	–	**5,000**	1,500
Purchase of property, plant and equipment	12	**(2,716)**	(3,733)	**(253)**	(932)
Purchase of intangible assets	14	**(673)**	(18)	**–**	–
Proceeds on disposal of property, plant and equipment		**127**	281	**84**	236
Cash disposed on transfer of divisions to group companies	15	**–**	–	**(3,458)**	–
Investment in shares of subsidiary company	15	**–**	–	**(105)**	–
Decrease in cash held in the Escrow account maturing in more than 90 days	20/21	**2,592**	3,132	**–**	–
Net cash (outflow)/inflow from investing activities		**(670)**	(338)	**1,268**	804
Financing activities					
Buy back of own shares	23	**–**	(4,483)	**–**	(4,483)
Money received from the exercise of share options	23	**337**	351	**337**	351
Lease payments		**(471)**	(393)	**(613)**	(817)
Dividends paid	11	**(3,922)**	(3,507)	**(3,922)**	(3,507)
Net cash outflow from financing activities		**(4,056)**	(8,032)	**(4,198)**	(8,456)
Increase/(decrease) in cash and cash equivalents		**21,287**	(11,619)	**(7,037)**	(849)
Opening cash and cash equivalents		**23,745**	35,509	**9,087**	9,936
Exchange differences on cash and cash equivalents		**48**	(145)	**–**	–
Closing cash and cash equivalents	20	**45,080**	23,745	**2,050**	9,087

Notes to the financial statements

For the period ended 30th April 2026

1 Authorisation of financial statements and statement of compliance with UK adopted International Accounting Standards

MS INTERNATIONAL plc (the 'Company') is a public limited company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on the Alternative Investment Market (AIM) market of the London Stock Exchange.

The financial statements of the Company and its subsidiaries (together referred to as the 'Group') for the year ended 30th April 2026 were authorised for issue by the Board of Directors on 15th July 2026 and the statements of financial position were signed on the Board's behalf by Michael O'Connell and Shelley Ashcroft.

The Group's and Company's financial statements for the year ended 30th April 2026 have been prepared in accordance with UK adopted International Accounting Standards.

2 Accounting policies

Basis of preparation

The consolidated financial statements are presented in pounds sterling and all values are rounded to the nearest thousand (£'000) except where otherwise indicated.

The principal accounting policies have been applied consistently to all years presented in these Group financial statements, unless otherwise stated. The consolidated financial statements have been prepared on a going concern basis.

Going concern

The financial statements have been prepared on a going concern basis. The Group's business activities, together with factors likely to affect its future development, performance, and position are set out in the Chairman's statement and Strategic report on pages 3 to 6 and 9 to 15.

At 30th April 2026, the Group held cash and cash equivalents of £45.08m with a further £1.45m of restricted cash held in an Escrow account maturing in greater than 90 days. The Group also has a number of large long-term contracts and a healthy orderbook. As such, the directors are satisfied that the Group has sufficient liquidity to meet both its current liabilities and future working capital requirements.

The performance of the Group is dependent on a number of external factors and the wider economic and political environment. The changing political landscape, the cost and supply of raw materials and the introduction of tariffs in the US are among the biggest challenges and uncertainties facing the Group. However, management remain vigilant and are regularly monitoring the impact of these external factors in order to mitigate any impact upon the business.

The Board has a reasonable expectation that the Company and its Group has adequate resources for a period of 12 months from the date of approval of the financial statements. Forecasts have been prepared up to 31st October 2027, which the directors believe reflect a reasonable expectation, based on the information available at the date of signing these financial statements. There are no events or conditions identified that would lead to a longer period of assessment, and therefore management have assessed that the going concern basis of accounting is appropriate in preparing the financial statements and that there are no material uncertainties to disclose.

In addition, management have carried out reverse stress tests to 31st October 2027 under various scenarios, all of which are considered severe but implausible by management.

As a result, in making the going concern assessment the directors consider there to be no material uncertainties that could cast significant doubt on the Group's ability to continue to operate as a going concern. They believe that the Group has sufficient financial resources with an orderbook that allows the Group to continue operating for the foreseeable future, being at least to 31st October 2027. As a result, the directors continue to adopt the going concern basis of accounting in preparation of these financial statements.

Critical accounting estimates and assumptions

In preparation of the financial statements, the Group's management are required to make estimates, judgements and assumptions that affect the reported amounts of amount of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and any other factors considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions are recognised in the period in which they are revised.

Notes to the financial statements

Continued

2 Accounting policies (continued)

Critical accounting estimates and assumptions (continued)

The following estimates and judgements have a risk of causing material adjustments to the amounts recognised in these financial statements:

Judgements

(a) Contract revenue

Judgement is required in determining the recognition of revenue either at a point in time or over time. Where contracts contain multiple performance obligations, revenue is measured over time only if the group's performance does not create an asset with an alternative use to the Group or if the customer simultaneously receives and consumes the benefits provided by the group's performance as the group performs. The majority of contracts within the Group do not meet this criteria and therefore revenue recognition is judged to be at a point in time (note 3). This assessment is detailed further in the accounting policy for revenue.

Judgement is also required in identifying the performance obligations of a contract, applying the principle of control, and allocating transaction prices to performance obligations.

(b) Capitalisation of development costs

Development costs are expensed to the consolidated income statement as incurred where they do not meet the criteria for capitalisation. Judgement is required in determining if and when costs directly attributable to a project's development phase should be capitalised, particularly when assessing the point at which an asset will generate probable future economic benefits (see note 5).

(c) Assets held for sale

Management have exercised judgement in assessing whether the criteria for classification of assets held for sale under IFRS 5 Non-current Assets Held for Sale and Discontinued Operations were met at the reporting date. Management concluded that the IFRS 5 classification criteria had not been satisfied as at 30th April 2026 as a buyer had not been found and therefore a sale could not be deemed highly probable at this date.

Estimates

(a) Impairment of non-financial assets

The Group's impairment test for intangible assets with indefinite useful lives and goodwill is based on assessment and estimation of the recoverable value of the Cash-Generating Units (CGUs) being the higher of the fair value less costs to sell and a value-in-use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value-in-use calculation is based on a discounted cash flow model. This process involves estimation of future cash flows arising from the CGUs and also a selection of the appropriate discount rate to allow calculation of the net present value of those cash flows. The selection of an appropriate discount rate is an area of judgement while the forecast of cash flows includes accounting estimates. More information on the assumptions and sensitivities applied are set out in notes 14 and 15 to these financial statements.

(b) Valuation of land and buildings

Land and buildings are held at fair value less depreciation and impairment. Fair value is an area of judgement as it is based on periodic valuations by external independent valuers, which are determined from market-based evidence (see note 12).

Basis of consolidation

The Group financial statements incorporate the results of MS INTERNATIONAL plc and the results of its subsidiary undertakings. Subsidiaries are those entities over which the Company has control. The Company holds, directly or indirectly, 100% of the share capital and 100% of the voting rights of all subsidiaries. All subsidiaries have a reporting date of 30th April.

All intra-group balances, transactions, income and expenses, and profits and losses resulting from intra-group transactions that are recognised in assets, are eliminated in full on consolidation.

Subsidiaries are fully consolidated from the effective date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Notes to the financial statements

Continued

2 Accounting policies (continued)

Exemption from audit

For the year ended 30th April 2026, MS INTERNATIONAL plc has provided a parental guarantee for MS INTERNATIONAL Estates Ltd (company number 11218853), MSI-Forks Ltd (company number 01843622) and Global-MSI plc (company number 02849288). MS INTERNATIONAL Estates Ltd, MSI-Forks Ltd and Global-MSI plc are entitled to exemption from audit under section 479A if the Company's Act 2006 relating to subsidiary companies.

The Company's investments in subsidiaries

In its separate financial statements the Company's investments in subsidiaries are carried at cost less provision for impairment.

Foreign currency translation

The consolidated financial statements are presented in pounds sterling, which is the Company's functional and presentational currency. Each entity in the Group determines its own functional currency and the items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the statement of financial position date. All differences are taken to the income statement. Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of the Group's overseas subsidiaries are the US Dollar, the Euro, the Polish Zloty, the Brazilian Real and the Argentinean Peso. The assets and liabilities of the overseas subsidiaries are translated into the presentational currency of the Group at the rate of exchange ruling at the statement of financial position date and their income statements are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are taken directly to a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Land and buildings are recognised initially at cost and thereafter carried at fair value less depreciation and impairment charged subsequent to the date of the revaluation. Fair value is based on periodic valuations by an external independent valuer and is determined from market-based evidence by appraisal. Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Any revaluation surplus is credited to the revaluation reserve in equity except to the extent that it reverses a decrease in the carrying value of the same asset previously recognised in profit or loss, in which case the increase is recognised in the income statement. A revaluation deficit is recognised in the income statement, except to the extent of any existing surplus in respect of that asset in the revaluation reserve.

Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Depreciation is provided on all property, plant and equipment, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the statement of financial position date, of each asset evenly over its expected useful life as follows:

Property other than freehold land – over 50 years

Plant and equipment – over 3 to 10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Notes to the financial statements

Continued

2 Accounting policies (continued)

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. The choice of measurement of non-controlling interest, either at fair value or at the proportionate share of the acquiree's identifiable net assets is determined on a transaction by transaction basis. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost being the excess of the aggregate of the acquisition-date fair value of the consideration transferred and the amount recognised for the non-controlling interest (and where the business combination is achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree) over the net identifiable amounts of the assets acquired and the liabilities assumed in exchange for the business combination. Assets acquired and liabilities assumed in transactions separate to the business combinations, such as the settlement of pre-existing relationships or post-acquisition remuneration arrangements are accounted for separately from the business combination in accordance with their nature and applicable IFRSs. Identifiable intangible assets, meeting either the contractual-legal or separability criterion are recognised separately from goodwill. Contingent liabilities representing a present obligation are recognised if the acquisition-date fair value can be measured reliably.

If the aggregate of the acquisition-date fair value of the consideration transferred and the amount recognised for the non-controlling interest (and where the business combination is achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree) is lower than the fair value of the assets, liabilities and contingent liabilities and the fair value of any pre-existing interest held in the business acquired, the difference is recognised in the income statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the group's cash-generating units (or groups of cash-generating units) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which goodwill is allocated shall represent the lowest level within the entity at which the goodwill is monitored for internal management purposes and not be larger than an operating segment before aggregation.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Intangible assets

Intangible assets acquired separately are measured at cost on initial recognition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the income statement in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The amortisation period and the amortisation method are reviewed at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The useful economic lives of each intangible asset with finite lives are as follows:

Tradename – over 10 to 20 years

Design database – over 10 years

Non-compete agreement – over 3 years

Notes to the financial statements

Continued

2 Accounting policies (continued)

Intangible assets (continued)

Customer relationships – over 8 to 10 years

Order backlog – over 1 year

Development costs – over 5 years

Software costs – over 3 to 5 years

Goodwill arising on acquisition of subsidiaries is the only intangible asset with an indefinite useful life.

For impairment assessment purposes, intangible assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and others are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of a related business combination and represent the lowest level within the Group at which management monitors goodwill.

Impairment losses are recognised at the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Leased assets

For any new contracts entered into, the Group considers whether a contract is, or contains, a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. New leases are then recognised in the Consolidated statement of financial position as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group.

Lease liabilities are measured at the present value of the lease payments unpaid at the recognition date, discounted using the interest rate implicit in the lease, or, if that rate cannot be determined, the Group's incremental borrowing rate. Lease payments include fixed payments, variable lease payments that are based on an index or rate, less any lease incentives receivable. Following initial measurement, the liability will be reduced for payments made and increased for interest. Interest will be charged to profit or loss as an interest expense.

The liability will be remeasured to reflect any reassessment of or modification to the lease contract when applicable. When the lease liability is remeasured, the corresponding adjustment is also reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

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

- the amount of the initial measurement of lease liability,
- any lease payments (net of any incentives received) made in advance of the lease commencement date,
- any initial direct costs incurred,
- an estimate of any costs to dismantle or remove the asset at the end of the lease.

The Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the useful economic life or the end of the lease term.

Payments associated with short-term leases, defined as a lease with a term of 12 months or less, and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value including remeasurement at the reporting date. The Group has decided not to apply hedge accounting with respect to forward exchange contracts and as a result changes in the fair values are recognised immediately within the Consolidated income statement within the Derivative gains or losses line.

Notes to the financial statements

Continued

2 Accounting policies (continued)

Research and development

Costs relating to research are charged to the income statement as incurred.

Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided they meet the following recognition requirements:

- the development costs can be measured reliably.
- the project is technically and commercially feasible.
- the Group intends to and has sufficient resources to complete the project.
- the Group has the ability to use or sell the asset.
- the asset will generate probable future economic benefits.

Development costs not meeting these criteria for capitalisation are expensed as incurred.

Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials — purchase cost on a first-in, first-out basis.
- Finished goods and work in progress — cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Contract costs relating to non-prototype research and development expenditure are capitalised within work in progress when the costs are expected to be recovered.

Trade and other receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectable amounts based on expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the lifetime of the receivable. The Group uses its historical experience, external indicators and forward looking information to make this assessment. Trade receivables are classified as financial assets measured as amortised cost.

Treasury shares

Own shares held by the Company and Group are classified in equity and are recognised at cost. No gain or loss is recognised on the purchase, sale, issue, or cancellation of the Group's own equity instruments.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank, cash on short-term deposit, and cash in hand.

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding overdrafts which are repayable on demand.

Restricted cash held in Escrow

Cash held in Escrow provides security to both Lloyds Bank plc and Barclays Bank plc in respect of any guarantees, indemnities, and performance bonds given by the Group in the ordinary course of business. In the statement of financial position amounts not maturing within 90 days of the deposit date are separately disclosed in restricted cash held in Escrow.

Notes to the financial statements

Continued

2 Accounting policies (continued)

Trade and other payables

Trade and other payables are initially regarded at their fair value and thereafter at amortised cost using the effective interest rate method. Trade payables are classified as financial liabilities at amortised cost.

Warranty provisions

Provisions for the expected cost of warranty obligations are recognised in the Consolidated income statement when it becomes probable that the Group will be required to settle that obligation. Warranty related provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date.

Pension schemes

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligation) and is based on actuarial advice. Past service costs are recognised in the income statement immediately. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs the obligation and related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss recognised in the income statement during the period in which the settlement or curtailment occurs.

The interest element of the defined benefit cost represents the change in present value of scheme obligations resulting from the passage of time, and is determined by applying the discount rate to the opening present value of the benefit obligation, taking into account material changes in the obligation during the year. Remeasurement gains and losses are recognised in full in other comprehensive income. Actual gains/losses less amount included in net interest costs are included in other comprehensive income.

The defined benefit pension asset or liability in the statement of financial position comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds) less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is restricted to the sum of the present value of any amount the Group expects to recover by way of refunds from the plan or reductions in the future contributions.

The value of a net pension liability is restricted to the sum of the present value of contracted deficit reduction contributions. Where the present value of contracted deficit reduction contributions exceeds the net pension liability, the surplus is recognised as a further liability within the financial statements in accordance with IFRIC 14.

Contributions to defined contribution schemes are recognised in the income statement in the year in which they become payable.

Equity settled share-based payments

The Group operates equity-settled share-based remuneration plans for certain employees. Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date of the instruments using either the Black-Scholes model or the Monte Carlo model depending on the terms and conditions of the grant. Where options incorporate market performance conditions, for example, the LTIP (Long Term Incentive Plan) and certain CSOP (Company Share Option Plan), the Monte Carlo model is used. Where there are no non-market vesting conditions the Black-Scholes model is used, for example, certain CSOP schemes.

The cost of equity settled share-based payments is charged to the income statement over the vesting period on a straight line basis, with the corresponding credit applied to equity.

Notes to the financial statements

Continued

2 Accounting policies (continued)

Cash settled share-based payments

Cash settled share-based payments result in the recognition of a liability, which is an obligation to make a payment in cash, based on the price of the underlying equity instrument. As the cash settled share-based payments awarded carry no market based vesting criteria or non-vesting criteria, the value of the awards at each respective valuation date equals the share price prevailing at that date, adjusted for any dividend leakage (on a compounded basis) over their expected life. The fair value of recognised liability is remeasured at each reporting date and the full amount is remeasured from vesting date to settlement date. Remeasurements are recognised immediately to the extent that they relate to past services and recognition is spread over the remaining vesting period to the extent they relate to future services.

The cost of cash settled share-based payments is charged to the income statement with the corresponding credit applied to liabilities.

Revenue

Revenue is attributable to the principal activities of the four divisions within the Group:

- The design and manufacture of defence and security equipment ('Defence and Security').
- The manufacture of fork-arms and open die forgings ('Forgings').
- The design, manufacture, construction, and maintenance of petrol station superstructures and the design, manufacture, installation, and service of corporate brandings, including media facades, way-finding signage, public illumination, creative lighting solutions, and the complete appearance of petrol station superstructures and forecourts ('Petrol Station Superstructures and Branding').

To determine whether to recognise revenue, the Group follows the five steps required when applying IFRS 15:

1. Identify the contract with the customer.
2. Identify the separate performance obligations specified within each contract.
3. Determine the transaction price specified within each contract.
4. Allocate the transaction price to the performance obligation identified.
5. Recognise revenue once the performance obligation have been satisfied.

This process includes the assessment of performance obligations within the contract and the allocation of contract revenue across these performance obligations once identified. Revenue is recognised either at a point in time or over time depending on when the performance obligations are satisfied.

The Group recognises contract liabilities for payments received in respect of unsatisfied performance obligations and reports these within current and non-current liabilities in the Statement of financial position. Contract assets, both current and non-current, are recognised when the value of the revenue recognised within the income statement exceeds the amount received as contractual milestone payments.

Revenue within each of the divisions is recognised as follows:

'Defence and Security'

The 'Defence and Security' division enters into contracts with its customers to provide defence and security equipment and related services such as onsite commissioning, firing trials and training. Contracts contain multiple performance obligations that are either recognised at a point in time or over time.

Upon signing a contract, the contract is assessed to identify each performance obligation and whether it satisfies the criteria for over time or at a point in time. Performance obligations are satisfied over time if one of the following criteria is satisfied:

- the customer simultaneously creates or enhances the benefits provided by the Group's performance obligations as it performs;
- the Groups performance creates or enhances an asset that a customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and it has an enforceable right to payment for performance completed to date.

Notes to the financial statements

Continued

2 Accounting policies (continued)

Revenue (continued)

The determination of revenue over time is contract specific and will depend on the terms and conditions of the individual contract. Performance obligations relating to commissioning, training, firing trial services, and in-service support are satisfied over time as the customer simultaneously receives and consumes the benefits provided by MSI's performance.

Revenue recognised over time for commissioning, training and firing trial services is recognised utilising the output method based on time elapsed over the period of performance. Revenue recognised over time in relation to in-service support contracts are recognised utilising the input method based on costs incurred.

Performance obligations are satisfied at a point in time if none of the above criteria for recognising revenue over time are met. Revenue is recognised as performance obligations are satisfied, which is when control of goods and services has transferred to the customer. The transfer of goods and services to the customer is contract specific depending on the terms and conditions within the individual contract. This could be upon factory acceptance test, site acceptance test, customer acceptance, shipment of goods (whether on first carrier or arrival at port), or delivery to the customer's site, among others. Management judgement is required when applying the principle of control within each contract. Indicators for the transfer of control are assessed both individually and collectively to determine the point at which control transfers. Specifically, management considers the transfer of title of the equipment, transfer of physical possession, transfer of significant risks and rewards of ownership to the customer, and customer's acceptance of equipment, when making an assessment.

Transaction prices are allocated to performance obligations based on their relative stand-alone selling prices i.e. the amount allocated is equivalent to the amount that would be allocated if the goods and services were sold separately.

The division provides warranties to its customers to give them assurance that its products and services will function in line with specifications determined within the contract. Warranties within these contracts represent an assurance type warranty and therefore are not accounted for as a separate performance obligation.

Occasionally revenue is recognised in accordance with a bill-and-hold arrangement when requested by the customer. Under these instances revenue is recognised before delivery of the goods when the following criteria are met:

- the buyer requests a bill-and-hold arrangement
- the goods must be ready for physical transfer to the customer and must be separately identified as belonging to the customer
- the goods cannot be used or directed to another customer.

As part of the contracts entered into, customers may make payments to the division in advance of the goods being delivered and/or being recognised within the income statement. The terms of these payments are defined within each contract. These are classified as contract liabilities, which are only recognised as revenue once the performance obligation has been satisfied. Where the contract is denominated in foreign currency, contract liabilities are translated at the rate prevailing on the date of receipt of the payment and are recognised in revenue on a first in first out rate when the related performance obligations are satisfied.

'Forgings'

Revenue from the sale of fork-arms and open die forgings is recognised at a point in time upon delivery of the products, either when or as the 'Forgings' division transfers control of the products to the customer. Customers are invoiced once control of the product has transferred to the customer.

'Petrol Station Superstructures and Branding'

'Petrol Station Superstructures' enters into contracts with its customers to provide petrol station superstructures and to perform the re-imaging of corporate branding and signage for various industries. Additional engagements include the repair and maintenance of images on petrol station forecourts.

The division assesses each contract to determine whether revenue should be recognised at a point in time when the product is delivered to the customer, or recognised over time when the contracts stipulate that the division is entitled to reward for performance to date. In order to establish the entitlement for performance to date, the division considers if it has an enforceable right to payment for performance completed to date and the division's performance to date does not create an asset with an alternative use to the Group. The majority of contracts have revenue which is measured at a point in time.

As part of the contracts entered into, customers may make payments to the division in advance of the delivery of the product. These are classified as contract liabilities, which are only recognised as revenue once the performance obligation has been satisfied.

Notes to the financial statements

Continued

2 Accounting policies (continued)

Revenue (continued)

'Corporate Branding' enters into contracts with its customers to perform the re-imaging of corporate branding and signage for various industries. Additional engagements include the repair and maintenance of images on petrol station forecourts.

Control of the goods does not pass to the customer until either the goods are delivered to site for material only projects, or upon completion of the installation for materials and installation projects. Accordingly, revenue is recognised at the point in time when this occurs.

As part of some of the contracts entered into, customers may make payments to the division in advance of the goods being delivered. These are classified as contract liabilities and are only recognised as revenue once the performance obligation has been satisfied.

Taxes

Income tax is charged or credited directly to other comprehensive income or equity if it relates to items that are credited or charged to, respectively, other comprehensive income or equity. Otherwise income tax is recognised in the income statement.

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

Deferred income tax

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised;

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.

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 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 income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the statement of financial position date. Increases/decreases in deferred income tax assets and liabilities arising from changes to tax rates enacted or substantively enacted at the statement of financial position date are recognised immediately in the Consolidated income statement or the Consolidated statement of comprehensive income.

Notes to the financial statements

Continued

2 Accounting policies (continued)

Dividends payable

Dividends are recognised when they become legally payable. In the case of interim dividends this is when paid. In the case of final dividends this is when approved by the shareholders at the AGM.

Earnings per share

Basic earnings per share is calculated by dividing:

- the profit for the year attributable to the equity holders of the parent
- by the weighted average number of ordinary shares in issue, excluding the weighted average number of shares held in the ESOT and the weighted average number of treasury shares.

Diluted earnings per share is calculated by dividing:

- the profit for the year attributable to the equity holders of the parent
- by the weighted average number of ordinary shares in issue adjusted for the dilutive potential ordinary shares, excluding the weighted average number of shares held in the ESOT and the weighted average number of treasury shares.

Standards, amendments and Interpretations to existing Standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, the new, but not yet effective, standards, amendments to existing standards, or interpretations that have been published by the IASB that will have a material impact on these financial statements are as follows:

Title	Full title of Standard or Interpretation	Effective for accounting periods beginning on or after
IFRS 18	IFRS 18 Presentation and Disclosure in Financial Statements	1st January 2027

None of these standards, amendments or interpretations have been adopted early by the Group. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations neither adopted nor listed below have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

3 Revenue

The Group's revenue disaggregated by pattern of revenue recognition and category is as follows:

	2026	2025
	£'000	£'000
Revenue recognised at a point in time	**106,060**	112,955
Revenue recognised over time	**8,947**	4,548
Total revenue	**115,007**	117,503

During the year the Group recognised £44,859,000 (2025 – £29,569,000) of revenue that was included in the contract liability balance at 30th April 2025 (note 27).

Notes to the financial statements

Continued

4 Segment information

For management and reporting purposes, the Group operated through three trading divisions during the years ended 30th April 2026 and 30th April 2025. This includes 'Defence and Security', 'Forgings', and 'Petrol Station Superstructures and Branding'. Following a restructure of the Group during the year, the previously reported 'Corporate Branding' segment now forms part of the 'Petrol Station Superstructures and Branding' segment. With effect from the current financial year, the two former divisions now constitute a single operating segment and this change resulted from the operational integration under single management. Accordingly, the prior year has also been restated for comparative purposes.

These divisions are the basis on which the Group reports its primary business segment information. The Board, which includes the chief operating decision maker, considers each trading division as a separate operating segment and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Therefore, Group financing (including finance costs and finance revenue) and income taxes are managed on a group basis and are therefore not allocated to operating segments.

The principal activities of the trading divisions are described in the Strategic report.

	'Defence and Security'		'Forgings'		'Petrol Station Superstructures and Branding'		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000	**£'000**	£'000	**£'000**	£'000
Segmental revenue								
Total revenue	**71,598**	82,449	**13,446**	13,770	**30,193**	21,836	**115,237**	118,055
Revenue from other segments	**–**	–	**–**	–	**(230)**	(552)	**(230)**	(552)
Revenue from external customers	**71,598**	82,449	**13,446**	13,770	**29,963**	21,284	**115,007**	117,503
Revenue recognised at a point in time	**62,651**	77,901	**13,446**	13,770	**29,963**	21,284	**106,060**	112,955
Revenue recognised over time	**8,947**	4,548	**–**	–	**–**	–	**8,947**	4,548
Revenue from external customers	**71,598**	82,449	**13,446**	13,770	**29,963**	21,284	**115,007**	117,503
Segment result								
Operating profit/(loss)	**12,762**	17,740	**(547)**	573	**1,738**	409	**13,953**	18,722
Segmental assets								
Assets attributable to segments	**80,269**	82,770	**5,851**	6,603	**15,403**	17,674	**101,523**	107,047
Unallocated assets*							**26,255**	27,092
Total assets							**127,778**	134,139
Segmental liabilities								
Liabilities attributable to segments	**44,716**	58,101	**2,145**	1,435	**7,073**	7,976	**53,934**	67,512
Unallocated liabilities*							**5,533**	5,438
Total liabilities							**59,467**	72,950
Other segmental information								
Capital expenditure	**2,296**	2,898	**19**	378	**401**	457	**2,716**	3,733
Depreciation	**1,234**	1,000	**530**	594	**976**	920	**2,740**	2,514
Amortisation	**95**	46	**–**	–	**43**	43	**138**	89

* Unallocated assets include certain fixed assets (including all UK properties), current assets and deferred income tax assets. Unallocated liabilities include the defined pension benefit scheme liability, the deferred income tax liability, and certain current liabilities.

Assets and liabilities attributable to segments comprise the assets and liabilities of each segment adjusted to reflect the elimination of the cost of investment in subsidiaries and the provision of financing loans provided by 'MS INTERNATIONAL plc'.

Revenue between segments is determined on an arm's length basis. Segment results, assets, and liabilities include items directly attributable to the segment as well as those that can be allocated on a reasonable basis.

Notes to the financial statements

Continued

4 Segment information (continued)

Geographical analysis

The following table presents revenue, assets, liabilities and capital expenditure by geographical location for the years ended 30th April 2026 and 30th April 2025. The Group's geographical segments are based on the location of the Group's divisions.

	United Kingdom		Europe		USA		South America		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000	**£'000**	£'000	**£'000**	£'000	**£'000**	£'000
External revenue by origin	**59,949**	80,124	**9,319**	6,563	**43,894**	28,829	**1,845**	1,987	**115,007**	117,503
Non-current assets	**26,563**	25,509	**3,219**	2,775	**5,133**	5,121	**7**	39	**34,922**	33,444
Current assets	**82,017**	78,828	**3,419**	2,938	**6,494**	17,986	**926**	943	**92,856**	100,695
Liabilities	**39,186**	41,773	**3,130**	2,410	**17,093**	28,649	**58**	118	**59,467**	72,950
Capital expenditure	**2,180**	3,580	**–**	54	**536**	95	–	4	**2,716**	3,733

The following table shows external revenue disaggregated by location of the Group's customer.

	2026		2025	
	£'000	**%**	£'000	%
United Kingdom	**38,776**	**34%**	21,899	19%
Asia and Middle East	**16,599**	**14%**	46,756	40%
USA	**43,802**	**38%**	28,829	25%
Europe	**13,778**	**12%**	17,072	14%
South America	**1,955**	**2%**	2,876	2%
Rest of World	**97**	**0%**	71	0%
Total revenue	**115,007**	**100%**	117,503	100%

The Group's largest customer, which is reported in the 'Defence and Security' division, contributed 17.7% to the Group's revenue (2025 – 37.1% from a different customer). The Group's second and third largest customer, also reported in the 'Defence and Security' division, were the only other customers that contributed more than 10% to the Group's revenue as shown in the table below.

	2026		2025	
	£'000	**%**	£'000	%
'Defence and Security' – Customer 1	**20,301**	**17.7%**	4,383	3.7%
'Defence and Security' – Customer 2	**12,795**	**11.1%**	15,996	13.6%
'Defence and Security' – Customer 3	**11,818**	**10.3%**	43,546	37.1%
Other customers contributing less than 10% of turnover	**70,093**	**60.9%**	53,578	45.6%
Total revenue	**115,007**	**100%**	117,503	100%

5 Group operating profit

		2026	2025
Profit before taxation is stated after charging/(crediting):	Notes	**£'000**	£'000
Depreciation of tangible assets – owned assets	12	**2,309**	2,157
Depreciation of right-of-use assets	13	**431**	357
Amortisation of intangible assets	14	**138**	89
Profit on disposal of property, plant and equipment		**(82)**	(194)
Short-term and low value leases	13	**254**	182
Foreign exchange gains		**(786)**	(1,472)
Exchange losses relating to derivative assets	6	**867**	73
Cost of inventories recognised as an expense		**53,698**	72,590
Research and development costs		**2,372**	2,443
Defined benefit pension expense	24	**379**	278
Equity settled share-based payment expense	32	**71**	78
Cash settled share-based payment provision	32	**457**	330
Fees payable to the Group's auditor and associates:			
For the audit of the Group's financial statements		**162**	152
For the audit of the Group's subsidiary companies' financial statements		**162**	152
For audit related services		**31**	31

Total administrative expenses are included within Group operating profit.

Notes to the financial statements

Continued

6 Derivative financial instruments

The Group and Company have in place a number of forward currency contracts in respect of USD denominated cash inflows in the 'Defence and Security' division. During the year, forward currency contracts totalling $28,250,000 at an average exchange rate of 1.3195 have been taken out.

The Group and Company has chosen not to adopt hedge accounting with respect to forward exchange contracts and as a result a loss of £867,000 (2025 – £73,000 loss) arising from the change in the fair value of the contracts has been included within operating profit.

Group and Company

2026	US Dollar $'000	Sterling £'000	Average forward rate	Fair value £'000
Non-current derivative asset	269	204	1.3210	4
Current derivative asset	14,271	10,807	1.3206	263
Total	**14,540**	**11,011**	**1.3206**	**267**

2025	US Dollar $'000	Sterling £'000	Average forward rate	Fair value £'000
Non-current derivative asset	–	–	–	–
Current derivative asset	28,400	22,412	1.2672	1,134
Total	**28,400**	**22,412**	**1.2672**	**1,134**

In the tables above the US Dollar represents the total amount payable under the forward exchange contracts and the Sterling represents the total amount receivable under the forward exchange contracts.

7 Employee Information

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

	Group		Company	
	2026 Number	2025 Number	**2026 Number**	2025 Number
Production	**237**	253	**69**	73
Technical	**79**	81	**19**	21
Distribution	**27**	28	**2**	2
Administration	**94**	92	**42**	40
	437	454	**132**	136

(a) Staff costs

Including executive directors, employment costs were as follows:

	Group		Company	
	2026 £'000	2025 £'000	**2026 £'000**	2025 £'000
Wages and salaries	**26,597**	25,633	**8,878**	9,328
Social security costs	**5,743**	3,562	**2,497**	896
Pension costs	**826**	834	**342**	398
Redundancy costs	**160**	15	**–**	–
Equity settled share-based payment expense	**71**	78	**71**	78
Cash settled share-based payment provision	**457**	330	**457**	330
	33,854	30,452	**12,245**	11,030

(b) Directors' emoluments

	2026 £'000	2025 £'000
Short-term employee benefits (note 31)	**4,993**	3,735
Pension contributions	**78**	133
Gain on exercise of share options (note 32)	**842**	1,385
	5,913	5,253

Notes to the financial statements

Continued

7 Employee Information (continued)

(b) Directors' emoluments (continued)

During the year one executive director (2025 – two directors) exercised LTIP share options totalling 50,000 (2025 – 100,000) at an exercise price of £0 (2025 – £0) per share. The gain on these options was the difference between the market price at the date of exercise of £12.25 (2025 – £9.75 to £11.50 per share), and the exercise price of £0 (2025 – £0) per share.

Between July 2025 and October 2025 four directors exercised CSOP share options totalling 26,664 (2025 – 38,334) at an exercise price of £1.41 per share. The gain on these options is the difference between the market price at the date of exercise, which ranged from £11.00 per share to £14.40 per share (2025 – £9.75 to £11.50 per share), and the exercise price of £1.41 (2025 – £1.41) per share.

Directors' emoluments are considered further within the Directors' remuneration report presented on pages 86 to 88.

8 Finance income and expense

	2026	2025
	£'000	£'000
Bank interest income	**1,171**	1,354
Other interest	**43**	–
Finance income	**1,214**	1,354
Bank overdraft interest	**(1)**	(2)
Interest on leases (note 13)	**(33)**	(22)
Other interest	**(77)**	(2)
Interest paid	**(111)**	(26)
Pension scheme interest (note 24)	**–**	–
Finance expense	**(111)**	(26)
Net finance income	**1,103**	1,328

9 Taxation

(a) Tax expense

The charge for taxation comprises:

	2026	2025
	£'000	£'000
Current tax		
United Kingdom corporation tax	**2,261**	5,495
Foreign corporation tax	**1,156**	275
Adjustments in respect of previous years	**63**	(155)
Group current tax expense	**3,480**	5,615
Deferred tax (note 17)		
Origination and reversal of temporary differences	**659**	(41)
Adjustments in respect of previous years	**(103)**	(55)
Group deferred tax expense/(credit)	**556**	(96)
Total tax expense on profit	**4,036**	5,519

Tax relating to items charged to other comprehensive income:

	2026	2025
	£'000	£'000
Deferred tax on revaluation surplus on land and buildings	**129**	(52)
Deferred tax expense/(credit) in the Consolidated statement of comprehensive income	**129**	(52)

Notes to the financial statements

Continued

9 Taxation (continued)

(a) Tax expense (continued)

Tax relating to items charged directly to equity:

	2026	2025
	£'000	£'000
Deferred tax on share option relief	**(608)**	(192)
Total tax credit charged directly to equity	**(608)**	(192)

(b) Factors affecting the tax charge for the year

The tax charge assessed for the year is higher than (2025 – higher than) the standard rate of corporation tax in the UK of 25% (2025 – 25%). The differences are explained below:

	2026	2025
	£'000	£'000
Profit before tax	**15,056**	20,050
Profit multiplied by standard rate of corporation tax of 25% (2025 - 25%)	**3,764**	5,013
Effects of:		
Expenses not deductible for tax purposes	**234**	327
Adjustments in respect of overseas tax rates	**(6)**	21
Unrecognised tax losses	**69**	367
Dual residency tax	**15**	1
Current tax adjustment in respect of previous years	**63**	(155)
Deferred tax adjustment in respect of previous years	**(103)**	(55)
Total taxation expense for the year	**4,036**	5,519

(c) Factors affecting future tax charge

At the reporting date, there are no factors that would affect the future tax charge and therefore deferred income taxation has been provided at the rate at the reporting date of 25%.

10 Earnings per share

The calculation of basic earnings per share of 67.4p (2025 – 90.0p) is based on the profit for the year attributable to equity holders of the parent of £11,020,000 (2025 – £14,531,000) and on a weighted average number of ordinary shares in issue of 16,351,904 (2025 – 16,153,308). At 30th April 2026 there were 692,901 (2025 – 720,870) dilutive shares on option with an effect of 413,177 (2025 – 545,606) giving a diluted earnings per share of 65.7p (2025 – 87.0p).

	2026	2025
	£'000	£'000
Number of ordinary shares in issue at start of the year	**17,841,073**	17,841,073
Number of ordinary shares in issue at the end of the year	**17,841,073**	17,841,073
Weighted average number of shares in issue	**17,841,073**	17,841,073
Less weighted average number of shares held in the ESOT	**(4,686)**	(19,105)
Less weighted average number of shares purchased by the Company	**(1,484,483)**	(1,668,660)
Weighted average number of shares to be used in basic EPS calculation	**16,351,904**	16,153,308
Dilutive effect of 692,901 (2025 – 720,870) shares on option	**413,177**	545,606
Weighted average diluted shares	**16,765,081**	16,698,914
Profit for the year attributable to equity holders of the parent in £	**11,020,000**	14,531,000
Basic earnings per share	**67.4p**	90.0p
Diluted earnings per share	**65.7p**	87.0p

Notes to the financial statements

Continued

11 Dividends paid and proposed

	2026 £'000	2025 £'000
Declared and paid during the year:		
Final dividend for 2025: 18p (2024 – 16.5p)	**2,938**	2,703
Interim dividend for 2026: 6p (2025 – 5p)	**984**	804
	3,922	3,507
Proposed for approval by shareholders at the AGM:		
Final dividend for 2026: 20p (2025 – 18p)	**3,286**	2,910

12 Property, plant and equipment

(a) Group

	Freehold property £'000	Plant and equipment £'000	**Total £'000**
Cost or valuation			
At 30th April 2024	23,387	20,090	**43,477**
Additions	1,303	2,430	**3,733**
Disposals	–	(944)	**(944)**
Revaluation	(136)	–	**(136)**
Reclassification	(360)	360	**–**
Exchange differences	(261)	(149)	**(410)**
At 30th April 2025	23,933	21,787	**45,720**
Additions	–	2,716	**2,716**
Disposals	–	(435)	**(435)**
Revaluation	(136)	–	**(136)**
Exchange differences	(14)	(77)	**(91)**
At 30th April 2026	**23,783**	**23,991**	**47,774**
Accumulated depreciation			
At 30th April 2024	805	14,719	**15,524**
Depreciation charge for the year	437	1,720	**2,157**
Disposals	–	(857)	**(857)**
Revaluation	(1,216)	–	**(1,216)**
Reclassification	(3)	3	**(0)**
Exchange differences	(23)	(121)	**(144)**
At 30th April 2025	–	15,463	**15,463**
Depreciation charge for the year	227	2,082	**2,309**
Disposals	–	(384)	**(384)**
Revaluation	(50)	–	**(50)**
Exchange differences	(1)	(141)	**(142)**
At 30th April 2026	**176**	**17,020**	**17,196**
Net book value at 30th April 2026	**23,607**	**6,971**	**30,578**
Net book value at 30th April 2025	23,933	6,324	30,257
Analysis of cost or valuation			
At professional valuation	23,783	–	**23,783**
At cost	–	23,991	**23,991**
At 30th April 2026	**23,783**	**23,991**	**47,774**
Analysis of cost or valuation			
At professional valuation	23,933	–	**23,933**
At cost	–	21,787	**21,787**
At 30th April 2025	23,933	21,787	**45,720**

Notes to the financial statements

Continued

12 Property, plant and equipment (continued)

(b) Company

	Plant and equipment £'000	**Total £'000**
Cost or valuation		
At 30th April 2024	9,476	**9,476**
Additions	886	**886**
Additions from group company	53	**53**
Disposals	(788)	**(788)**
At 30th April 2025	9,627	**9,627**
Additions	253	**253**
Transfer to group companies (note 15)	(8,116)	**(8,116)**
Disposals	(510)	**(510)**
At 30th April 2026	**1,254**	**1,254**
Accumulated depreciation		
At 30th April 2024	8,087	**8,087**
Depreciation charge for the year	704	**704**
Additions from group company	7	**7**
Disposals	(742)	**(742)**
At 30th April 2025	8,056	**8,056**
Depreciation charge for the year	590	**590**
Transfer to group companies (note 15)	(7,251)	**(7,251)**
Disposals	(459)	**(459)**
At 30th April 2026	**936**	**936**
Net book value at 30th April 2026	**318**	**318**
Net book value at 30th April 2025	1,571	1,571
Analysis of cost or valuation		
At professional valuation	–	**–**
At cost	1,254	**1,254**
At 30th April 2026	**1,254**	**1,254**
Analysis of cost or valuation		
At professional valuation	–	**–**
At cost	9,627	**9,627**
At 30th April 2025	9,627	**9,627**

(c) Within the Group depreciation has not been charged on freehold land which is included at a book value of £7,062,000 (2025 – £6,900,000) at 30th April 2026. The Company does not hold any freehold land.

(d) The last formal valuation of the Group's land and buildings, which consists of manufacturing and office facilities in the UK, the USA and Poland, was carried out in March 2025 by Dove Haigh Phillips (UK), Integra Realty Resources (USA), and KonSolid-Nieruchomosci (Poland). Management determined that these constitute one class of asset under IFRS 13 (designated as level 3 fair value assets), based on the nature, characteristics and risks of the properties.

In March 2026 management requested high level desktop valuations of the properties in Doncaster (UK), Norwich (UK), Rock Hill (USA) and Kraków (Poland). Owing to a fall in the rental market, the property in Krakow required a full revaluation.

The properties in the UK were valued on the basis of an existing use value in accordance with the Appraisal and Valuation Standards (5th Edition) published by the Royal Institution of Chartered Surveyors. The Polish property was valued based on the income approach, converting anticipated future benefits in the form of rental income into present value. The US property was valued on an income and market value basis. For all properties, there is no difference between current use and highest and best use.

If land and buildings were valued using the cost method, carrying amounts would be £15,458,000 (2025 – £15,921,000) at 30th April 2026.

(e) Plant and equipment includes machinery, office equipment, furniture and fixtures, and motor vehicles.

Notes to the financial statements

Continued

13 Leases

(a) Right-of-use assets

Group

	Freehold property £'000	**Total £'000**
Cost or valuation		
At 30th April 2024	2,243	**2,243**
Exchange differences	(47)	**(47)**
At 30th April 2025	2,196	**2,196**
Additions	981	**981**
Disposals	(644)	**(644)**
Exchange differences	58	**58**
At 30th April 2026	**2,591**	**2,591**
Accumulated depreciation		
At 30th April 2024	1,483	**1,483**
Depreciation charge for the year	357	**357**
Exchange differences	(29)	**(29)**
At 30th April 2025	1,811	**1,811**
Depreciation charge for the year	431	**431**
Disposals	(580)	**(580)**
Exchange differences	34	**34**
At 30th April 2026	**1,696**	**1,696**
Net book value at 30th April 2026	**895**	**895**
Net book value at 30th April 2025	385	385

Notes to the financial statements

Continued

13 Leases (continued)

(a) Right-of-use assets (continued)

Company

	Freehold property £'000	**Total £'000**
Cost or valuation		
At 30th April 2024	8,605	**8,605**
At 30th April 2025	8,605	**8,605**
Transfer of lease to group companies	(8,605)	**(8,605)**
At 30th April 2026	**–**	**–**
Accumulated depreciation		
At 30th April 2024	2,506	**2,506**
Depreciation charge for the year	678	**678**
At 30th April 2025	3,184	**3,184**
Depreciation charge for the year	508	**508**
Transfer of lease to group companies	(3,692)	**(3,692)**
At 30th April 2026	**–**	**–**
Net book value at 30th April 2026	**–**	**–**
Net book value at 30th April 2025	5,421	5,421

During the year the Company's property leases with 'MS INTERNATIONAL Estates Ltd' were transferred to 'Global-MSI plc' and 'MSI-Forks Ltd'.

(b) Lease liabilities

Group

The Group has entered into commercial leases on certain properties. The remaining duration of these leases are from 1 month to 5 years (2025 – 1 to 3 years) from the Statement of financial position date.

The future minimum lease payments are as follows:

	Within one year £'000	**One to five years £'000**	**Total £'000**
At 30th April, 2026			
Lease payments	**257**	**716**	**973**
Finance charges	**(24)**	**(39)**	**(63)**
Net present values	**233**	**677**	**910**
At 30th April 2025			
Lease payments	361	62	423
Finance charges	(8)	(1)	(9)
Net present values	353	61	414

The Group has elected not to recognise a lease liability for short-term or low value leases. Payments for such leases are expensed to profit or loss on a straight-line basis.

Notes to the financial statements

Continued

13 Leases (continued)

(b) Lease liabilities (continued)

Group (continued)

Lease expenses have been charged to the Consolidated income statement as follows:

	2026	2025
	£'000	£'000
Expenses relating to lease payments not classified as a lease liability:		
Short-term leases	**246**	182
Leases of low value assets	**8**	–
Total	**254**	182
Expenses relating to lease payments classified a lease liability:		
Depreciation on right-of-use assets	**431**	357
Interest on leases (note 8)	**33**	22
Total	**464**	379

Company

During the year the Company's property leases with 'MS INTERNATIONAL Estates Ltd' were transferred to 'Global-MSI plc' and 'MSI-Forks Ltd'.

The future minimum lease payments are as follows:

	Within one year £'000	**One to five years £'000**	**After five years £'000**	**Total £'000**
At 30th April, 2026				
Lease payments	**–**	**–**	**–**	**–**
Finance charges	**–**	**–**	**–**	**–**
Net present values	**–**	**–**	**–**	**–**
At 30th April 2025				
Lease payments	817	3,267	2,451	6,535
Finance charges	(168)	(471)	(124)	(763)
Net present values	649	2,796	2,327	5,772

Notes to the financial statements

Continued

14 Intangible assets

Group

	Goodwill £'000	Trade name £'000	Design database £'000	Non-complete agreement £'000	Customer relationships £'000	Order backlog £'000	Development costs £'000	Software costs £'000	**Group £'000**
Cost									
At 30th April 2024	3,037	1,039	1,370	49	2,594	322	392	384	**9,187**
Additions	–	–	–	–	–	–	18	–	**18**
Exchange differences	–	–	–	–	–	–	(12)	–	**(12)**
At 30th April 2025	3,037	1,039	1,370	49	2,594	322	398	384	**9,193**
Additions	–	–	–	–	–	–	429	244	**673**
Exchange differences	(74)	2	–	2	20	2	(37)	–	**(85)**
At 30th April 2026	**2,963**	**1,041**	**1,370**	**51**	**2,614**	**324**	**790**	**628**	**9,781**
Amortisation									
At 30th April 2024	973	776	1,370	49	2,594	322	279	376	**6,739**
Amortisation during the year	–	43	–	–	–	–	38	8	**89**
Exchange differences	–	–	–	–	–	–	(2)	–	**(2)**
At 30th April 2025	973	819	1,370	49	2,594	322	315	384	**6,826**
Amortisation during the year	–	43	–	–	–	–	41	54	**138**
Exchange differences	(74)	2	–	2	20	2	(36)	–	**(84)**
At 30th April 2026	**899**	**864**	**1,370**	**51**	**2,614**	**324**	**320**	**438**	**6,880**
Net book value at 30th April 2026	**2,064**	**177**	**–**	**–**	**–**	**–**	**470**	**190**	**2,901**
Net book value at 30th April 2025	2,064	220	–	–	–	–	83	–	2,367

Goodwill acquired through business combinations has been allocated for impairment testing purposes to the 'Petrol Station Superstructures and Branding' division, which is an operating segment.

Impairment testing

Goodwill considered significant in comparison to the Group's total carrying amount of such assets has been allocated to cash-generating units or groups of cash-generating units as follows:

	Goodwill 2026 £'000	Goodwill 2025 £'000
'Petrol Station Superstructures and Branding' division	**2,064**	2,064
	2,064	2,064

The performance of the 'Petrol Station Superstructures and Branding' division is the lowest level at which goodwill is monitored for internal management purposes.

At the reporting date, value-in-use was determined by discounting the future cash flows generated from the continuing operations of the divisions over the next 5 years and was based on the following key assumptions, which are consistent with the prior year:

Detailed 2 year management forecast.

A growth in cashflows estimated for 2 years, and a growth rate of 2% assumed from year 3.

Cash flows were discounted at a pre-tax rate of 12.2%.

The growth rates used in the value-in-use calculation reflect management's expectations for the business based upon previous experience and taking into consideration recent sales wins.

Based on the above assumptions, the value-in-use calculated at the reporting date for the 'Petrol Station Superstructures' division did not indicate the need for impairment and no reasonably possible changes in any of the key assumptions used would cause the carrying value of the unit to exceed its recoverable amount.

Company

There were no intangible assets (2025 – nil) included in the Company statement and financial position.

Notes to the financial statements

Continued

15 Investment in subsidiary undertakings

Principal subsidiary undertakings are set out on pages 89 and 90.

Company	Cost	Valuation adjustments	Net book value
	£'000	£'000	£'000
At 30th April 2024	20,088	(4,419)	15,669
Recapitalisation of 'MSI-Sign Group B.V.'	1,537	–	1,537
Impairment of 'MSI-Sign Group B.V.'	–	(712)	(712)
Divestment of dormant subsidiaries	(45)	–	(45)
At 30th April 2025	21,580	(5,131)	16,449
Recapitalisation of 'MSI-Sign Group B.V.'	1,701	–	1,701
Investment in 'MSI-Defence Systems Europe Sp.zo.o'	105	–	105
Valuation adjustments	–	(2,943)	(2,943)
Transfer of subsidiaries to group companies on restructuring	(6,112)	6,112	–
At 30th April 2026	**17,274**	**(1,962)**	**15,312**

During the year 'MSI-Sign Group B.V'. was recapitalised by way of loan offset of £1,701,000 (2025 - £1,537.000). This was undertaken for commercial reasons, namely to strengthen their balance sheet by moving from a net liability to net asset position.

In October 2025 the Company invested £105,000 into the share capital of 'MSI-Defence Systems Europe Sp.zo.o', a newly established company in Poland, which operates within the 'Defence and Security' division.

On 31st January 2026 the Company transferred the trade and assets of the trading division 'MSI-Forks' of MS INTERNATIONAL plc to 'MSI-Forks Ltd' by way of intercompany loan owed by 'MSI-Forks Ltd' to 'MS INTERANTIONAL plc'. Also on the 31st January 2026 the Company transferred the trade and assets of the trading divisions 'Global-MSI' and 'Petrol Sign' of 'MS INTERNATIONAL plc' to 'Global-MSI plc' by way of intercompany loan owed by 'Global-MSI plc' to 'MS INTERNATIONAL plc'. A summary of the assets and liabilities transferred on 31st January 2026 at book value were as follows:

	'MSI-Forks'	'Global-MSI'	'Petrol Sign'	Total
	£'000	£'000	£'000	£'000
Non-current assets				
Property, plant and equipment (note 12)	316	338	211	865
	316	**338**	**211**	**865**
Current assets				
Inventories	688	801	199	1,688
Trade and other receivables	1,078	1,960	756	3,794
Cash and cash equivalents	862	1,701	895	3,458
	2,628	**4,462**	**1,850**	**8,940**
Total assets	**2,944**	**4,800**	**2,061**	**9,805**
Non-current liabilities				
Deferred tax	2	39	–	41
	2	**39**	**–**	**41**
Current liabilities				
Trade and other payables	1,452	1,808	251	3,511
Contract liabilities (note 27)	–	793	–	793
	1,452	**2,601**	**251**	**4,304**
TOTAL ASSETS LESS LIABILITIES	**1,490**	**2,160**	**1,810**	**5,460**

Notes to the financial statements

Continued

15 Investment in subsidiary undertakings (continued)

Finally, the ownership of 'MSI-Sign Group BV', 'MSI-Sign Group GmbH' and 'Global-MSI Sp.zo.o' was transferred to 'Global-MSI plc' at £1 each and 'MSI-Forks Garfos Industriais Ltda' was transferred to 'MSI-Forks Ltd' at £1 by way of intercompany loans. On the transfer, the investments held in 'MS INTERNATIONAL plc' in 'MSI-Sign Group BV', 'MSI-Sign Group GmbH' and 'MSI-Forks Garfos Industriais Ltda' were written off with a loss of £2,943,000 recognised within the parent company profit or loss. These transactions were intercompany transactions and have no impact on the consolidated profit or net assets.

At the reporting date, value-in-use was determined by discounting the future cash flows generated from the continuing operations of the divisions over the next 5 years and was based on the following key assumptions:

Detailed 2 year forecast from divisional management

A growth in cashflows estimated for 2 years, and a growth rate of 2% assumed from year 3.

Cash flows were discounted at a pre-tax rate of 12.2%.

The growth rates used in the value-in-use calculation reflect management's expectations for the business based upon previous experience and taking into consideration recent sales wins.

17 Deferred income tax

(a) Deferred income tax in the Consolidated income statement

The deferred income tax included in the Consolidated income statement is:

	2026	2025
	£'000	£'000
Taxation deferred by capital allowances	**226**	130
Taxation on other temporary differences	**448**	(158)
Taxation on intangibles	**(11)**	(11)
Taxation on revaluation	**(4)**	(2)
Adjustments in respect of prior year	**(103)**	(55)
Deferred income tax expense/(credit) (note 9)	**556**	(96)

Deferred taxation on other temporary timing differences is mainly in relation to Part 12 Share Option relief and cash settled share options as well as other long term accruals.

(b) Deferred income tax assets

The deferred income tax assets included in the Consolidated and Company statements of financial position are:

	Group		**Company**	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Taxation deferred by capital allowances	**–**	–	**14**	(49)
Taxation on other temporary differences	**4**	7	**1,101**	633
Deferred tax asset	**4**	7	**1,115**	584

Notes to the financial statements

Continued

17 Deferred income tax (continued)

The movements on the deferred income tax asset are:

Group	Taxation deferred by capital allowances £'000	Taxation on other temporary differences £'000	**Total £'000**
At 30th April 2024	–	16	**16**
Reclass to deferred tax liability	–	(9)	**(9)**
At 30th April 2025	–	7	**7**
Deferred tax included in the Consolidated income statement	–	(3)	**(3)**
At 30th April 2026	**–**	**4**	**4**

Company	Taxation deferred by capital allowances £'000	Taxation on other temporary differences £'000	**Total £'000**
At 30th April 2024	33	890	**923**
Deferred tax included in the Consolidated income statement	(82)	111	**29**
Deferred tax included in the Consolidated statement of other comprehensive income	–	192	**192**
Reallocate to current tax	–	(560)	**(560)**
At 30th April 2025	(49)	633	**584**
Deferred tax included in the Consolidated income statement	22	(140)	**(118)**
Transferred to other UK Group undertakings (note 15)	41	–	**41**
Tax relating to items charged directly to equity:	–	608	**608**
At 30th April 2026	**14**	**1,101**	**1,115**

(c) Deferred income tax liabilities

The deferred tax liabilities included in the Consolidated and Company statements of financial position are:

	Group	
	2026 £'000	2025 £'000
Taxation deferred by capital allowances	**1,557**	1,338
Taxation on other temporary differences	**(1,344)**	(1,081)
Taxation on intangible assets	**44**	55
Taxation on buildings revaluation	**2,053**	1,930
Deferred tax liability	**2,310**	2,242

There are no deferred tax liabilities in the Company (2025 – £nil).

Notes to the financial statements

Continued

17 Deferred income tax (continued)

(c) Deferred income tax liabilities (continued)

The movements on the deferred income tax liability are:

Group	Taxation deferred by capital allowances £'000	Taxation on other temporary differences £'000	Taxation on intangible assets £'000	Taxation on buildings revaluation £'000	**Total £'000**
At 30th April 2024	1,134	(1,257)	66	2,103	**2,046**
Reclassification	106	(3)	–	(103)	**–**
Reallocate to current tax	–	560	–	–	**560**
Deferred tax included in the Consolidated income statement	113	(204)	(11)	(3)	**(105)**
Deferred tax included in the Consolidated statement of comprehensive income	–	–	–	(52)	**(52)**
Deferred tax taken directly to equity	–	(192)	–	–	**(192)**
Exchange differences on retranslation included in the Consolidated statement of comprehensive income	(15)	15	–	(15)	**(15)**
At 30th April 2025	1,338	(1,081)	55	1,930	**2,242**
Deferred tax included in the Consolidated income statement	223	345	(11)	(4)	**553**
Deferred tax included in the Consolidated statement of comprehensive income	–	–	–	129	**129**
Deferred tax taken directly to equity	–	(608)	–	–	**(608)**
Exchange differences on retranslation included in the Consolidated statement of comprehensive income	(4)	–	–	(2)	**(6)**
At 30th April 2026	**1,557**	**(1,344)**	**44**	**2,053**	**2,310**

Deferred income taxation has been provided at the rate at the reporting date of 25%.

The temporary differences associated with investments in subsidiaries, for which a deferred tax liability has not been recognised, aggregate to £1,074,000 (2025 – £1,030,000). No deferred tax liability has been recognised on potential withholding tax due on the remittance of undistributed profits as the Group is able to control the timing of such remittances and it is probable that consent will not be given in the foreseeable future.

18 Inventories

	Group		**Company**	
	2026 £'000	2025 £'000	**2026 £'000**	2025 £'000
Raw materials	**11,207**	12,654	**–**	593
Work in progress	**8,688**	17,455	**–**	2,440
Finished goods	**782**	624	**–**	76
	20,677	30,733	**–**	3,109

Details of the Group and Company's inventory provisions are as follows:

	Group £'000	**Company £'000**
At 30th April 2024	768	65
Inventory provision accrued during the year	(10)	(34)
Exchange differences	(2)	–
At 30th April 2025	756	31
Inventory provision accrued during the year	413	–
Transfer to group company	–	(31)
Exchange differences	2	–
At 30th April 2026	**1,171**	**–**

Notes to the financial statements

Continued

19 Trade and other receivables

Current trade and other receivables

	Group		Company	
	2026	2025	**2026**	20254
	£'000	£'000	**£'000**	£'000
Trade receivables (net of allowance for expected credit losses)	**14,130**	25,673	**–**	1,782
Amounts owed by subsidiary undertakings	**–**	–	**6,445**	1,733
Prepayments (*)	**3,032**	3,265	**75**	358
Other receivables (**)	**3,203**	4,082	**106**	11
Income tax receivable	**106**	649	**736**	471
Total current trade and other receivables	**20,471**	33,669	**7,362**	4,355

(*) Included in Prepayments in the Group is £1,690,000 (2025 – £1,964,000) for the payment in advance to certain suppliers in relation to contracts within the 'Defence and Security' division. There are no payments in advance within the Company (2025 – nil).

(**) Included in Other receivables in the Group is £1,780,000 (2025 – £3,497,000) of costs in relation to obtaining a contract, which will be expensed to profit and loss in line with future recognition of revenue on certain contracts. There are no costs in relation to obtaining a contract within the Company (2025 – nil).

Non-current trade and other receivables

	Group		Company	
	2026	2025	**2026**	20254
	£'000	£'000	**£'000**	£'000
Amounts owed by subsidiary undertakings	**–**	–	**7,289**	8,492
Total non-current trade and other receivables	**–**	–	**7,289**	8,492

(a) Trade receivables

Trade receivables are denominated in the following currencies:

	Group		Company	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Sterling	**10,281**	15,230	**–**	1,524
Euro	**1,723**	822	**–**	258
US dollar	**1,605**	9,063	**–**	–
Other currencies	**521**	558	**–**	–
	14,130	25,673	**–**	1,782

Trade receivables are non-interest bearing, generally have 30 day terms, and are shown net of provision for expected credit losses. The aged analysis of trade receivables after provision for expected credit losses is as follows:

	Group		Company	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Not past due	**8,354**	19,426	**–**	1,718
< 30 days	**1,272**	715	**–**	37
30-60 days	**273**	4,556	**–**	9
60-90 days	**92**	49	**–**	18
> 90 days	**4,139**	927	**–**	–
Total	**14,130**	25,673	**–**	1,782

In the Group, trade receivables with a nominal value of £716,000 (2025 – £14,000) were impaired and fully provided as at 30th April 2026. During the year, expected credit losses of £13,000 (2025 – £12,000) were recovered and expected credit losses of £715,000 (2025 – £11,000) were incurred.

In the Company, trade receivables with a nominal value of £15,000 (2025 – £11,000) were impaired and fully provided as at 31st January 2026, being the date the net assets of the trading divisions MSI-Forks, Global-MSI and Petrol Sign were transferred to subsidiary companies. During the year, expected credit losses of £nil (2025 – £5,000) were recovered and expected credit losses of £4,000 (2025 – £11,000) were incurred. At the balance sheet date there were no trade receivables outstanding in the Company.

Notes to the financial statements

Continued

19 Trade and other receivables (continued)

(b) Amounts owed by subsidiary undertakings

All amounts due from Group companies are repayable on demand and are not charged interest. The majority of intercompany balances are to group entities with liquid assets and are capable of being fully repaid on demand, with the exception of loans to 'MSI-Sign Group BV' and 'MSI-Sign Group GmbH' for which an expected credit loss allowance of £2,081,000 (2025 – £2,842,000) is held. It is expected that all such loans will be settled within 12 months of the balance sheet date and the balances have been classified as current assets accordingly.

In terms of the expected credit loss allowance relating to 'MSI-Sign Group B.V.' and 'MSI-Sign Group GmbH' there has been a release of £761,000 (2025 – £257,000 release) during the year.

The loans to 'MS INTERNATIONAL Estates Limited' and 'MS INTERNATIONAL Estates LLC', which although are repayable on demand, are supported by properties which are not immediately realisable. As a result they have been classified within non-current trade and other payables.

The directors have assessed the likelihood of default and the loss in the event of default as well as the balance at the reporting date and conclude that there is no further impairment of the receivable.

The amounts receivable at the reporting date can be categorised as:

	2026	2025
	£'000	£'000
Current: amounts due from companies backed by liquid assets	**6,445**	1,733
Non-current: amounts due from 'MS INTERNATIONAL Estates Limited'	**7,289**	7,631
Non-current: amounts due from 'MS INTERNATIONAL Estates LLC'	**–**	861
	13,734	10,225

20 Cash and cash equivalents

	Group		**Company**	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Cash and cash equivalents	**45,080**	23,745	**2,050**	9,087
Restricted cash held in Escrow – maturing in more than 90 days	**1,446**	4,038	**–**	–
Total cash	**46,526**	27,783	**2,050**	9,087

The balance held in Escrow provides security to both Lloyds Bank plc and Barclays Bank plc in respect of certain guarantees, indemnities, and performance bonds totalling £1,446,000 (2025 – £4,038,000) given by the Group in the ordinary course of business.

The Company is party to a cross guarantee between 'MS INTERNATIONAL plc' and 'MSI-Defence Systems Ltd' which has been put in place to ensure compliance with banking operations.

Notes to the financial statements

Continued

21 Net funds

(a) Analysis of net funds

	Group		Company	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Cash and cash equivalents (note 20)	**45,080**	23,745	**2,050**	9,087
Restricted cash held in Escrow (note 20)	**1,446**	4,038	**–**	–
Lease liabilities (note 13)	**(910)**	(414)	**–**	(5,772)
	45,616	27,369	**2,050**	3,315

(b) Group movement in net funds

	Cash and cash equivalents (note 20) £'000	Restricted cash held in escrow (note 20) £'000	Lease liabilities (note 13) £'000	**Total £'000**
At 30th April 2024	35,509	7,170	(804)	**41,875**
Cash flows	(11,619)	(3,132)	393	**(14,358)**
Foreign exchange adjustments	(145)	–	19	**(126)**
Interest (note 8)	–	–	(22)	**(22)**
At 30th April 2025	23,745	4,038	(414)	**27,369**
Cash flows	21,287	(2,592)	471	**19,166**
New leases	–	–	(981)	**(981)**
Cancellation of leases	–	–	70	**70**
Foreign exchange adjustments	48	–	(23)	**25**
Interest (note 8)	–	–	(33)	**(33)**
At 30th April 2026	**45,080**	**1,446**	**(910)**	**45,616**

(c) Company movement in net funds

	Cash and cash equivalents (note 20) £'000	Lease liabilities (note 13) £'000	**Total £'000**
At 30th April 2024	9,936	(6,401)	**3,535**
Cash flows	(849)	817	**(32)**
Interest	–	(188)	**(188)**
At 30th April 2025	9,087	(5,772)	**3,315**
Cash flows	(7,037)	613	**(6,424)**
Transfer of leases to group companies	–	5,286	**5,286**
Interest	–	(127)	**(127)**
At 30th April 2026	**2,050**	**–**	**2,050**

Notes to the financial statements

Continued

22 Issued capital

	Group		Company	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Ordinary shares at 10p each				
Authorised – 35,000,000 (2025 – 35,000,000)	**3,500**	3,500	**3,500**	3,500
Allotted, issued and fully paid – 17,841,073 (2025 – 17,841,073)	**1,784**	1,784	**1,784**	1,784

The balance classified as share capital includes the nominal value on issue of the Company's equity share capital, comprising 10p ordinary shares.

23 Reserves

Capital redemption reserve

The balance classified as capital redemption reserve represents the nominal value of issued share capital of the Company, repurchased.

Other reserves

Following the transfer of assets held at valuation by the Company to a subsidiary company, a reserve was created which is non-distributable. This is equal to the revaluation reserve previously arising.

Additionally, it includes the non-distributable retained reserve for the revaluation reserve previously showing in the Company for properties now transferred to other members of the Group.

Revaluation reserve

The asset revaluation reserve is used to record increases in the fair value of land and buildings as well as decreases to the extent that such a decrease relates to an increase on the same assets previously recognised in equity.

Special reserve

The special reserve is a distributable reserve created following the cancellation of a share premium account by way of court order in March 1993.

Currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

Treasury shares

The treasury shares reserve is made of two components and is detailed as follows:

	2026	2025
	£'000	£'000
Employee Share Ownership Trust (a)	**2**	3
Shares in treasury (b)	**6,504**	7,384
	6,506	7,387

(a) The Employee Share Ownership Trust ("ESOT")

The Employee Share Ownership Trust ("ESOT") provides for the issue of options over ordinary shares in the Company to Group employees, including executive directors, at the discretion of the Remuneration Committee. The trustee of the ESOT is Ocorian Ltd, an independent company registered in Jersey.

At 30th April 2026 the ESOT held 4,045 shares (2025 – 6,045), which represents 0.02% (2025 – 0.04%) of the issued share capital of the Company excluding treasury shares. The market value of these shares was £68,000 (2025 – £61,000) at 30th April 2026.

Notes to the financial statements

Continued

23 Reserves (continued)

Treasury shares (continued)

(a) The Employee Share Ownership Trust ("ESOT") (continued)

A reconciliation of the movement in the number of shares held by the ESOT is as follows:

	Number	£'000
ESOT shares at 30th April 2024	91,048	37
Exercise of CSOP share options	(85,003)	(34)
ESOT shares at 30th April 2025	6,045	3
Exercise of CSOP share options	(2,000)	(1)
ESOT shares at 30th April 2026	**4,045**	**2**

During the year, 264,139 (2025 – 349,007) share options were exercised by Group employees, of which 2,000 (2025 – 85,003) were satisfied by the transfer of shares from the ESOT. These shares have been valued at a weighted average cost of £0.41 (2025 – £0.41) per share.

The assets, liabilities, income, and costs of the ESOT have been incorporated into the Company's financial statements. Total ESOT costs charged to the income statement in the year amounts to £9,000 (2025 – £11,000). The Company made no payments (2025 – £1,000) into the ESOT bank accounts during the year. Details of the outstanding share options for directors are included in the Directors' remuneration report.

(b) Shares in treasury

A reconciliation of the movement in the Company's own 10p ordinary shares held in treasury is shown below:

	Number	£'000
Treasury shares at 30th April 2024	1,516,327	3,665
Purchase of 415,000 shares	415,000	4,483
Exercise of LTIP shares	(100,000)	(329)
Exercise of CSOP share options	(164,004)	(435)
Treasury shares at 30th April 2025	1,667,323	7,384
Exercise of LTIP shares	(50,000)	(168)
Exercise of CSOP share options	(212,139)	(712)
Treasury shares at 30th April 2026	**1,405,184**	**6,504**

During the year, 264,139 (2025 – 349,007) share options were exercised, of which 262,139 (2025 – 264,004) were satisfied by the transfer of shares held in treasury by the Company. The share issued from treasury have been valued at a weighted average cost of £3.36 (2025 – £2.89) per share totalling £880,000 (2025 – £764,000).

24 Pension liability

The Company operates an employee defined benefits scheme called the MS INTERNATIONAL plc Retirement and Death Benefits Scheme (the Scheme). IAS 19 requires disclosure of certain information about the Scheme as follows:

- Until 5th April 1997 the Scheme provided defined benefits and these liabilities remain in respect of service prior to 6th April 1997. From 6th April 1997 until 31st May 2007 the Scheme provided future service benefits on a defined contribution basis.
- From 1st June 2007 the Company has operated a defined contributions scheme for its UK employees which is administered by a UK pension provider.
- The last formal valuation of the Scheme was performed at 5th April 2023 by a professionally qualified actuary.
- In the Interim Actuarial Report at 5th April 2025, the past service liabilities on a Technical Provisions basis were £18.86m (2024 – £20.61m) and the market value of the assets was £19.01m (2024 – £20.66m), giving a past service surplus of £0.15m (2024 – surplus £0.05m).The next triennial formal Actuarial Report is at 5 April 2026. The Scheme's actuary is aiming to produce a Draft Actuarial Report by no later than 31st December 2026. Consequently, an Interim Actuarial Report at 5th April 2026 has not been produced.

Notes to the financial statements

Continued

24 Pension liability (continued)

- The Company directly pays the expenses of the Scheme. The total pension scheme expenses incurred by the Company during the year were £379,000 (2025 – £278,000).
- Deficit reduction contributions paid into the Scheme by the Company were £900,000 per annum. The deficit reduction contributions are paid on a quarterly basis with the first having been paid on or after 1st July 2021 and the last being due for payment on or before 1st April 2028. However, due to the improved funding of the Scheme on a Technical Provisions basis, the last quarterly deficit contribution was made in April 2024. Therefore, the current Schedule of Contributions requires no further deficit reduction payments to be made. The total deficit reduction payments made in the year were £nil (2025 – £nil). The deficit reduction payments to be made in the upcoming year will be £nil.
- At 30th April 2026 the present value of the contracted future deficit reduction contributions was £nil (2025 – £nil), which was less than the net scheme surplus of £220,000 (2025 – surplus £624,000). As the Company does not have an unconditional right to the economic benefits arising from this surplus, a liability of £nil (2025 – £nil) has been recognised within the financial statements in accordance with IFRIC 14.

Members contributions for the defined contributions scheme are paid in line with this scheme's documentation over the accounting period and the Company has no further payment obligations once the contributions have been made.

The Company's policy for recognising remeasurement gains and losses is to recognise them immediately through the Statement of comprehensive income.

Assumptions	**2026**	2025
Discount rate at year-end	**6.05%**	5.55%
Pension increases – RPI inflation	**3.30%**	2.95%
Pension increases – CPI inflation	**2.90%**	2.55%
Future salary increases	**3.80%**	3.45%
Life expectancy for male currently aged 65	**21.2 years**	20.7 years
Life expectancy for female currently aged 65	**23.5 years**	23.3 years

- **Discount rate** – The discount rate of 6.05% is based on the Aon GBP Single Agency AA (corporates) curve, as was the case in the prior year. A 0.5% reduction in the discount rate would lead to an increase in past service liabilities of around £0.75m (2025 – £0.78m).
- **Inflation assumptions** – The RPI inflation assumption of 3.80% per annum was based on an underlying 'break even' RPI assumption of 3.20%, derived consistently to the discount rate using the Aon UK Government Gilt Prices Only (GPO) curve with an inflation premium (IRP) of 0.25% per annum. The CPI inflation assumption of 2.9% was derived by assuming an RPI-CPI gap of 0.4% (2025 – 0.4%) based on Aon's best estimate assumption. A 0.5% increase in the inflation assumptions would lead to an increase in past service liabilities of around £0.16m (2025 – £0.17m).
- **Future salary increases** – The assumption is 0.5% per annum above RPI inflation, which is consistent with prior years. Members living around 1 year longer than expected would lead to an increase in past service liabilities of around £0.54 (2025 – £0.63m).

In relation to the other assumptions there is no sensitivity analysis as small changes in these assumptions will not have a material impact.

The scheme duration is an indicator of the weighted average time until benefits payments to all Scheme members come into payment. For the Scheme as a whole, the duration is approximately 8 years (2025 – 9 years).

Statement of financial position

	2026	2025
	£'000	£'000
Present value of obligations	**(17,173)**	(18,279)
Fair value of plan assets	**17,393**	18,903
Surplus restriction	**(220)**	(624)
Net liability	**–**	–

Notes to the financial statements

Continued

24 Pension liability (continued)

Income statement

	2026	2025
	£'000	£'000
Administration expenses	**379**	278
Total income statement cost	**379**	278

Change in defined benefit obligation

	2026	2025
	£'000	£'000
Opening defined benefit obligation	**(18,279)**	(19,562)
Interest expense	**(968)**	(988)
Actuarial gains on liabilities arising from experience	**(57)**	33
Actuarial gains on liabilities arising from changes in demographic assumptions	**(164)**	43
Actuarial gains on scheme liabilities arising from changes in financial assumptions	**591**	520
Net benefits paid	**1,704**	1,675
Defined benefit obligation	**(17,173)**	(18,279)

Change in fair value of plan assets

	2026	2025
	£'000	£'000
Opening fair value of plan assets	**18,903**	20,158
Interest income on assets	**1,003**	1,019
Remeasurement losses on scheme assets	**(809)**	(599)
Deficit reduction contributions by employer	**–**	–
Net benefits paid	**(1,704)**	(1,675)
Fair value of plan assets	**17,393**	18,903

Statement of other comprehensive income

	2026	2025
	£'000	£'000
Return on plan assets below that recognised in net interest	**(809)**	(599)
Change due to irrecoverable surplus	**439**	3
Remeasurement gain arising from IFRIC 14 liability	**370**	596
Total remeasurement gains credited to Statement of other comprehensive income	**–**	–

	2026	2025
	£'000	£'000
Expected deficit reduction contributions into the Scheme during next accounting year:	**–**	–

Breakdown of plan assets

	Plan assets	**Asset allocation**
Breakdown of assets at 30th April 2026	**£'000**	
Fixed interest government bonds	**12,608**	**72.5%**
Index linked government bonds	**4,029**	**23.2%**
Bond fund	**275**	**1.6%**
LDI	**370**	**2.1%**
Cash/other	**111**	**0.6%**
	17,393	**100%**

Notes to the financial statements

Continued

24 Pension liability (continued)

Breakdown of plan assets (continued)

Breakdown of assets at 30th April 2025	Plan assets £'000	Asset allocation
Fixed interest government bonds	12,557	66.0%
Index linked government bonds	3,887	21.0%
Bond fund	1,704	9.0%
LDI	514	3.0%
Cash/other	241	1.0%
	18,903	100%

The Scheme exposes the company to some risks, the most significant of which are:

- **Asset volatility** – the defined benefit obligation is calculated using a discount rate related to corporate bond yields. The scheme holds a significant proportion of UK government fixed interest and index linked bonds which, minimise volatility and risk in the short-term but may over a longer term underperform the discount rate used in calculating the defined benefit obligation. This may lead to a future deficit which would require additional company contributions to ensure that the defined benefit obligation is fully funded.

- **Changes in bond yields** – a decrease in the bond yields will increase the value placed on the scheme's defined benefit obligations for accounting purposes, although this should be almost fully offset by an increase in the value of the scheme's asset holdings.

- **Inflation risk** – a proportion of the scheme's defined benefit obligation is linked to inflation, and higher inflation leads to a higher obligation. A significant amount of the defined benefit obligation is linked to annual increases in GMP which is currently capped at 3%. Approximately 77% (2025 – 79%) of the scheme's assets are either unaffected by or only loosely correlated with inflation, meaning that an increase in inflation will also increase the deficit. Given the duration and age profile of the scheme, the exposure to inflationary risk is relatively small.

- **Life expectancy** – the majority of the scheme's obligations are to provide benefits for the lifetime of the member and surviving dependent, so increases in life expectancy will result in an increase in the obligation.

- **Regulatory risk** – the Company's defined benefit scheme is subject to regulatory oversight, primarily by The Pension Regulator in the UK. Changes in regulation, legislation or regulatory expectations may impact on funding requirements, reported liabilities and future company contributions. Key regulatory risks include funding and legislative changes, levies and regulatory costs, legal rulings relating to benefit obligations, climate-related and ESG regulation and government policy developments which may affect the scheme's investment strategy. The Company fully engages with the Trustee Directors and professional advisors to ensure compliance. Funding and investment strategies are reviewed on a regular basis to reflect changes in legislation, regulatory guidance and market practice.

Notes to the financial statements

Continued

25 Trade and other payables

	Group 2026 £'000	Group 2025 £'000	Company 2026 £'000	Company 2025 £'000
Current trade payables				
Trade payables	**8,510**	6,438	**325**	2,881
Amounts owed to subsidiary undertakings	**–**	–	**3,920**	6,894
Accruals	**9,743**	8,202	**2,619**	2,863
Cash settled share-based payments	**–**	464	**–**	464
Other payables	**441**	759	**1,332**	657
Total current trade payables	**18,694**	15,863	**8,196**	13,759

	Group 2026 £'000	Group 2025 £'000	Company 2026 £'000	Company 2025 £'000
Non-current trade payables				
Cash settled share-based payments	**921**	–	**921**	–
Other payables	**332**	623	**–**	–
Total non-current trade payables	**1,253**	623	**921**	–

In the Company the amounts due to subsidiary undertakings are repayable on demand and are not charged interest.

26 Provisions

	Group 2026 £'000	Group 2025 £'000	Company 2026 £'000	Company 2025 £'000
Warranty provision	**899**	929	**–**	–
	899	929	**–**	–

Warranty provisions are measured at management's best estimate of the expenditure required to settle the warranty obligation at the balance sheet date.

A reconciliation of the movements in warranty provisions during the year is shown below:

	Group £'000	Company £'000
Warranty provision as at 30th April 2024	1,317	–
Movement during the year	(367)	–
Exchange differences	(21)	–
Warranty provision as at 30th April 2025	**929**	–
Movement during the year	(28)	–
Exchange differences	(2)	–
Warranty provision as at 30th April 2026	**899**	**–**

Notes to the financial statements

Continued

27 Contracts with customers

The Group and Company have recognised the following assets and liabilities relating to contracts with customers:

	Group		Company	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Non-current contract assets	**540**	428	**–**	–
Current contract assets	**4,919**	7,376	**–**	–
Contract assets	**5,459**	7,804	**–**	–
Current contract liabilities	**(32,200)**	(45,670)	**–**	(3,092)
Non-current contract liabilities	**(2,198)**	(7,208)	**–**	–
Contract liabilities	**(34,398)**	(52,878)	**–**	(3,092)
Net contract liabilities	**(28,939)**	(45,074)	**–**	(3,092)

At 30th April 2026 there was no provision for expected credit losses relating to contract assets (2025 – nil).

A reconciliation of the movements in contract liabilities during the year is shown below:

	Group	Company
	£'000	£'000
Contract liabilities as at 30th April 2024	52,635	1,784
New contract liabilities	79,641	5,679
Revenue recognised in the year:		
– that was included in the contract liability balance as at 30th April 2025	(29,569)	(1,775)
– relating to new contract liabilities in the year	(55,234)	(2,596)
Transfer of retentions to contract assets	7,604	–
Exchange differences	(2,199)	–
Contract liabilities as at 30th April 2025	**52,878**	**3,092**
New contract liabilities	55,519	2,543
Revenue recognised in the year:		
– that was included in the contract liability balance as at 30th April 2025	(44,859)	(3,092)
– relating to new contract liabilities in the year	(26,565)	(1,750)
Transfer of retentions to contract assets	(2,345)	–
Transfer of contract liabilities to group company (note 15)	–	(793)
Exchange differences	(230)	–
Contract liabilities as at 30th April 2026	**34,398**	**–**

Contract liabilities relate to amounts invoiced on a contract before performance obligations are met and revenue is recognised. Included in the contract liabilities balance as at 30th April 2026 is £7,823,000 (2025 – £12,171,000) relating to unpaid invoices. As the contracts are non-cancellable, they have not been netted off against trade debtors.

Of the existing contracts that were unsatisfied or partially unsatisfied at 30th April 2026, revenue is expected to be recognised as follows:

	Group	Company
	£'000	£'000
2027	32,200	–
2028	2,198	–
Total	**34,398**	**–**

Notes to the financial statements

Continued

28 Financial instruments

Carrying values of financial assets and liabilities

The carrying value of all financial assets and liabilities by class are shown below. The carrying value is in line with each asset and liability's fair value.

	Notes	Group 2026 £'000	Group 2025 £'000	Company 2026 £'000	Company 2025 £'000
Financial assets held at amortised cost					
Trade receivables	19	**14,130**	25,673	**–**	1,782
Amounts owed by subsidiary undertakings	19	**–**	–	**13,734**	10,225
Contract assets	27	**5,459**	7,804	**–**	–
Cash and cash equivalents	20	**45,080**	23,745	**2,050**	9,087
Restricted cash held in Escrow – maturing in more than 90 days	20	**1,446**	4,038	**–**	–
		64,669	57,222	**15,784**	21,094
Financial assets held at fair value through profit or loss					
Derivative financial instruments	6	**267**	1,134	**267**	1,134
		267	1,134	**267**	1,134
Financial liabilities measured at amortised cost					
Trade payables	25	**8,510**	6,438	**325**	2,881
Amounts owed to subsidiary undertakings	25	**–**	–	**3,920**	6,894
Lease liabilities	13	**895**	385	**–**	5,421
		9,405	6,823	**4,245**	15,196

No significant differences exist between the book value and the fair value of the financial assets and liabilities as at 30th April 2026 and 30th April 2025.

Management of financial risks

The Group's risk management is predominantly controlled by the central group treasury function, in close cooperation with the board of directors. The focus of financial risk management is to actively secure the Group's cash flows by minimising the exposure to volatile financial markets. The major financial risks faced by the Group and Company are funding risks, interest rate risks, currency risks, and credit risks.

(a) Funding risk

At the reporting date the Group had a cash and cash equivalents balance of £45,080,000 with a further £1,446,000 of restricted cash held in Escrow (2025 – £23,745,000 with £4,038,000 in Escrow). The Company had a cash and cash equivalents balance of £2,050,000 (2025 – £9,087,000). The reduction in the Company bank balance is a result of transferring the trade and assets of trading divisions 'MSI-Forks', 'Global-MSI' and 'Petrol Sign' to 'MSI-Forks Ltd' and 'Global-MSI plc'.

(b) Interest rate risk

The Group has available a multicurrency bank overdraft offset facility in relation to its bank accounts held in Lloyds Bank plc, however, this is limited to a net £nil overdraft position.

Management has secured favourable interest rates on positive cash balances, which are linked to the respective base rates, and have worked to optimise bank interest income across the Group via treasury management (note 8). The Group's cash position is monitored daily by the Board. The Board believe that the main interest rate risk to the Group is the risk of not fully maximising interest income on positive balances.

If interest rates had been 0.5% higher/lower and all other variables were held constant, there would have been £177,000 impact on the profit before tax (2025 – £123,000).

Notes to the financial statements

Continued

28 Financial instruments (continued)

Management of financial risks (continued)

(c) Foreign currency risk

The Group operates internationally and is therefore exposed to foreign exchange risk. A proportion of the Group's revenue and purchases are denominated in currencies other than Sterling, mainly US Dollars (USD) and the Euro (EUR).

The Group's foreign currency risk exposure is minimised by the following:

(1) invoicing in sterling where practicable.

(2) foreign cash flows are monitored across the Group on a weekly basis. Any foreign currency surpluses in one division are transferred by central treasury to offset foreign currency shortages in other divisions.

(3) receipts and payments are offset against each other where possible and surpluses are either hedged or sold at spot rate depending on the requirements of the group.

(4) where the group is unhedged and surplus currency is generated, foreign exchange contracts are taken out to minimise currency exposures. Forward exchange contracts are mainly entered into for significant long-term foreign currency exposures that are not expected to be offset by other same-currency transactions. Currently the forward exchange contracts in place relate to specific USD contracts within the 'Defence and Security' division. Forward exchange contracts are only used for economic hedging purposes and not as speculative instruments. The Group does not adopt hedge accounting and therefore these contracts are accounted for at fair value through profit or loss (note 6).

The table below shows the Group's currency exposures i.e., those transactional exposures that give rise to the net currency gains and losses recognised in the income statement. Such exposures comprise the monetary assets and monetary liabilities of the Group that are not denominated in the operating (or "functional") currency of the operating unit involved.

As at 30th April 2026 these currency exposures are as follows:-

Group	**Sterling £'000**	**US Dollar £'000**	**Euro £'000**	**Others £'000**	**Total £'000**
2026					
Cash and cash equivalents	**1**	**4,740**	**502**	**18**	**5,261**
Trade and other receivables	**–**	**–**	**516**	**–**	**516**
Trade and other payables	**–**	**(2,078)**	**(1,087)**	**–**	**(3,165)**
Total	**1**	**2,662**	**(69)**	**18**	**2,612**
2025					
Cash and cash equivalents	3	2,237	1,022	10	3,272
Trade and other receivables	–	–	277	–	277
Trade and other payables	–	(48)	(590)	–	(638)
Total	3	2,189	709	10	2,911

Company	**Sterling £'000**	**US Dollar £'000**	**Euro £'000**	**Others £'000**	**Total £'000**
2026					
Cash and cash equivalents	**–**	**523**	**10**	**–**	**533**
Trade and other receivables	**–**	**–**	**315**	**–**	**315**
Trade and other payables	**–**	**(2,668)**	**–**	**–**	**(2,668)**
Total	**–**	**(2,145)**	**325**	**–**	**(1,820)**
2025					
Cash and cash equivalents	–	(738)	520	–	(218)
Trade and other receivables	–	1,119	960	–	2,079
Trade and other payables	–	(5,716)	(475)	–	(6,191)
Total	–	(5,335)	1,005	–	(4,330)

Notes to the financial statements

Continued

28 Financial instruments (continued)

(c) Foreign currency risk (continued)

The impact of the Group and Company's exposure to a 5% exchange rate fluctuation on its foreign currency monetary assets and liabilities would be as follows:

	Sterling	US Dollar	Euro	Others	Total
	£'000	£'000	£'000	£'000	£'000
Group	–	(93)	(148)	(1)	(242)
Company	–	100	(198)	–	(98)

(d) Credit risk

There are no significant concentrations of credit risk within the Group or Company. The maximum credit risk exposure relating to financial assets is represented by carrying values at the Statement of financial position date.

The Group and Company have established procedures to minimise the risk of default by trade debtors including credit checks undertaken before a customer is accepted and credit insurance where available and appropriate. Historically these procedures have proved effective in minimising the level of impaired and past due receivables.

The Group applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component. In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. The expected loss rates are based on the payment profile for sales over the recent reporting periods as well as the corresponding historical credit losses during that period.

Trade receivables and contract assets are written off (i.e. derecognised) when there is no reasonable expectation of recovery.

An ageing analysis, net of expected credit loss, for trade receivables in the Group and Company can be found in note 19.

The Company has recognised an expected credit loss allowance in relation to group loans made by the Company to 'MSI-Sign Group BV' and 'MSI-Sign Group GmbH'.

Company

	2026	2025
	£'000	£'000
'MSI-Sign Group BV'	**995**	1,774
'MSI-Sign Group GmbH'	**1,086**	1,068
	2,081	2,842

29 Capital commitments

	Group		Company	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Contracted but not provided in the financial statements	**–**	913	**–**	–

30 Contingent liabilities

The Group is contingently liable in respect of guarantees, indemnities, and performance bonds given in the ordinary course of business amounting to £1,446,000 at 30th April 2026 (2025 – £4,038,000). Performance bonds are all within the 'Defence and Security' division and are linked to performance activities such as factory acceptance tests, shipping or delivery of hardware, sea/site acceptance tests, or warranty activities. The cash held in Escrow of £1,446,000 (2025 – £4,038,000) provides security to both Lloyds Bank plc and Barclays Bank plc in respect of these guarantees, indemnities and performance bonds.

Notes to the financial statements

Continued

31 Related party transactions

The following transactions took place, during the year, between the Company and other subsidiaries in the Group.

Purchases of goods and services £1,493,000 (2025 – £1,227,000)

Sales of goods and services £4,806,000 (2025 – £5,501,000)

The following balances between the Company and other subsidiaries in the Group are included in the Company statement of financial position as at 30th April 2026.

Amounts owed to the Company £13,734,000 (2025 – £10,225,000)

Amounts owed by the Company £3,920,000 (2025 – £6,894,000)

Key management personnel are considered to be both executive and non-executive directors of the Group. Their compensation is summarised below.

	Group		Company	
	2026	2025	**2026**	2025
	£'000	£'000	**£'000**	£'000
Short-term employee benefits	**4,993**	3,735	**4,473**	3,597
Pension contributions	**78**	133	**78**	133
Social security costs	**674**	531	**607**	512
Cash settled share-based payment provision	**457**	330	**457**	330
Equity settled share-based payment expense	**13**	18	**10**	15
See Directors' remuneration report on pages 86 to 88	**6,215**	4,747	**5,625**	4,587

During the year Michael Bell utilised his company credit card for personal expenses. All transactions have been reimbursed at the year end with the balance on the account being nil. During the year, the maximum amount on his balance was £10,000 (2025 – £11,000).

The short-term employee benefits shown in the table above include £180,000 paid to Roger Lane-Smith via Lane-Smith Consultants with regards to additional services performed for the Group and Company.

32 Share-based payments

(a) Equity settled share-based payments

During the year, a total of 244,470 (2025 – 12,000) share options have been granted to employees under the MS INTERNATIONAL plc Company Share Option Plan, of which 20,000 were granted at an exercise price of £12.75 per share, 4,470 at an exercise price of £13.40 per share, and 220,000 at an exercise price £13.70 per share (2025 – £9.90 per share). These options are exercisable in three equal amounts at three, four and five years after the date of grant and are not subject to any share price performance conditions.

Share options totalling 264,139 (2025 – 349,007) have been exercised during the period. This includes 50,000 (2025 – 100,000) options exercised under the MS INTERNATIONAL plc Long Term Incentive Plan at an exercise price of £0 (2025 – £0) per share, and a further 214,139 (2025 – 249,007) options exercised under the MS INTERNATIONAL plc Company Share Option Scheme at an exercise price between £1.41 and £7.20 per share.

262,139 (2025 – 264,004) of the options were satisfied by transferring shares from treasury and the remaining 2,000 (2025 – 85,003) options were satisfied by transferring shares from The Employee Share Ownership Trust ("ESOT").

The contractual life of all of the options is 10 years and there are no cash settlement alternatives. The weighted average remaining contractual life is 6.64 years (2025 – 5.71 years).

Notes to the financial statements

Continued

32 Share-based payments (continued)

(a) Equity settled share-based payments (continued)

The following tables illustrate the number and weighted average exercise prices (WAEP) of share options during the year:

	Long Term Incentive Plan		Company Share Option Plan		**Total**	
	Number	WAEP	Number	WAEP	**Number**	**WAEP**
Outstanding at 30th April 2024	150,000	£0.00	918,693	£2.21	**1,068,693**	**£1.90**
Granted in year	–	–	12,000	£9.90	**12,000**	**£9.90**
Cancelled in year	–	–	(10,816)	£1.41	**(10,816)**	**£1.41**
Exercised in year	(100,000)	£0.00	(249,007)	£1.41	**(349,007)**	**£1.01**
Outstanding at 30th April 2025	50,000	£0.00	670,870	£2.63	**720,870**	**£2.44**
Granted in year	–	–	244,470	£13.62	**244,470**	**£13.62**
Restated in year	–	–	10,816	£1.41	**10,816**	**£1.41**
Cancelled in year	–	–	(19,116)	£5.74	**(19,116)**	**£5.74**
Exercised in year	(50,000)	£0.00	(214,139)	£1.57	**(264,139)**	**£1.27**
Outstanding at 30th April 2026	**–**	**–**	**692,901**	**£6.72**	**692,901**	**£6.72**

The Group recognised a total charge of £71,000 (2025 – £78,000) in relation to equity-settled share-based payment transactions. At 30th April 2026 there were no share options exercisable under the LTIP scheme (2025 – 50,000) and 323,665 (2025 – 520,320) share options exercisable under the CSOP share option scheme.

The fair value of awards granted during the year were determined using the Black Scholes valuation models. The fair value of these share options and the assumptions used are shown in the table below:

	Options granted on 31st January 2026	**Options granted on 31st March 2026**	**Options granted on 13th April 2026**
Valuation model	Black Scholes	Black Scholes	Black Scholes
Number of shares granted under option	20,000	4,470	220,000
Fair value	£3.63	£3.63	£3.63
Share price at grant	£12.85	£13.40	£13.70
Exercise price	£12.85	£13.40	£13.70
Dividend yield	2.0%	2.0%	2.0%
Expected volatility	43%	43%	43%
Expected life	6.5 – 7.5 years	6.5 – 7.5 years	6.5 – 7.5 years
Risk-free interest rate	4.30%	4.68%	4.60%

The weighted average fair value of options outstanding at the end of the year is £2.39 (2025 – £0.44)

(b) Cash settled share-based payments

In October 2023 the Group has granted a phantom award in respect of 100,000 notional options, exercisable at nil value, to one non-executive director. The phantom award will be cash settled in reference to the share price on the date of exercise. The vesting of the phantom option is subject to continued service and will only vest in the event of a future change of control in the Company. The awards will lapse if they have not vested within 10 years of grant.

At the reporting date the phantom award has been measured at fair value with reference to the prevailing share price at that date, adjusted for dividend leakage over the expected life of the award. The aggregate charge period has been reassessed at the reporting date and will now be measured over 5 years (2025 – 3 years) with an expense of £457,000 (2025 – £330,000) being charged to the Consolidated income statement within the year. The cumulative total charged over the thirty months (2025 – eighteen months) since the date of grant is £921,000 (2025 – £464,000), which includes a provision for employer national insurance contributions. The provision is held within non-current liabilities.

Notes to the financial statements

Continued

33 Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made to the objectives, policies or processes during the years ended 30th April 2026 and 30th April 2025.

Capital comprises equity attributable to the equity holders of the parent company £68,311,000 (2025 – £61,189,000).

34 Post balance sheet event

The Company has received encouraging interest from potential buyers for the 'Petrol Station Superstructures and Branding' business, which is represented in the 'Petrol Station Superstructures and Branding' segment of note 4.

Presently, management is not in a position to give more detail on this as the Company is currently negotiating with potential buyers. It is hoped that more information can be announced before the end of the summer.

Summary of Group results 2022 – 2026

CONSOLIDATED INCOME STATEMENT

	2026	2025	2024	2023	2022
	£'000	£'000	£'000	£'000	£'000
Group revenue	**115,007**	117,503	109,576	83,956	74,524
Group operating profit	**13,953**	18,722	14,751	5,250	6,187
Share of joint venture loss	**–**	–	–	(36)	–
Finance income/(expense)	**1,103**	1,328	961	(136)	(220)
Profit before taxation	**15,056**	20,050	15,712	5,078	5,967
Taxation	**(4,036)**	(5,519)	(4,212)	(963)	(1,035)
Profit for the year	**11,020**	14,531	11,500	4,115	4,932

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2026	2025	2024	2023	2022
	£'000	£'000	£'000	£'000	£'000
Assets employed:					
Intangible assets	**2,901**	2,367	2,448	2,396	3,002
Property, plant and equipment	**30,578**	30,257	27,953	24,886	24,537
Right-of-use assets	**895**	385	760	1,162	1,479
Investments	**–**	–	–	–	34
Non-current derivative asset	**4**	–	309	–	–
Non-current contract asset	**540**	428	–	–	–
Other net current (liabilities)/assets	**(6,699)**	10,096	(9,218)	3,895	(2,706)
Cash, cash equivalents, and restricted cash	**46,526**	27,783	42,679	15,253	19,250
Net assets employed	**74,745**	71,316	64,931	47,592	45,596
Financed by:					
Ordinary share capital	**1,784**	1,784	1,784	1,784	1,784
Reserves	**66,527**	59,405	50,676	40,219	36,791
Shareholders' funds	**68,311**	61,189	52,460	42,003	38,575
Net non-current liabilities	**6,434**	10,127	12,471	5,589	7,021
	74,745	71,316	64,931	47,592	45,596

Corporate governance statement

As an AIM quoted company MSI INTERNATIONAL plc, under AIM Rule 26, is required to adopt a recognised corporate governance code, describe how it complies with that code and provide details of where it does not comply with its chosen corporate governance code.

MS INTERNATIONAL plc has chosen to adopt as far as practical for a Group of its size the 2023 QCA Corporate Governance Code. The Chairman assumes principal responsibility for corporate governance.

The Board

The Board is responsible for ensuring that MS INTERNATIONAL plc has the strategy, people, structure, and culture in place to deliver value over the medium to long-term to shareholders and other stakeholders of the Group and is committed to high standards of governance, as is appropriate for a company of its size and structure.

Up until the 15th July 2026 the Board has been chaired by the Executive Chairman Michael Bell, who has no other significant commitments and is responsible for the operation, strategic focus, and direction of the business. The executive directors include Michael O'Connell, Nicholas Bell, Shelley Ashcroft and John Meldrum. There are two non-executive directors, Roger Lane-Smith and David Hansell, with Roger Lane-Smith being designated as Senior Independent Director.

As noted in the Chairman's Statement, Anthony Wreford has been appointed as independent Non-Executive Chairman from 16th July 2026. This appointment strengthens the board and makes progress towards having a balance of executive and non-executive directors as recommended by the 2023 QCA code. Anthony joins Roger Lane-Smith and David Hansell as non-executive directors.

The Board meets at least quarterly throughout the year to direct and assess the overall strategy and operating performance of the Group. All directors have full and timely access to all relevant information to allow them to carry out their responsibilities. Executive directors, except for Company business trips and holidays, meet on a daily basis when possible.

The Board is supported by an Audit Committee and a Remuneration Committee. Roger Lane-Smith and David Hansell are members of both committees, with Roger Lane-Smith serving as Chairman on both.

The Audit Committee normally meets three times a year and has the responsibility for reviewing the interim statements, the annual report, and the effectiveness of the system of internal controls with the Group's external auditor. The external auditor has direct access to the Committee without the executive directors being present. The ultimate responsibility for reviewing and approving the Group financial statements remains with the Board.

The Remuneration Committee, which meets at least once a year and as required, has the responsibility for making recommendations to the Board on the remuneration packages, including share option schemes and bonuses, of each of the executive directors.

Due to the size of the Group there is no Nominations Committee. The Chairman discusses the appointment or replacement of directors with the Board as a whole. The Board are aware of the age profile of the directors, and this is under review. Recent appointments to the board of Shelley Ashcroft (aged 40) and John Meldrum (age 57) seek to address this.

The number of meetings and members attendance of Board and Committee meetings during the financial year ended 30th April 2026 was as follows:

	Board	Audit Committee	Remuneration Committee
Number of meetings in the year	8	3	3
Attended by:			
Michael Bell	8	–	–
Michael O'Connell	8	–	–
Nicholas Bell	8	–	–
Shelley Ashcroft	8	3	–
John Meldrum	5	–	–
Roger Lane-Smith	6	3	3
David Hansell	6	3	3

Board experience, skills and evaluation

Due to the size of the Group, and the nature of its operations and strategic demands, there is no formal Board performance evaluation process in place. However, the Chairman periodically meets with the executive and non-executive directors to ensure they are committed, their respective contributions are effective and productive and, where relevant, they have maintained their independence.

Corporate governance statement

Continued

Board experience, skills and evaluation (continued)

The Board has considered its structure and composition and believes it to be appropriate having taken into account the nature and characteristics of the Group.

As the directors have all served the Group as employees and directors over many years, the Board believes it is not necessary to give any further details of their experience other than that shown in the list of directors and the Notice of Annual General Meeting.

In the opinion of the Board, the directors as a whole have the appropriate balance of skills and experience necessary to ensure that the Group is managed for the long-term benefit of all stakeholders.

Internal control systems

The Board is responsible for establishing and maintaining the Group's system of internal control. Internal control systems are designed to meet the particular needs of the operating company concerned bearing in mind the resources available and the risks to which it is exposed, and by their nature can provide reasonable but not absolute assurance against material misstatement or loss. The key procedures which the directors have established with a view to providing effective internal control are set out below.

The Board has overall responsibility for the Group and there is a formal schedule of matters specifically reserved for decisions by the Board which covers the key areas of the Group's affairs, including dividend policy, acquisitions and divestment policy, approval of budgets, capital expenditure, major buying and selling contracts and general treasury and risk management policies. There is a clearly decentralised structure which delegates authority, responsibility, and accountability, including responsibility for internal financial controls, to management of the operating companies.

Responsibility levels and delegation of authority and authorisation levels throughout the Group are set out in the Group's corporate accounting and procedures manual.

There is a comprehensive system for reporting financial results. Monthly accounts are prepared on a timely basis. They include income statement, balance sheet, cash flow and capital expenditure reporting with comparisons to budget and forecast. The budget is prepared annually and revised forecasts are provided monthly.

There is an investment evaluation process to ensure Board approval for all major capital expenditure commitments.

There is also a contract evaluation process to ensure directors approval for all major sales contracts.

QCA Code

Details of how the Company has addressed the ten principles of the QCA Code in compliance with AIM Rule 26 are set out below:

1 **Establish a strategy and business model which promotes long-term value for shareholders**

The Board sets the Group's strategic direction and is responsible to MSI's shareholders for the long term success of the Group. The Group's long-term strategy is to invest in people, products, and processes to seek continuous improvement and deliver growth within its four diverse operating divisions, 'Defence and Security', 'Forgings', and 'Petrol Station Superstructures and Branding', each holding a leading position in its specialist market. Ultimately, the Group aims to drive long-term value for shareholders and improve share price performance by ensuring that all strategic decisions are underpinned by this goal.

2 **Promote a corporate culture that is based on ethical values and behaviours**

The Group's three operating divisions hold leading positions within their specialist markets and have long-standing reputations as being highly competent and professional organisations with innovation and quality being integral to this. This reputation has been established over many years through leadership and the reinforcement of ethical principles by directors, managers, and employees.

The Group's employment policies, such as Whistleblowing and Anti-Bribery and Corruption assist in setting a culture of ethical behaviour throughout the Group.

3 **Seek to understand and meet shareholder needs and expectations**

The shareholding structure of the Company is set out on the 'Securities' page on the Company's website: msiplc.com/securities. The composition of the shareholders, including the directors, is currently primarily weighted towards private investors, with one significant institutional shareholder.

The AGM is the main forum for dialogue and discussion with private investors and the Board. The directors routinely attend the AGM and are available to answer any questions raised by shareholders. Shareholders can engage with the Company between AGMs by contacting the Company Secretary, Shelley Ashcroft (shelley.ashcroft@msiplc.com). The Board also contacts significant institutional investors as and when appropriate.

Corporate governance statement

Continued

QCA Code (continued)

4 Take into account wider stakeholder needs and expectations

The Group is aware of its corporate social responsibilities and the need to maintain effective relationships with all of the stakeholders in the business including shareholders, employees, customers, suppliers and regulatory authorities. The Group's operations, processes, and procedures are monitored and adapted to take account of changing stakeholder relationships whilst maintaining focus on the Board's strategic objective of delivering value over the medium to long-term for the benefit of all stakeholders.

The Board aims to do what is in the best interests of the Company and seeks to maintain the highest standards of integrity in the conduct of the Group's operations.

The requirement for regular disclosure of directors' other interests and compliance to share dealing regulations all require high standards of behaviour.

Through the various procedures and processes the Group has adopted, each diverse operating division ensures compliance with the health and safety and environmental legislation applicable to each division.

5 Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board reviews the effectiveness of the system of internal controls, and together with operational management, identifies and evaluates the critical business and financial risks of the Group. These risks are reviewed continually by both the directors and operational and divisional management. Where appropriate, action is taken to manage risks facing the business.

The Group's corporate governance environment and its embedded procedures and systems will be updated and adapted to future changes in stakeholder relationships when considered appropriate by the Board.

6 Maintain the Board as a well-functioning, balanced team led by the chair

As at 30th April 2026, the Board of Directors comprised five executive directors, Michael Bell, Michael O'Connell, Nicholas Bell, Shelley Ashcroft and John Meldrum, and two non-executive directors, Roger Lane-Smith and David Hansell. All directors served throughout the year, with the exception of John Meldrum who was appointed on 1st July 2025.

The Board has two established committees, Audit Committee and Remuneration Committee, both of which are chaired by Roger Lane-Smith with the support of David Hansell as non-executive director. The Board as a whole operates as the Nominations Committee as and when required.

Details of how the Board functions and its members are included in the 'The Board' section of this Corporate Governance statement.

The Group acknowledges that the QCA Code recommends having half the board comprised of non-executive directors. As at 30th April 2026 this was not the case with only two non-executive directors out of a total of seven board members. However, following the changes to the Board outlined in the Chairman's Statement, the Company has begun to address the imbalance with the appointment of non-executive Anthony Wreford as Chairman.

7 Ensure that between them the directors have the necessary up-to-date experience, skills, and capabilities

Details of the directors' experience, skills and capabilities can be found in the 'Board experience, skills, and evaluation' section of this Corporate Governance report.

Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

While there is no formal evaluation process in place, the Group's adopts a continuous and ongoing approach to the evaluation of the Board's effectiveness. The Chairman periodically meets with executive and non-executive directors to discuss their performance and ensure that their respective contributions remain effective.

The Board recognises that the QCA recommends a formal review and as such will consider engaging an external party to do so in the upcoming financial year.

8 Maintain governance structures and processes that are fit for purpose and support good decision making by the Board

The Board maintains corporate governance policies and processes that are appropriate to the size and structure of the Group. The responsibility for corporate governance rests with the Board as a whole, with the Chairman assuming principal responsibility, which it discharges directly, through its Committees and the management structure.

The Board of Directors holds a minimum of four scheduled meetings per year to which all directors attend. The board also meets periodically to discuss strategic decisions or holds ad hoc discussions on particular issues, which are not recorded as formal board meetings. It is the Board's responsibility to formulate, review and approve the Group's strategy, budgets, capital expenditure, research and development, and major contract bids.

Corporate governance statement

Continued

QCA Code (continued)

8 Maintain governance structures and processes that are fit for purpose and support good decision making by the Board (continued)

The executive directors receive detailed monthly reports from each of the divisional senior managers, which summarise both commercial and financial matters. Executive directors also attend meetings with subsidiary management on a regular basis, particularly in the 'Defence and Security' division where meetings are held in Norwich each month. This allows for effective two way communication between the board and its divisions, ensuring that all levels of management are aligned in the pursuit of the group's strategic objectives and providing an environment in which effective decision making at subsidiary level is supported with appropriate oversight from the group board.

9 Ensure that the remuneration policy aligns with the company's purpose, strategy and culture

The Group's employees are integral to driving the long-term success of the business, driving growth, and delivering value for shareholders. Their hard work, dedication and commitment to the business is rewarded by competitive rates of pay with performance related pay for certain employees.

Senior managers and divisional directors participate in the MSI Senior Managers Bonus Scheme, which sets yearly targets upon which performance related pay is measured. They have also been granted share options within MSI's CSOP scheme to ensure that their efforts align with creating shareholder value. During the year, further share options have been granted to key senior management within the 'Defence and Security' division in order to promote staff retention and develop shareholder value.

At a Board level, the bonuses of the executive directors are linked to profit and participation in the LTIP and CSOP share option schemes offers another means of aligning to strategic objectives of the Group. In the year, the Committee engaged an advisor to conduct an independent review of the executive directors' basic salaries, bonus scheme and remuneration packages. As a result of this review, a new bonus scheme has been introduced for continuing directors.

It is the opinion of the Remuneration Committee that the remuneration policy has supported the delivery of the Group's strategy, and has focused the management team on delivering strong financial and operational performance both in the short and long term.

10 Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board communicates its corporate governance policies through the Annual Report and through the Group website (www.msiplc.com).

The AGM is the main forum for dialogue and discussion with private investors and the Board. The Notice of Annual General Meeting is sent to shareholders at least 21 days before the meeting and all of the directors routinely attend the AGM and are available to answer any questions raised by shareholders. The results of each AGM are published on the website and by way of an RNS when the meeting has concluded. Copies of notice of meetings and Annual Reports from the last five years are kept on the Company's website.

Shareholders can engage with the Company between AGMs by contacting the Company Secretary, Shelley Ashcroft (shelley.ashcroft@msiplc.com). The Board also contacts significant institutional investors as and when appropriate.

Audit Committee report

Committee governance

Roger Lane-Smith and David Hansell were members of the Audit Committee throughout the year under review, with Roger Lane-Smith serving as Chairman. Both have considerable experience in senior financial and commercial operational roles with extensive knowledge of the Group's operations, related financial risks and internal control.

The committee meets three times a year. The meetings are held with the external auditor at which representatives of the Group's financial management team are present.

Key responsibilities

The committee is required to:

- Monitor the integrity of the Group's financial statements and external announcements of both the interim and full year results;
- Advise on the clarity of disclosures and information contained in the Annual Report and accounts;
- In conjunction with the Group's Executive Board and external auditor, ensure compliance with applicable accounting standards and the consistency of methodologies applied;
- Review the adequacy and effectiveness of the Group's internal control and risk management systems;
- Oversee the relationship with the external auditors, review their performance and independence, and advise the Board on their appointment and remuneration.

The Audit Committee has undertaken the following during the year under review:

Internal control and risk management

The Audit Committee has worked with the Board in the continued evaluation of the critical business and financial risks of the Group and where appropriate supported actions to manage the risks facing the business.

External audit

The services performed by Grant Thornton UK LLP relate only to the Group's external audit and the review of the Group's Interim Report. All other non-audit work is performed by independent accountancy firms which will enhance the Group's governance.

The Audit Committee has reviewed the services provided and work undertaken by Grant Thornton UK LLP and is satisfied with their performance in carrying out and completing the external audit.

There is no formal policy in respect of the rotation of the external auditor. This will be reviewed and taken into consideration if the AIM listed company rules are changed so that the rotation of the external auditor becomes a requirement.

Significant reporting issues and judgements

The Audit Committee considered whether the 2026 Annual Report is fair, balanced, and understandable and whether it provides the necessary information for shareholders and other stakeholders to assess the Group's financial performance, business model and strategy.

The committee was satisfied that, as a whole, the 2026 Annual Report met these requirements.

The key issues and accounting policies considered by the Audit Committee in relation to the 2026 Annual Report were:

- The revenue recognition of contract accounting.
- Management override of controls

The Audit Committee has assessed these specific issues and is satisfied that the methodologies adopted in the Annual Report are appropriate and satisfy the relevant IFRS standards.

Roger Lane-Smith
Chairman
Audit Committee
15th July 2026

Report of the directors

The directors present their report together with the Group financial statements for the year ended 30th April 2026. The directors present their Corporate governance statement on pages 74 to 77 of this report.

1 Principal activities and business review

The principal activities of the divisions within the Group are:

- 'Defence and Security': the design and manufacture of defence equipment.
- 'Forgings': the manufacture of fork-arms and open die forgings
- 'Petrol Station Superstructures and Branding': the design, manufacture, construction, and maintenance of petrol station superstructures and the design, manufacture, installation, and service of corporate brandings, including media facades, way-finding signage, public illumination, creative lighting solutions, and the complete appearance of petrol station superstructures and forecourts.

The Group has subsidiary companies in overseas locations but the Company does not have any overseas branches.

A review of the Group's trading, performance and future prospects are contained in the Chairman's statement and Strategic report on pages 3 to 6 and pages 9 to 15.

2 Results and dividends

The profit for the year attributable to shareholders amounted to £11,020,000 (2025 – £14,531,000). The directors recommend a final dividend of 20 pence per share (2025 – 18 pence per share), making a total of 26 pence per share (2025 – 23 pence per share).

3 Going concern

The financial statements have been prepared on a going concern basis. More information about the assessment of going concern can be found in note 2.

4 Financial risk management and exposure

The main financial risks faced by the Group include currency risks, funding risks, interest rate risks, and credit risks. Details of these exposures can be found in note 28 to the financial statements.

5 Research and development

During the year the Group has incurred research and development costs of £2,372,000 (2025 – £2,443,000).

6 Post balance sheet events

Details of the post balance sheet event can be found in note 34 and the Directors' Remuneration report.

7 Directors

The names of the directors of the Company at 15th July 2026 are shown on page 7.

All of the directors served throughout the year and up to the date of this report, with the exception of John Meldrum who was appointed as executive director on 1st July 2025, with the appointment on Companies House being 18th July 2025.

8 Substantial interests in shares

The directors had been advised of the following notifiable interests:-

	% of share capital held at 30th April, 2026	% of share capital held at 15th July 2026
Michael Bell	19.4%	19.4%
Ms Adrienne Bell	15.1%	15.1%
David Pyle	9.6%	9.6%
Michael O'Connell	6.5%	6.5%
Stonehage Fleming Investment Management	4.4%	4.4%

Apart from these, the directors have not been formally notified of any other notifiable shareholdings in excess of 3% of share capital held on 15th July 2026.

Report of the directors

Continued

9 Employee involvement

The directors have continued their commitment to the development of employee involvement and communication throughout the Group.

Regular meetings are held with employees to provide and discuss information of concern to them as employees, including financial and economic factors affecting the performance of the Company in which they are employed.

10 Employment of disabled persons

The policy of the Group is to offer the same opportunities to disabled people as to all others in respect of recruitment and career advancement. Full and fair consideration is given to applications for employment made by disabled persons having regard to their particular aptitudes and abilities. Appropriate training is arranged for disabled persons, including retraining for alternative work of employees who may become disabled, to promote their career development within the organisation.

11 Stakeholder engagement

Stakeholders are those groups likely to be affected by the actions of a company, or whose actions can affect the operation of the company. Details on stakeholder engagement can be found within the General duties of directors section of the Strategic report.

12 Carbon and energy reporting

MS INTERNATIONAL plc reports its environmental performance in accordance with the UK Government's Streamlined Energy and Carbon Reporting Guidance (SECR) as required under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

MS INTERNATIONAL plc reported emissions for the year ended 30th April 2026 of 1,068.41 tCO e (2025 – 1219.03 tCO e), representing a reduction in emissions of 12.36%. Total energy consumption was 5,938,441 kWh in the year ended 30th April 2026 (2025 – 6,296,506), demonstrating a reduction of 5.69%.

Energy consumption within the UK is summarised in the tables below and categorised into scope 1, 2 and 3.

Scope 1 consumption and emissions include direct combustion of natural gas, other fuels, and fuels used for transportation operations (i.e., company vehicles), as well as any refrigerant leaks.

Scope 2 consumption and emissions cover indirect emissions from purchased electricity used in day-to-day business operations, electricity consumed for company EV charging and from solar-generated electricity.

Scope 3 consumption and emissions cover emissions resulting from sources not directly owned by MSI, i.e., grey fleet business travel undertaken in employee-owned or rental vehicles.

Scope	**Activity**	**2026 Consumption (kWh)**	**2025 Consumption (kWh)**
Scope 1	Natural Gas and other fuels	2,488,578	2,845,306
	Transportation	1,183,080	1,185,111
	Scope 1 Total	**3,671,658**	**4,030,417**
Scope 2	Grid-supplied electricity	1,597,749	1,585,772
	Transportation	31,516	23,493
	Self-generation	499,599	511,019
	Scope 2 Total	**2,128,864**	**2,120,284**
Scope 3	Transportation	137,919	145,805
	Scope 3 Total	**137,919**	**145,805**
Total consumption		**5,938,441**	**6,296,506**

Report of the directors

Continued

12 Carbon and energy reporting (continued)

Scope	Activity	2026 tCO_2	2025 tCO_2
Scope 1	Natural Gas and other fuels	462.91	528.37
	Refrigerants	2.10	47.44
	Transportation	284.27	277.53
	Scope 1 Total	**749.28**	**853.34**
Scope 2	Grid-supplied electricity	282.80	328.33
	Transportation	5.58	4.86
	Scope 2 Total	**288.38**	**333.19**
Scope 3	Transportation	30.75	32.50
	Scope 3 Total	**30.75**	**32.50**
Total location-based tCO e		**1,068.41**	**1,219.03**
Location-based tCO_2 per £1m UK turnover		12.22	11.68
Total market-based tCO_2		785.61	890.70
Market-based tCO_2 per £1m UK turnover		8.98	8.53

The total UK energy use for the base year, being the year ended 30th April 2025, and the financial year ended 30th April 2026 were collated in kilowatt hours and converted to tCO_2e using government standard conversion factors. In the year ended 30th April 2025 6.297m kilowatt hours were consumed within the UK, which is the equivalent of 1,219 tonnes of CO_2 emissions. In the year ended 30th April 2026 the number of kilowatt hours consumed within the UK has reduced by 0.36m to 5.94m. Similarly, there has also been an overall reduction in CO_2 emissions of 151 tonnes during the year to1,068 tonnes of CO_2 emissions.

The Company has adopted CO_2 tonnes consumed per £ of UK sales as its key energy intensity ratio. The energy intensity ratio has increased slightly from 11.68 CO_2 tonnes per £1m of UK sales in the year ended 30th April 2025 to 12.22 CO_2 tonnes per £1m of UK sales in the year ended 30th April 2026.

MS INTERNATIONAL plc is committed to improving its operational energy efficiency. A register of energy efficiency measures has been compiled and will be used to guide future initiatives aimed at reducing energy consumption and associated greenhouse gas emissions. Measures undertaken in the year ended 30th April 2026 include:

- **Increased adoption of electric vehicles:** the Group continued to invest in battery electric vehicles, reducing reliance on internal combustion engine vehicles and supporting the transition to lower-carbon transport
- **Renewable electricity procurement:** the Group continued sourcing renewable energy across its operations resulting in zero market-based Scope 2 emissions from grid-supplied electricity, where supported by renewable energy contracts.
- **Refurbishment of Assembly Halls:** The site in Norwich, occupied by 'MSI-Defence Systems Ltd', has undergone recent refurbishment, including upgrading the building's insulation and replacing windows. These upgrades have already demonstrated reductions in gas use from heaters and in electricity in refurbished assembly halls on the Norwich site. This will continue into the next financial year.
- **Upgraded Lighting System:** 'MSI-Defence Systems Ltd' has recently upgraded the lighting systems in refurbished halls, which have reduced the systems' electricity demand. This will continue into the following financial year as refurbishment progresses.

Measures that are being considered for the future include:

- **Expansion of Electric Vehicle Fleet:** The Group will continue to replace conventional company vehicles with electric alternatives where operationally feasible.
- **Transition to Lower-Carbon Forklift Operations:** The Group will assess opportunities to replace diesel and LPG powered forklifts with electric or lower carbon alternatives. Where practical, this transition will reduce direct fuel consumption and association Scope 1 greenhouse gas emissions.
- **Ongoing monitoring and opportunity identification:** Monitor energy consumption and identify opportunities to improve energy efficiency across its operations. Submetering arrangements can be further refined to help identify areas where electricity use can be reduced, including out-of-hours consumption and equipment switch-off regimes.

Report of the directors

Continued

12 Carbon and energy reporting (continued)

- **Equipment upgrades:** Based on findings of monitoring activities, upgrade office equipment, printers, and other machinery to more energy-efficient models, where feasible.
- **Building efficiency improvements:** Continue any necessary refurbishment and insulation improvement programmes across operational facilities to reduce heating and electricity demand.

13 Additional information for shareholders

The Company satisfied 262,139 share options exercised by certain employees by way of transfer from the Company's treasury share holding for a total consideration of £334,000. Further details can be found in Note 23 to the Accounts.

The following provides the additional information required for shareholders as a result of the implementation of the Takeover Directive into UK Law.

At 15th July 2026 the Company's issued share capital comprised:

	Number	£'000	% of total share
Ordinary shares of 10p each	17,841,073	1,784	100.0
Ordinary shares of 10p each held in treasury	1,405,185	141	7.9
Ordinary shares of 10p each not held in treasury	16,435,888	1,643	92.1

The above figure (1,405,185 ordinary shares of 10p) is the number of ordinary shares to be used as a denominator for the calculation of a shareholder's interest for the determination of any notification requirement in respect of their interest(s) or change of interest(s).

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and for voting rights.

Ordinary shares

On a show of hands at a general meeting of the Company every holder of ordinary shares present in person and entitled to vote shall have one vote and on a poll, every member present in person or by proxy and entitled to vote shall have one vote for every ordinary share held. The notice of the general meeting specifies deadlines for exercising voting rights either by proxy notice or present in person or by proxy in relation to resolutions to be passed at general meeting. All proxy votes are counted and the numbers for, against or withheld in relation to each resolution are announced at the Annual General Meeting.

There are no restrictions on the transfer of ordinary shares in the Company other than:

- Certain restrictions may from time to time be imposed by laws and regulations (for example, insider trading laws and market requirements relating to close periods); and;
- Pursuant to the Listing Rules of the Financial Services Authority whereby certain employees of the Company require the approval of the Company to deal in the Company's securities.

The Company's Articles of Association may only be amended by a special resolution at a general meeting of the shareholders. Directors are reappointed by ordinary resolution at a general meeting of the shareholders. The Board can appoint a director but anyone so appointed must be elected by an ordinary resolution at the next general meeting.

Any director, other than the Chairman, who has held office for more than three years since their last appointment must offer themselves up for re-election at the annual general meeting.

Company share schemes

The Employee Share Ownership Trust holds 0.02% of the issued share capital of the Company (excluding treasury shares) in trust for the benefit of employees of the Group and their dependants. The voting rights in relation to these shares are exercised by the trustee.

Change of control

The Company has in place a phantom award in respect of 100,000 notional options, exercisable at nil value in the event of a future change of control in the Company (note 32). There are no further agreements which take effect, alter or terminate upon a change of control of the Company following a takeover bid.

There are no agreements between the Company and its directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid.

Report of the directors

Continued

14 Special business at the Annual General Meeting

Resolution 10: Purchase by the Company of its own shares

Resolution 10, which will be proposed as a special resolution renews a similar authority given at last year's AGM. If passed, it will allow the Company to purchase up to 1,643,589 ordinary shares in the market (which represents approximately 10 per cent of the issued ordinary share capital of the Company excluding treasury shares) as at 15th July 2026. The minimum and maximum prices for such a purchase are set out in the resolution. If given, this authority will expire at the conclusion of the Company's next AGM or on 9th December 2027 whichever is the earlier. It is the directors' intention to renew this authority each year.

The directors have no current intention to exercise the authority sought under resolution 9 to make market purchases.

The Company is permitted to hold shares in treasury as an alternative to cancelling them. Shares held in treasury may be subsequently cancelled, or sold for cash or used to satisfy options under the Company's share schemes. While held in treasury, the shares are not entitled to receive any dividends or dividend equivalents (apart from any issue of bonus shares) and have no voting rights. The directors believe it is appropriate for the Company to have the option to hold its own shares in treasury, if, at a future date, the directors exercise this authority in order to provide the Company with additional flexibility in the management of its capital base. The directors will have regard to institutional shareholder guidelines which may be in force at the time of such purchase, holding or re-sale of shares held in treasury. At 15th July 2026, the Company holds 1,405,185 ordinary shares of 10p each in treasury which represents 7.9% of the total number of ordinary shares of 10p each issued.

Resolution 11: Notice period for general meetings

Resolution 11 will be proposed as a special resolution to allow the Company to call general meetings (other than an AGM) on 14 clear days notice.

Changes made to the 2006 Act by the Companies (Shareholders' Rights) Regulations 2009 increase the notice period required for general meetings of the Company to 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. AGMs will continue to be held on at least 21 clear days notice.

Before the Regulations came into force, the Company was able to call general meetings other than an AGM on 14 clear days notice without obtaining shareholder approval. Resolution 10 seeks such approval in order to preserve this flexibility. The shorter notice period would not however be used as a matter of routine for such meetings, but only where it is merited by the business of the meeting and is considered to be in the interests of shareholders as a whole. If given, the approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

Note that the changes to the 2006 Act mean that, in order to be able to call a general meeting on less than 21 clear days notice, the Company must make a means of electronic voting available to all shareholders for that meeting.

15 Auditor

Resolutions to reappoint the auditor, Grant Thornton UK LLP, and authorise the directors to determine the remuneration of the auditor, will be proposed at the Annual General Meeting.

16 Directors' indemnities

Directors' and officers' insurance is in place for all directors to provide cover for their reasonable actions on behalf of the Group. No further directors' indemnities are in place.

17 Directors' statement as to disclosure of information to auditors

The directors who were members of the Board at the time of approving the Report of the directors are listed on page 16. Having made enquiries of fellow directors and of the Company's auditors, each of the directors confirms that:

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

Report of the directors

Continued

18 We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with UK adopted International Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the business review, together with the Chairman's statement, includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By order of the Board,

Shelley Ashcroft
Group Finance Director

15th July 2026

Remuneration committee report

Committee governance

Roger Lane-Smith and David Hansell were members of the Remuneration Committee throughout the year under review, with Roger-Lane Smith serving as Chairman. Both have considerable experience in senior financial and commercial operational roles with extensive knowledge of the Group's operations.

The committee meets as required, with only one meeting being held during the financial year.

Key responsibilities

The committee has the responsibility for making recommendations to the Board on the remuneration packages, including share option schemes and bonuses, of each executive director.

Review of directors' remuneration packages

During the year, an external review of directors' remuneration packages has been carried out. After taking into account the recommendations of the report, the Remuneration Committee proposed the following increases for consideration by the Board:

The salary of Group Managing Director, Michael O'Connell, to be increased from £400,000 per annum to £500,000 per annum with effect from 1st May 2025.

The salary of Group Finance Director, Shelley Ashcroft, to be increased from £210,000 per annum to £250,000 per annum with effect from 1st May 2025.

In addition, the Remuneration Committee a approved the remuneration of John Meldrum, Executive Director, at £400,000 per annum following his appointment on 1st July 2025.

In line with the recommendations from the external review, the Remuneration Committee has approved the award of bonuses under a new bonus scheme for all continuing directors. Total bonus to be paid to the executive directors for the year ended 30th April 2026 amounts to £2,302,898.

Share options

There are currently two share options plans in place in which the executive directors hold share options: MS INTERNATIONAL plc Long Term Incentive Plan (LTIP) and MS INTERNATIONAL plc Company Share Option Plan (CSOP).

During the year, a further 105,000 CSOP share options have been granted to two executive directors, of which 20,000 were granted at an exercise price of £12.75 per share and 85,000 at an exercise price of £13.70 per share. They are not subject to any share price performance criteria and are exercisable in three equal tranches at three, four and five years from the date of grant.

At the reporting date a total of 350,749 CSOP share options pertaining to five executive directors were outstanding, of which 214,999 are currently exercisable.

Roger Lane-Smith
Chairman
Remuneration Committee
15th July 2026

Directors' remuneration report

Information not subject to audit

As AIM listed company, MS INTERNATIONAL plc presents its Directors' remuneration report voluntarily.

Policy on remuneration of executive directors

The Remuneration Committee currently comprises Roger Lane-Smith and David Hansell. It aims to ensure that remuneration packages and service contracts are competitive and are designed to retain, attract, and motivate executive directors of the right calibre.

The salary for each director is determined by the Remuneration Committee by reference to a range of factors including experience appropriate to the Group, length of service, and salary rates for similar jobs in comparative companies. In view of the size and nature of the Group and the continuing need to optimise subordinate management structures particular emphasis is given to the advantages which flow from the long-term continuity of the executive directors. The contracts of service are reviewed from time to time and consideration given to whether any amendment is appropriate. The Remuneration Committee has sought external advice during the year.

The main components of the remuneration package for the executive directors are as follows:-

Basic salary	Salaries for executive directors are reviewed annually by the Remuneration Committee. Salaries for Michael Bell and Nicholas Bell were last amended in November 2022, with increases being in effect from 1st May 2022. The salaries of Michael O'Connell and Shelley Ashcroft were increased during the year with effect from 1st May 2025. The salary of John Meldrum was reviewed on his appointment to the Board on 1st July 2025.
Performance related annual bonus	During the year the bonus scheme was independently reviewed by external advisors and a new scheme has been implemented in line with their recommendations for continuing directors only. Total bonus achieved for the year ended 30th April 2026 under both schemes amounted to 113.3% (2025 - 125.6%) of total executive basic salaries. Under the new scheme, bonuses are capped to 100% of salary and are accrued on a sliding scale based on achieving certain profitability targets.
Share options	Executive directors are eligible to participate in the MS INTERNATIONAL plc Long Term Incentive Plan (LTIP) and the MS INTERNATIONAL plc Company Share Option Plan (CSOP). The Remuneration Committee is responsible for granting options. In January 2026 20,000 CSOP share options were granted to Shelley Ashcroft at a price of £12.85 per share. In April 2026, 35,000 and 50,000 share options were granted at a price of £13.70 per share to Shelley Ashcroft and John Meldrum respectively. As at 30th April 2026 there were no LTIP share options outstanding and 404,899 CSOP share options outstanding.
Pension contributions	Pension contributions are calculated as a percentage of basic pay only. The executive directors have full discretion as to how they choose to invest their pension contributions. All pension contributions for executive directors over the age of 65 ceased from 30th April 2015.
Other benefits	Other benefits are provided in the form of company cars, death in service benefit cover, and medical and disability insurance.

Non-executive directors

The level of the non-executive directors' remuneration has been determined by the Board as an annual fee and is paid monthly. The Board takes into account any proposals made by the Remuneration Committee in determining the annual fee for non-executive directors. There are no formal service contracts between the Company and any of the non-executive directors.

In October 2023 the Group has granted a phantom award in respect of 100,000 notional options, exercisable at nil value, to Roger Lane-Smith. The Company has granted this award to Roger Lane-Smith to reflect his significant contribution to the Board, and the Company's progress and international development, and in order to retain and incentivise future service to the Company. The phantom award will be cash settled in reference to the share price on the date of exercise. The vesting of the phantom option is subject to continued service and will only vest in the event of a future change of control in the Company. The awards will lapse if they have not vested within 10 years of grant.

Directors' remuneration report

Continued

Information subject to audit

Emoluments of directors

Directors' remuneration in respect of the year to 30th April 2026.

	Basic salary and fees £	Additional salary and fees £	Other benefits £	Bonus £	Short term benefits £	Pension £	Share option gain £	Total £
Michael Bell	600,000	–	14,712	869,565	**1,484,277**	–	628,591	**2,112,868**
Michael O'Connell	500,000	–	9,265	500,000	**1,009,265**	–	63,927	**1,073,192**
Nicholas Bell	350,000	–	9,196	350,000	**709,196**	52,500	–	**761,696**
Shelley Ashcroft	250,000	–	1,558	250,000	**501,558**	25,000	74,259	**600,817**
John Meldrum (*)	333,333	–	14,499	333,333	**681,165**	–	75,592	**756,757**
David Hansell	75,000	250,000	2,542	–	**327,542**	–	–	**327,542**
Roger Lane-Smith	100,000	180,000	–	–	**280,000**	–	–	**280,000**
Total	**2,208,333**	**430,000**	**51,772**	**2,302,898**	**4,993,003**	**77,500**	**842,369**	**5,912,872**

Directors' remuneration in respect of the year to 30th April 2025.

	Basic salary and fees £	Additional salary and fees £	Other benefits £	Bonus £	Short term benefits £	Pension £	Share option gain £	Total £
Michael Bell	600,000	–	16,593	842,105	**1,458,698**	–	550,436	**2,009,134**
Michael O'Connell	400,000	–	10,298	421,053	**831,351**	–	595,187	**1,426,538**
Nicholas Bell	350,000	–	8,652	421,053	**779,705**	115,658	239,750	**1,135,113**
Shelley Ashcroft	70,000	–	346	100,000	**170,346**	17,000	–	**187,346**
John Meldrum (*)	–	–	–	–	**–**	–	–	**–**
David Hansell	75,000	238,700	1,502	–	**315,202**	–	–	**315,202**
Roger Lane-Smith	100,000	180,000	–	–	**280,000**	–	–	**280,000**
Total	**1,595,000**	**418,700**	**37,391**	**1,784,211**	**3,835,302**	**132,658**	**1,385,373**	**5,353,333**

In addition to their roles as non-executive directors, David Hansell and Roger Lane-Smith have carried out additional services during the year for the 'Defence and Security' division and Group respectively. Their remuneration during the year for these services is shown as additional salary.

Other benefits represent the provision of company cars, death in service benefit, and medical and disability insurance.

Share option gains is calculated as the difference between the share price on the day of exercise and the exercise price. The exercise of share options has no impact on the Consolidated income statement.

(*) John Meldrum started his role as director on 1st July 2025, with the appointment at Companies House being 17th July 2025.

In accordance with the terms of his agreed settlement, the Company will make a termination payment of £600,948 to Michael Bell in July 2026.

Directors' remuneration report

Continued

Information subject to audit

Share options

(a) Equity settled share options

The directors have the following outstanding interests in share options granted in the Long Term Incentive Plan and Company Share Option Plan:

		Long Term Incentive Plan			Company Share Option Plan			Total		
Director	**Date granted**	**Exercise Price**	**Number Outstanding**	**Number exercisable**	**Exercise Price**	**Number Outstanding**	**Number exercisable**	**WAEP**	**Number Outstanding**	**Number exercisable**
Michael Bell	30th April 2020	£0.00	–	–	£1.41	80,000	80,000	**£0.89**	**80,000**	**80,000**
	31st October 2023	–	–	–	£7.20	4,150	–	**£7.20**	**4,150**	**–**
Michael O'Connell	30th April 2020	£0.00	–	–	£1.41	55,000	55,000	**£1.41**	**55,000**	**55,000**
	31st October 2023	–	–	–	£7.20	4,150	–	**£7.20**	**4,150**	**–**
Nicholas Bell	30th April 2020	–	–	–	£1.41	24,999	24,999	**£1.41**	**24,999**	**24,999**
	31st October 2023	–	–	–	£7.20	4,150	–	**£7.20**	**4,150**	**–**
David Hansell *	30th April 2020	–	–	–	£1.41	50,000	50,000	**£1.41**	**50,000**	**50,000**
	31st October 2023	–	–	–	£7.20	4,150	–	**£7.20**	**4,150**	**–**
Shelley Ashcroft	31st October 2023	–	–	–	£7.20	4,150	–	**£7.20**	**4,150**	**–**
	31st January 2026	–	–	–	£12.85	20,000	–	**£12.85**	**20,000**	**–**
	13th April 2026	–	–	–	£13.70	35,000	–	**£13.70**	**35,000**	**–**
John Meldrum	30th April 2020	–	–	–	£1.41	55,000	55,000	**£1.41**	**55,000**	**55,000**
	31st October 2023	–	–	–	£7.20	14,150	–	**£7.20**	**14,150**	**–**
	13th April 2026	–	–	–	£13.70	50,000	–	**£13.70**	**50,000**	**–**
Total		**£nil**	**–**	**–**	**£5.05**	**404,899**	**264,999**	**£5.05**	**404,899**	**264,999**

* in relation to his additional executive duties carried out on behalf of the 'Defence and Security' division.

During the year, 50,000 (2025 – 100,000) LTIP share options were exercised at an exercise price of £nil per share. There are no outstanding LTIP options.

The share options granted under the Company Share Option Plan ("CSOP") are either tax-advantaged or non-tax advantaged. During the year 26,664 (2025 – 38,334) CSOP share options were exercised by the directors at a price of £1.41 per share and 105,000 (2025 – none) were granted to two directors. A total 404,899 (2025 – 250,747) CSOP share options remain outstanding at 30th April 2026, of which 264,999 (2025 – 229,997) are exercisable.

(b) Cash settled share options

The directors have the following outstanding interests in cash settled share options.

Director	**Date granted**	**Exercise Price**	**Number granted**	**Number exercisable**
Roger Lane-Smith	31st October 2023	£nil	100,000	–
Total		**£nil**	**100,000**	**–**

The vesting of the cash settled share options is subject to continued service and the options will only vest in the event of a future change of control in the Company. The awards will lapse if they have not vested within 10 years of grant.

QCA code

The Remuneration Committee is of the opinion that the disclosures required by the code are contained within this report.

By order of the Board,

Shelley Ashcroft

Group Finance Director

15th July 2026

List of subsidiaries

(1) Principal operating subsidiaries by division

Company	Registered address	Description	Country of incorporation
'Defence and Security'			
MSI-Defence Systems Ltd.	Salhouse Road, Norwich, NR7 9AY England	Design, manufacture and service of defence equipment.	England & Wales
MSI-Defence Systems US LLC	1298 Galleria Boulevard, Rock Hill, SC 29730 USA	Design, manufacture and service of defence equipment.	USA
MSI-Defence Systems Europe Sp. zo.o.	Ul. Działowskiego 13, 30-339 Krakow Poland	Design, manufacture and service of defence equipment.	Poland
'Forgings'			
MSI-Forks Ltd.	Balby Carr Bank, Doncaster, DN4 8DH England	Manufacture of fork-arms for the fork lift truck, construction, agricultural and quarrying equipment industries.	England & Wales
MSI-Quality Forgings Ltd.	Balby Carr Bank, Doncaster, DN4 8DH England	Manufacture of open die forgings.	England & Wales
MSI-Forks LLC	1298 Galleria Boulevard, Rock Hill, SC 29730 USA	Manufacture of fork-arms for the fork lift truck, construction, agricultural and quarrying equipment industries.	USA
MSI-Forks Garfos Industriais Ltda.	Rua Professor Campos de Oliveira, 310 São Paulo Brazil	Manufacture of fork-arms for the fork lift truck, construction, agricultural and quarrying equipment industries.	Brazil
'Petrol Station Superstructures and Branding'			
Global-MSI plc	Balby Carr Bank, Doncaster DN4 8DH England	Design, manufacture and construction of petrol station superstructures.	England & Wales
Global-MSI Sp. zo.o.	Ul. Działowskiego 13, 30-339 Krakow Poland	Design, manufacture and construction of petrol station superstructures.	Poland
MSI-Sign Group B.V.	De Hoef 8 5311 GH Gameren The Netherlands	The design, manufacture, installation and service of corporate branding, including media facades, way-finding signage, public illumination, creative lighting solutions and the complete appearance of petrol station superstructures.	The Netherlands
MSI-Sign Group GmbH	Wohlenbergstrasse 6 30179 Hannover, Germany	Design, restyling, production and installation of the complete appearance of petrol station superstructures and forecourts.	Germany
Petrol Sign Ltd.	Balby Carr Bank, Doncaster DN4 8DH England	Design, restyling, production and installation of the complete appearance of petrol station superstructures and forecourts.	England & Wales

(1) Principal operating subsidiaries by division (continued)

'Estates'

MS INTERNATIONAL Estates Ltd.	Balby Carr Bank, Doncaster DN4 8DH England	Property holding company of the Group's UK properties.	England & Wales
MS INTERNATIONAL Estates LLC	1298 Galleria Boulevard, Rock Hill, SC 29730 USA	Property holding company of the Group's USA property.	USA
MS IINTERNATIONAL Estates Sp. zo.o.	Ul. Działowskiego 13, 30-339 Krakow Poland	Property holding company	Poland

NOTES

1. 100% of the ordinary shares are held in all cases.

(2) Non-trading subsidiaries

Conder Ltd.

Global-MSI (Overseas) Ltd.

M D M Investments Ltd.

Mechforge Ltd.

MS INTERNATIONAL USA Inc

MSI – Petrol Sign Ltd.

Petrol Sign – MSI Ltd.

NOTES

1. 100% of the ordinary share capital of each entity is held in all cases.
2. All non-trading companies are registered in England and Wales with the exception of MS INTERNATIONAL USA Inc, which is registered in the USA.
3. All companies are dormant and non-operating, with the exception of MDM Investments Ltd, which is the trustee company of the MS INTERNATIONAL plc Retirement and Death Benefits Scheme and MS INTERNATIONAL USA Inc, which is a holding company for the trading companies within the USA.

MSI