Innovation advancing animal health

ECO Animal Health Group plc
Annual Report 2026

Our Purpose

Driving animal health innovation for a sustainable future

ECO Animal Health Group is a publicly quoted animal health biotech company developing and marketing branded veterinary products to improve livestock productivity and welfare.
It provides quality products for swine and poultry, primarily anti-infectives to treat illness, improve health and performance.

Our mission

ECO Animal Health mission is to deliver innovative animal health products that optimise livestock wellbeing and productivity.

Our vision

ECO Animal Health vision is to drive the next generation of veterinary innovation for disease management, animal welfare and sustainable food production.

Our values

Our values fall under the '3 Cs' of:

Collaboration
We recognise and are respectful of everyone's contributions and skill sets. We invest in relationships and build trust.

Commitment
We're committed and accountable to building long lasting and productive relationships with our internal and external clients. We set a high professional standard and deliver on our promises and goals.

Curiosity
We constantly review and improve. We are innovative and continuously learning.

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Forward-looking statements

This announcement contains certain forward-looking statements. The forward-looking statements reflect the knowledge and information available to the Company and Group during preparation and up to the publication of this announcement. By their very nature, these statements depend upon circumstances and relate to events that may occur in the future and thereby involve a degree of uncertainty. Therefore, nothing in this announcement should be construed as a profit forecast by the Company or Group.

Contents

Year Highlights

Financial highlights

Group sales

£87.5m

- North America revenue growth of 22% (28% constant currency), contributing a growing share of Group revenues
- Latin America revenue growth of 15% (21% constant currency), driven by Brazil

Constant currency revenue

£91.0m

Adjusted EBITDA

£8.5m

Adjusted EBITDA margin

9.8%

Research and development expenditure

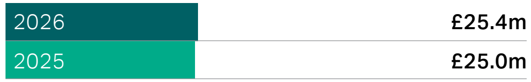
£8.8m

Profit before tax

£5.4m

Net cash

£25.4m



- Reinforcing the Group's strong balance sheet with 38% of cash held outside China (2025: 40%)

Earnings per share

3.26p

(2025: 2.49p)

Revenue ahead and adjusted EBITDA 4%

ahead of revised market expectations following strong second half to the year

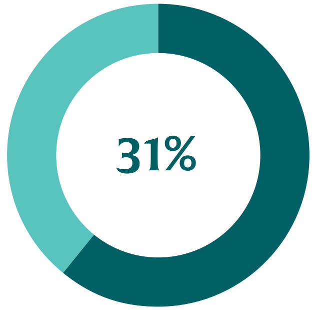
Gross margin

49%

(2025: 45%)

Due to disciplined cost control and pricing, and geographical mix favouring high margin markets

EPS growth



Operational highlights

- Aivlosin® demand continues to be robust in key markets, with particular growth in North America, Latin America and South East Asia
- ECOVAXXIN® MS approval in EMA achieved with further submissions and approvals expected in next 12 months
- Broader progress across R&D pipeline, with up to 9 products expected to receive US and EU approval in the next 5 – 6 years

Post-year end highlights

- Revenue in USA outperforming to offset China reduced revenue since year end
- Gross margins strengthening
- South East Asia strong recovery with order book covering a high proportion of 26/27 budget
- RCF facility (£10m) and overdraft (£5m) renewed for a further 5 years on stronger terms. Both facilities remain undrawn
- ECOVAXXIN® MS successfully launched in July 2026; first orders received
- Continuing operational improvement including further ERP system roll-out across subsidiaries

At a Glance

Driving animal health innovation for a sustainable future

Aivlosin® is one of the 30 largest brands in the over
$40bn
global animal health industry and one of the
Top 10
livestock brands

About ECO

ECO Animal Health Group plc is a leading global animal health company, developing and marketing vaccines and therapeutics that optimise the wellbeing and productivity of livestock, primarily swine and poultry.

What we do

The Group's proprietary lead product, Aivlosin® is a market leading antibiotic for the treatment of respiratory and intestinal diseases in pigs and poultry, distributed to over 70 markets through an established commercial platform.

ECO has a self-funded R&D pipeline delivering new vaccines and preventatives. Our first poultry vaccine was launched in Europe in mid 2026.

The business is agile and able to make quick decisions. ECO is international through choice and necessity and is adept at managing those complexities.

Economics
The origin of our name. We provide good value to our customers, our shareholders and employees.

Reconstruct
We are constantly evolving, improving and building on what we have.

Ecosystem
We are a community, interacting harmoniously and effectively together.

Reconcile & Recover
We learn and find ways to reconcile and become stronger individually and as a team.

Recognition
We recognise the hard work, dedication and results delivered every day.

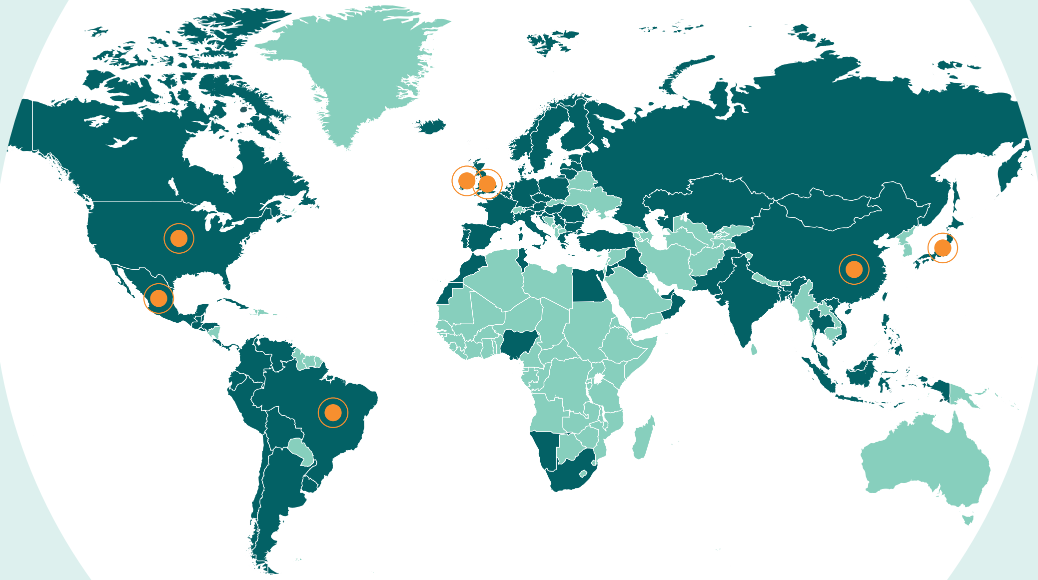
Become
We aim high and will continue to achieve and aspire.

Recommendation
Our product and customer services encourage our clients to recommend us to others.

How we operate

ECO operates through a network of partnerships in key markets around the globe.

Employees	Customers	Licences	Countries
213	174	288	72



Licences for Aivlosin®/ Valosin®
Locations

USA
ECO Animal Health USA Corp

Brazil
ECO Animal Health do Brasil Comércio de Productos Veterinarios Ltda

Mexico
ECO Animal Health de Mexico

UK
ECO Animal Health Limited

Ireland
ECO Animal Health Europe Limited

China
Zhejiang ECO Biok Animal Health Products Limited

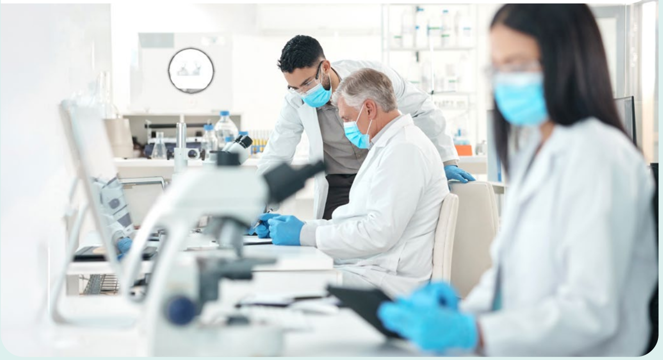
Japan
ECO Animal Health Japan Inc

At a Glance continued

Our future aims

1 Expanding our innovation pipeline

ECO is well positioned to invest in R&D to develop new products and provide a second revenue stream alongside Aivlosin® whilst remaining focused on preventing disease in livestock with a particular focus on swine and poultry.



2 Unlocking Aivlosin®'s full potential

ECO will continue to develop Aivlosin® and reach countries, species and medical claims which are not fully exploited.

3 Strengthening growth through strategic partnerships

ECO will continue to make strategic earnings-enhancing partnerships or acquisitions to build on its core strengths.

4 Driving growth through strong relationships

ECO will continue to foster relationships in all areas of the business and identify growth opportunities.

5 Building an exceptional workplace culture

ECO will listen and strive to create a working environment second to none.

Road to success

To achieve these aims, ECO will develop and adapt in the following areas:

ECOVAXXIN MS

Achieve further approvals for ECOVAXXIN® MS complementing approval and launch in Europe.

ECOVAXXIN MG

Gain approval for ECOVAXXIN® MG in Europe and USA, expected in 1H 28 and 2H 28 respectively.

Achieve approval for ECOFlor, the Group's long acting injectable florfenicol in EU, expected 1H28.

Progress our mid-stage portfolio of substantial assets for the swine sector with first approvals in 2028-2030.

Enhance and refresh our pipeline with near-term in-licensing opportunities as our late stage products reach market.

Industry Context

ECO's first R&D product launches the Group in its new direction

This year marked the successful delivery of ECO's first product from its Research and Development (R&D) pipeline.

EU marketing authorisation for ECOVAXXIN® MS, the Company's *Mycoplasma synoviae* poultry vaccine, was granted in December 2025, more than a month ahead of schedule[1]. This followed the Committee for Medicinal Products for Veterinary Use (CVMP) of the European Medicines Agency (EMA) adopting a Positive Opinion recommending authorisation in November 2025[2]. The Group launched the vaccine in June 2026[3].

After years of planning and investment, ECO has entered a new phase of growth. With Aivlosin®, our flagship disease treatment, and the addition of vaccines for disease prevention, ECO is well-positioned to help customers improve the health and welfare of poultry. Our R&D pipeline reflects the animal health industry's growing emphasis on preventing disease and maintaining animal health, rather than relying solely on treatment once disease occurs.

Following this milestone, ECO has updated its vision and mission to reflect this important evolution in the Group's direction.

Learn more about our mission, vision and values at ecoanimalhealth.com/about-us/

ECO's ambitions and R&D pipeline priorities are clearly defined. The Group will focus on disease areas where it can make a meaningful impact and has the strongest prospects for success. Drawing on its specialist teams, values of collaboration, commitment and curiosity and outsourcing-led business model, ECO will target opportunities that address unmet market needs, offer strong commercial potential and create lasting value for customers and shareholders.

We aim to build on the momentum of this first R&D-delivered product as we prepare to launch ECO's first poultry vaccine. Together with Aivlosin®, our growing portfolio will offer broader solutions to important animal health needs.

References:

1. EU marketing authorisation granted for ECOVAXXIN® MS. 22 December 2025. https://tools.eurolandir.com/tools/Pressreleases/GetPressRelease/?ID=7852080&lang=en-GB&companycode=uk-lac&v=
2. EMA Positive Opinion Received for ECOVAXXIN® MS poultry vaccine. 10 November 2025. https://tools.eurolandir.com/tools/Pressreleases/GetPressRelease/?ID=7833038&lang=en-GB&companycode=uk-lac&v=
3. EU launch plans for ECOVAXXIN® MS. 26 February 2026. https://tools.eurolandir.com/tools/Pressreleases/GetPressRelease/?ID=7907201&lang=en-GB&companycode=uk-lac&v=

Chairman and Chief Executive Officer's Combined Statement

For the year ended 31 March 2026

ECO delivers on the strategy of developing new innovative products and growing our existing business

Joachim Hasenmaier
Chairman

David Hallas
Chief Executive Officer

Overview

We are pleased to report a year of significant operational, strategic and financial progress for ECO. We delivered strong growth from our flagship antimicrobial product Aivlosin®, while achieving several milestones in our ongoing strategy to diversify our business and meet the growing need for preventative medicines in the animal health market. The first vaccine from our R&D portfolio, ECOVAXXIN® MS, received EU marketing approval during the period, representing a key inflection point in ECO's evolution that paves the way for further approvals and new product launches.

Improved commercial performance with expanding profitability

Trading performance during FY26 was pleasing and ahead of expectations with revenues of £87.5m representing a year-on-year increase of 10% (2025: £79.6m). We navigated currency headwinds and tariff challenges to deliver growth in North America, China and Japan and Latin America. In the USA, we secured new business wins and increased usage among existing customers, with Aivlosin® emerging as the product of choice during severe disease outbreaks and for mycoplasma elimination programmes.

Full year revenue in China was strong, though trading slowed in the final quarter as reduced margins for pork producers decreased demand for our products.

The South and Southeast Asia region, excluding India, grew strongly. In India a combination of poor market conditions and distributor cash flow reduced revenue.

We continued to invest in defence against generic competition for Aivlosin®, with ongoing technical and marketing initiatives proving successful in retaining customers and expanding the business.

Importantly, we again achieved a year on year improvement in gross margins to 48.6% (2025: 45.1%), primarily driven by improved product pricing, cost of goods, and favourable geographical mix towards higher margin markets such as North America. This combination of top-line growth and expanded gross margins has resulted in a material increase in adjusted EBITDA to £8.5m (2025: £7.3m).

As detailed in the report of the Chief Financial Officer, cash generation in the Group has been strong, cash balances held outside of China are consistent with last year and as a result, we have been able to continue fully funding our R&D projects from generated cash as well as end the year with cash ahead of the prior year at £25.4m.

Positioned for growth through R&D milestones

We delivered key milestones in our new product development programme, positioning ECO to begin commercialising its R&D pipeline in FY27 and underpinning the Group's next phase of growth.

> "The first vaccine from our R&D portfolio, ECOVAXXIN® MS received EU marketing approval representing a key inflection point in ECO's evolution.
>
> **David Hallas**
> Chief Executive Officer

ECOVAXXIN® MS

The first product from our pipeline, ECOVAXXIN® MS, a poultry vaccine against Mycoplasma synoviae, received marketing approval in the EU in December 2025, several months ahead of schedule. This reflects the high-quality work from our R&D, regulatory, marketing and technical teams in developing the dossier and providing technical responses.

EU commercial launch began with a successful recent launch event held post the period end on 1 July and will be followed by several regional events between Q3 2026 and Q1 2027. Our commercial strategy for ECOVAXXIN® MS leverages our existing EU network and established distribution channels, supplemented where necessary with additional technical and geographical capabilities.

Recent data confirmed ECOVAXXIN® MS provides a 44-week DOI (duration of immunity) against *Mycoplasma synoviae*. This data will be submitted for addition to the product's label in July and will represent an important step in generating commercial traction.

The Group is pursuing regulatory approvals for ECOVAXXIN® MS in additional markets beyond the EU. As announced at our interim results in December 2025, the United States Department of Agriculture (USDA) has now accepted the pivotal efficacy data, with marketing approval expected in the United States by the end of the calendar year. Post period end, dossiers have been submitted in Thailand and Argentina.

ECOVAXXIN® MG

ECOVAXXIN® MG is our second Mycoplasma poultry vaccine, targeted against *Mycoplasma gallisepticum* infection. The USDA delivered a favourable safety assessment of the product in March 2026, with final regulatory submission anticipated in the first half of calendar year 2028.

Chairman and Chief Executive Officer's Combined Statement continued

For the year ended 31 March 2026

Additional assets

The mid-stage portfolio includes our PCV2/Mhyo bivalent vaccine for pigs, where development has advanced to refining the Mhyo component and optimising the formulation, with marketing authorisation anticipated in 2028.

Our PRRS targeted monoclonal antibody programme continues to advance, with reproductive efficacy trials scheduled as the next major milestone with product approval in 2030.

Separately, we have ceased our earlier-stage necrotic enteritis monoclonal project due to a lack of sufficient clinical efficacy. Product development is inherently risky, we maintain a strict stage-gating approach and will terminate assets earlier rather than incur further costs. We were pleased to be able to replace this high risk project with another programme aimed at swine and this has a significantly lower risk profile.

As with ECOVAXXIN MS®, our entire R&D pipeline is highly complementary to our existing business, and we expect to be able to leverage our infrastructure and experience a smooth progression from approvals into commercial success.

People

On behalf of the Board, we would like to thank our global team for their continued efforts to further our mission to deliver innovative animal health products that optimise livestock wellbeing and productivity. We were pleased to see a further year of strong results in our global engagement survey, reflecting the dedication and qualities of the team as well as the impact of our focused efforts to enhance the workplace culture.

We have continued to strengthen the Group through targeted hires across science, development and commercial functions. Post-period end, this included the appointment of Dr Andrew Winder as our Head of Business Development, joining us in May 2026. Andrew brings extensive business development expertise to ECO, and will be responsible for identifying and securing strategic opportunities to grow the Group's business and R&D pipeline.

Board changes

On 31 March 2026, we announced that Frank Armstrong, Independent Non-Executive Director of the Company, had informed the Board of his intention to step down from his role, following his election as the Senior Lay Member (Chair) of the Court (Board) of the University of Edinburgh. Dr Armstrong, who also serves as Chair of the Remuneration Committee will step down at this year's Annual General Meeting, which is currently anticipated to be held in September.

On behalf of the Board, we would both like to again thank Frank for his extensive contributions to ECO during his tenure. The Board has commenced a thorough search process to identify a suitable replacement and will provide an update in due course.

Dividend

ECO's current investment strategy is to reinvest its profits to support its R&D pipeline, to deliver significant revenue and profit growth and long-term shareholder value. As such no dividend is recommended in respect of the year ended 31 March 2026.

The Board's intention is that as cashflows are generated from future revenue and profits are generated from our R&D pipeline this will, over time, support a progressive dividend policy.

Outlook

FY2026 saw considerable uncertainty due to an evolving geopolitical and tariff landscape affecting many aspects of our business. Despite these challenges, we were able to deliver strong growth in revenue and profitability ahead of expectations.

Since the year-end, trading and orders received have been in line with the prior year except in China where we have seen weaker performance driven by lower pork prices, however, we expect to see a recovery associated with seasonal demand for Aivlosin and improvement in swine economics.

The Board is confident that the improved gross margin performance seen during FY2026 is sustainable, and that ECO will be able to deliver performance in FY2027 in-line with current market expectations for profitability.

As with prior years, we expect performance for the Group to be second-half weighted.

Alongside our strong core business, we remain focused on generating shareholder value through our innovative new products, which will underpin our next phase of growth. We will continue the EU commercial roll-out of ECOVAXXIN® MS and advance towards receiving marketing approvals in additional geographies and progress the rest of our R&D pipeline towards regulatory submissions. We are also actively assessing in-licensing and other strategic opportunities that would complement our pipeline and provide additional future revenue streams.

We look forward to updating shareholders as we continue to drive the next generation of veterinary innovation for animal welfare and sustainable food production.

Dr Joachim Hasenmaier
Chairman

Dr David Hallas
Chief Executive Officer
14 July 2026

Business Model and Strategy

Precision animal health with a targeted business model

Our business model

Strong core business

Flagship product with good longevity & sticky revenue and margins.

Global need to control infectious disease; global usage manages individual market risks.

Clinical edge with clear advantages over generic macrolides & high barriers to entry.

Clear strategic focus

On growth species and preventative segments.

Underpinned by global demographic trends driving animal protein demand.

Strong pipeline of R&D assets

Targeted investment in cutting edge preventative innovation.

Preventative segment is the fastest growing area of animal health.

First wave of innovation: ECOVAXXIN® MS regulatory milestone achieved early.

Other near-term assets (ECOVAXXIN® MG & LA Florfenicol) possess very high probability of success.

Addressing critical market need

Innovative monoclonal approaches to PRRSV and Necrotic Enteritis drive differentiation. Addresses critical gaps in current standards of care.

Risk adjusted growth potential

The current R&D portfolio has an indicative, risk adjusted NPV in excess of £180m.

Our strategic priorities

Diversification away from Aivlosin®

Aivlosin® accounts for over 90% of the Company's revenue. The goal is to develop multiple new products to reduce dependency, building scale and resilience.

Robust R&D pipeline

Current portfolio includes 13 programmes advancing vaccines, biologics and antimicrobials for swine and poultry. Examples include Mycoplasma vaccines, enteric disease biologics and novel saRNA platforms.

Regulatory progress & brand preparation

Trademark approvals (e.g., ECOVAXXIN®) in the EU, US and UK prepare the ground for upcoming vaccine launches starting in 2026, signalling a shift towards biological products.

Geographical expansion

ECO plans to deepen presence in poultry markets especially in the US and explore additional applications and new territories for Aivlosin®.

Strategic partnerships & selective acquisitions

The Group continues to form earnings-enhancing alliances, license technology and manufacture externally, while maintaining agility and a lean overhead.

Sustainability and ESG-conscious operation

ECO's model aligns with environmental responsibility by outsourcing operations and pushing initiatives like solar power and biogas in partner sites. It enforces ESG criteria within its supply chain.

Solutions

Pioneering products that enhance the lives of farm livestock

Our products

Our Group holds marketing authorisations in over 70 countries with plans for further growth. Our products reach producers and animal owners through a mixture of third-party distribution, ECO subsidiaries and joint ventures in key food producing markets and direct to major integrators via a key account management approach.

Aivlosin®/Valosin® solutions

Aivlosin® is a proprietary, patented medication which is effective against both respiratory and enteric diseases in pigs and poultry. As a next generation antibiotic, it meets current guidelines for responsible use of antimicrobials and the needs of the more demanding consumer while being economically beneficial to the producer. Aivlosin® is available only through veterinary prescription.

Learn more at ecoanimalhealth.com/solutions/the-aivlosin-solution

Parasite solutions

Internal and external parasites can cause a variety of health problems in all animals. ECO Animal Health offers a range of products to treat parasites in cattle, sheep and pigs under the brand name Ecomectin®.

- The Ecomectin® range offers products of consistently high quality at an attractive price.
- Ecomectin® products have been shown to be bioequivalent with Ivomec® products by plasma analyses and/or clinical trials.

Learn more at ecoanimalhealth.com/solutions/parasite-solutions

ECOVAXXIN® MS

The launch of ECOVAXXIN MS positions ECO as a comprehensive provider of Mycoplasma solutions combining best-in-class prevention through ECOVAXXIN® MS with market-leading treatment via our lead product Aivlosin®.

Learn more at ecoanimalhealth.com/solutions/ecovaxxin-solutions

Innovative new products

As an integrated solution provider, ECO Animal Health is pursuing biologicals for pigs and poultry to complement its therapeutic offering against important pathogens.

ECO Animal Health is proactively researching and developing innovative new solutions to enhance the lives of pigs and poultry.

» Read more on page 10

Solutions continued

New products

ECO Animal Health is proactively researching and developing innovative new solutions to enhance the lives of pigs, sheep and poultry.

These new products are being developed in collaboration with our research partners and focus specifically on respiratory, parasitic and enteric diseases in pigs, sheep and poultry to improve their health, welfare and subsequently profitability on-farm.

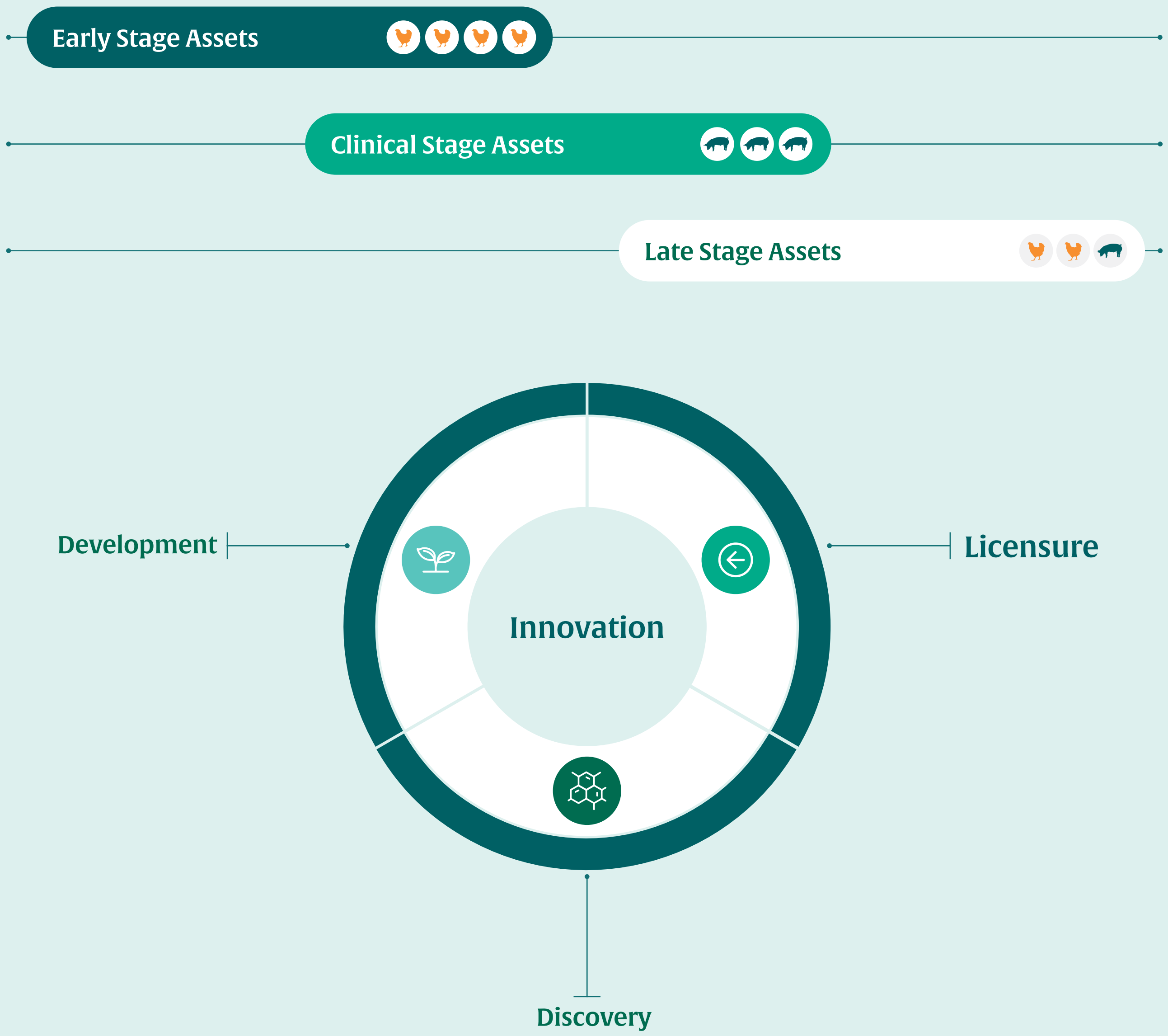
Upcoming products

- ECOVAXXIN® MG
- ECOVAXXIN® PCV2/MHP
- Long-acting Florfenicol
- PRRSV antibody

Investing for success
2025/26 spend

£8.8m

R&D Pipeline



Innovation

Creating smart solutions to boost the wellbeing of livestock

ECO Animal Health is proactively researching and developing new preventative solutions to enhance livestock health and welfare with a major focus on pigs and poultry.

New products

New products are being developed in collaboration with our research partners and focus specifically on respiratory, parasitic and enteric diseases in pigs, and poultry to improve their health, welfare and subsequently profitability on-farm.

Learn more at ecoanimalhealth.com/solutions/new-products

Research projects

ECO is also collaborating with research institutions on the development of a unique vaccine based on innovative technologies for Marek's disease virus (MDV), infectious bursal disease virus (IBDV), Newcastle disease virus (NDV) and infectious laryngotracheitis virus (ILTV) and on the development of a novel biopharmaceutical approach for the control of infectious bronchitis virus (IBV).

Future collaborations

ECO is in the final stages of licensing a late stage novel vaccine.

Innovative approaches

Since veterinary surgeons will continue to require effective antibiotics, a unique, long-acting, injectable animal-only antibiotic (Florfenicol), intended for use in pigs and by veterinary prescription, is in the late stages of development and an example of the ECO commitment to veterinary only medications.

A combination vaccine intended to combat Mycoplasma and Porcine circovirus respiratory diseases in pigs using a novel PCV2 genotype is also in the early stages of development and demonstrates the ECO commitment to develop a respiratory disease prevention platform for pigs.

Pig collaborations

ECO has an ongoing collaboration to develop novel antibody approaches to Porcine Reproductive and Respiratory Syndrome Virus (PRRSV) and has recently entered into a new collaboration to develop a vaccine providing cross protection against Glasser's disease, a currently under-served market.

Investment Case

Why ECO

ECO Animal Health is a British company with a global presence, focused on providing solutions to economically important respiratory and enteric diseases in pigs and poultry.

Our products and knowledge improve the health and welfare of pigs and poultry. Our commitment to our customers is to provide them with products of a consistently high quality supported by customer-focused teams.

As an integrated solution provider, ECO Animal Health is pursuing biologicals for pigs and poultry to complement its therapeutic offering against important pathogens.

Sales spent on R&D
~10%

Increase of
1116%
in ECO Innovation fund between 2017 & 2026

Increased R&D expenditure commensurate with maturing pipeline

Reasons to invest

1

Aivlosin® – Blockbuster product gaining market share delivers earnings growth and cash flow

2

First new vaccine launched from R&D engine diversifies business and provides accretive margins

3

Targeted investment in prevention with a maturing R&D portfolio delivering multiple launches in major markets in the next years

4

Focused on prevention, one of the fastest growing sectors in animal health, harnessing global growth in poultry and swine consumption

5

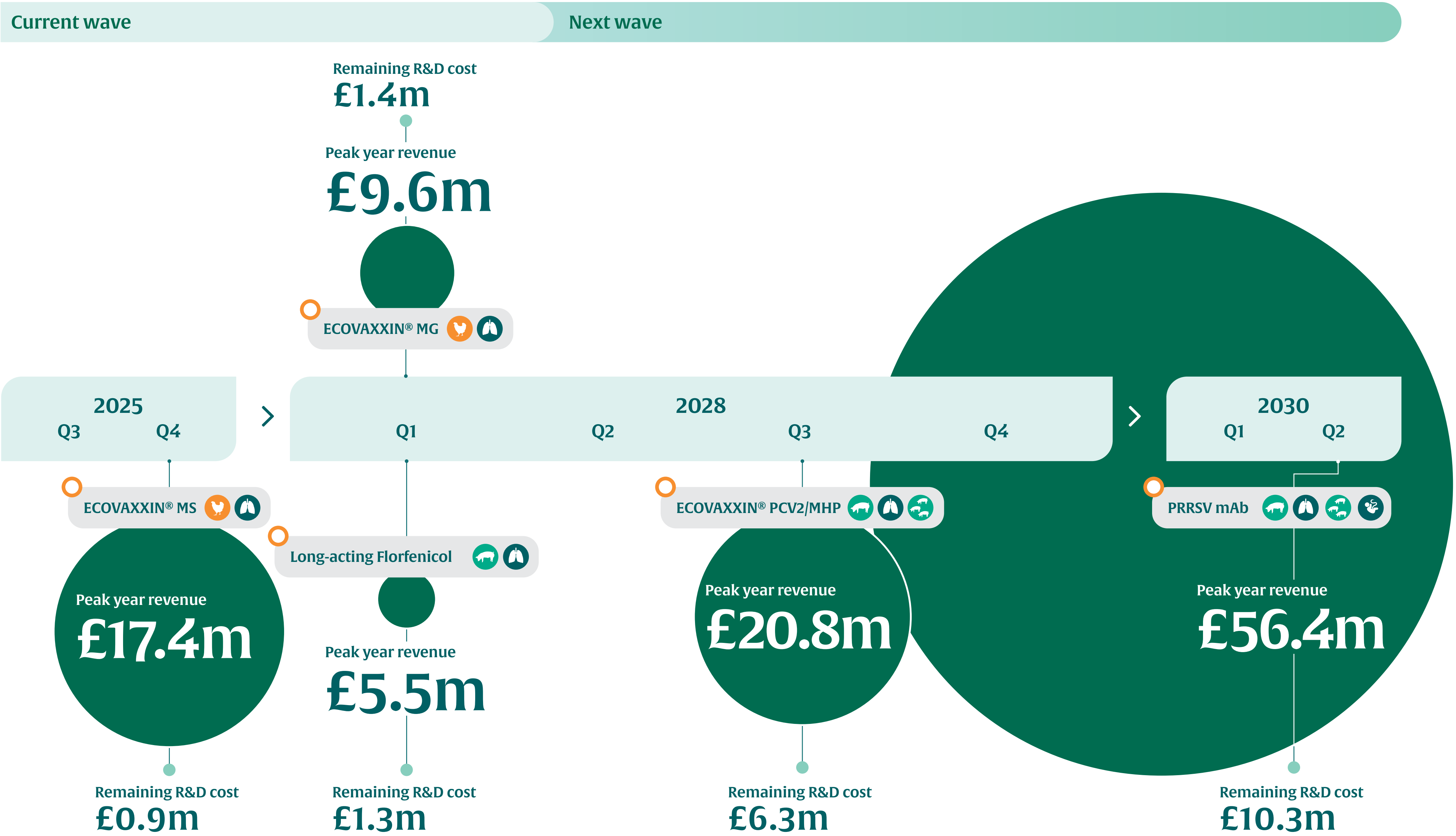
R&D programme fully funded from cash flow; undrawn banking facilities, strong balance sheet

6

Strong cash position allows flexibility for strategic partnerships or targeted acquisitions

Investment Case continued

Launched plus late stage products drive value. Next wave enhances returns.



ESG

Our commitment to sustainability is an integral part of ECO

ECO is committed to incorporating sustainability into everything we do. Our Environmental, Social and Governance (ESG) activities support this, and our broader purpose of driving animal health innovation sustainably.

Our materiality assessment defines the focus areas for our ESG activities, which underpin all stages of our product lifecycle.

We innovate to provide best in class, scientifically proven, ethical solutions to optimise the health, productivity and wellbeing of livestock, focusing on pigs and poultry.

Our commitment: ECO is committed to incorporating Environmental, Social and Governance (ESG) principles into everything we do. Our approach is structured around three pillars, informed by our materiality assessment, and focused on the topics most relevant to our business.

R&D and licensing – **Product manufacturing** – **Product delivery** – **Product promotion** – **Product use**

ESG is embedded at each stage of product development, through internal activities and collaboration with our partners and suppliers

Environmental

We are committed to making a fair contribution to reducing our impact on the environment

- Energy use & emissions: Managing energy consumption and emissions across our operations and product value chain
- Resource management & waste: Managing resource efficiency and waste through sustainable operations and collaboration with suppliers

Social

Our focus is on employees, business partners and the community

- Employee engagement, development and inclusion: Creating an inclusive, engaging and supportive workplace
- Business partner engagement: engaging and educating partners on the animal health & welfare agenda
- Community support: contributing to local communities

Governance

We are committed to the highest standards of business governance, ethics and risk management

- Governance, risk & reporting: Maintaining effective oversight, controls and risk management
- Business conduct & ethics: Upholding high ethical standards across our operations and product value chain
- Product standards & promotion: Ensuring products are safe, adhere to regulatory guidelines and are promoted responsibly

Governance

We are committed to the highest standards of business governance, ethics and risk management.

Governance, Risk and Reporting

Maintaining effective oversight, controls and risk management.

The Board maintains oversight and responsibility for ESG, strives for competency on ESG matters and promotes the link between achievement of ESG metrics to Executive Leadership Team (ELT) remuneration. The Board remains tirelessly committed to maintaining and improving business governance.

The ESG Working Group has a direct line to the Chief Executive Officer and Board. This group represents all parts of the business and met twice in 2025 to discuss additional ideas for increasing sustainability, especially in the environmental area, and to promote the ESG ideals across the business.

Business Conduct and Ethics

Upholding high ethical standards across our operations and product value chain.

We have policies in place to ensure an ethical business environment, such as the Anti-Bribery Corruption & Fraud Policy, Whistleblowing Policy and Modern Slavery Act 2015 ECO Statement; employees receive training on these. ECO's Business Partner Code of Conduct helps to align our environmental and social commitments with our growth.

ESG continued

Product Standards and Promotion

Ensuring products have strong safety profiles, adhere to regulatory guidelines and are promoted responsibly.

During the Research and Development stage, scientific studies required for marketing authorisations adhere to regulatory authority guidelines. Research protocols are subject to animal welfare considerations and stakeholders collectively embrace the principles of 'reduce, refine and replace' in animal testing.

Product complaints and pharmacovigilance ensure that licensed and marketed ECO products are continually monitored for safety and efficacy. ECO abides by the NOAH Code of Practice which, among other things, ensures that product promotion is aligned with the local authorisation.

Quality and site audits are carried out on a regular basis.

Environment

We are committed to making a fair contribution to reducing our impact on the environment.

We aspire to be carbon neutral by at least 2045 and this will be achieved by implementing a variety of initiatives in the UK and the wider global business. Our Scope 1 and Scope 2 emissions have remained stable for three years, reflecting reduced UK office emissions due to an office closure but increased USA emissions due to a new site. We are looking at opportunities to reduce USA emissions through a switch to green energy.

Highlights included achieving our commitment to collect baseline data for six additional Scope 3 metrics (waste, commuting/working from home, business travel, upstream and downstream distribution and water use).

Table 1: Greenhouse Gas Emissions (GHG) by Scope[1]

Parameter	2025[3]	2024[3]	2023-2024[3]
Scope 1 Direct emissions (tCO_2e)[2]	**79.3**	64.8	74.8
Scope 2 Indirect emissions (tCO_2e)	**31.4**	45.4	34.6
Total Scope 1 and Scope 2 emissions (tCO_2e)	**110.7**	110.2	109.4
Total Scope 1 and Scope 2 emissions change versus previous year (%)	**0.45**	0.73	N/A
Group sales (£m)[3]	**87.5**	79.6	89.4
Intensity metric (Scope 1 + Scope 2 emissions/£m Group sales)	**1.27**	1.38	1.22
Scope 3 Other indirect emissions (tCO_2e)	**2,453.2**	20.9	23.4
Total emissions (tCO_2e)	**2,563.8**	131.1	132.8

1 In 2025, tCO_2e only is reported. In previous years, we also reported energy use (kWh). The SECR Report is found in Appendix 1.
2 Company vehicles (Scope 1) currently includes private mileage and will be separated in future reports.
3 ESG data is reported for the calendar year while Group sales are reported for the ECO Financial year (1 April – 31 March).

For 2025, our intensity metric (Table 1) uses Group sales (£m) and combined Scope 1 and Scope 2 emissions, all of which are in our control and will enable meaningful annual comparisons as the Company grows. To provide additional clarity and to reflect the recent switch to more sustainable energy, for example in the Southgate office, we aim to include both location-based and market-based reporting in future years.

The 2025 baselines for additional Scope 3 metrics are shown in Table 2.

Table 2: Scope 3 emissions by category (tCO_2e)

Parameter	2025	2024	2023-2024
3.3 Well-to-tank (WTT) and Transmission and distribution (T&D)	**99.4**	18.4	22.6
3.4 Upstream deliveries[1]	**1,465.80**	–	–
3.6 Business travel	**316.5**	2	–
3.7 Commuting and working from home	**93.2**	–	–
3.9 Downstream deliveries[1]	**478.4**	–	–
Total	**2,453.3**	131.1	132.8

1 All products leaving ECO manufacturing facilities to customers, subsidiaries, etc., are treated as downstream deliveries; this does not change total emissions, just categorisation.

Energy Use and Emissions

Managing energy consumption and emissions across our operations and product value chain.

Carbon emissions (Table 1) are calculated annually for the calendar year. Emissions have been calculated using the UK Government GHG Conversion Factors published by DESNZ. The GHG Protocol Corporate Accounting and Reporting Standard has been followed and the operational control consolidation approach is applied. In 2025, ECO has significantly increased the collection and reporting of emissions data across our value chain (Table 1).

Office energy consumption

ECO offices play a central role in advancing our environmental mission and we continued to measure energy use in 2025 (Table 1, Scope 2 Indirect Emissions). The USA store site used more energy in 2025 than in 2024 as electricity and gas use began in July and October 2024 respectively; this makes 2025 the more appropriate baseline for this site.

Business travel

We seek to reduce emissions associated with business travel and logistics, which reflects ECO's desire to reduce emissions whilst continuing to grow. For cars driven by ECO employees, efforts are underway to increase fleet electrification and increase sustainable fuels in markets where this is possible, for example the UK and Brazil, respectively.

ECO is conducting foundational work to better understand our wider business travel emissions and to take steps, where possible, to reduce these.

Business mileage travelled in taxis, trains and planes (Table 2) was collected for the first time in 2025 as a baseline and will be collected again next year.

Commuting and working from home data for 2025 (Table 2) was collected via an online survey and is an enhancement of the 2024 data which only included those regularly commuting to an ECO office or lab. The 2025 data will form a baseline for subsequent, annual data collection and creation of targets.

ESG continued

Manufacturing and suppliers

We continue to focus on maximising the use of sustainable product distribution routes.

In 2025, distribution routes from the Group's global contract facilities were primarily via land/road or sea routes (94% of the 3,780 pallets) rather than by air (6%), similar to previous years. Baseline data in 2025 (Table 2, 3.9 Downstream deliveries) reflects the impact of these distribution routes. Data collection will continue.

In 2025, we determined mileage travelled by and net weight of (1) purchased products from key suppliers (those supplying the top 80% of ECO purchases by value) and (2) finished ECO products sent via the most commonly used shipment routes to India, Thailand, Brazil, South Asia and Southeast Asia. This data forms the baseline for Scope 3 purchased goods (3.4 Upstream deliveries) and finished goods (3.9 Downstream deliveries) distribution (Table 2).

Assessing emissions associated with product manufacture

ECO continues to prioritise our largest manufacturer (ECO-Biok) and supplier business partners when evaluating their use of energy and resources.

Key parameters for the manufacture of finished goods for the Chinese market by ECO's Chinese joint venture ECO-Biok were measured once again and are shown in Table 3.

ECO's largest supplier remained the manufacturer of tylvalosin, the active pharmaceutical ingredient (API) in Aivlosin®. The second of two large energy conservation and emission reduction measures was completed in Q2 2025, the installation of photovoltaic power generation equipment. The first was completed and reported in 2024.

Table 3: Key parameters for manufacture of finished goods by ECO-Biok[1]

	2025	2024
Revenue (USDm)[2]	**29.774**	29.756
Electricity consumption (GWH)[2]	**1.56**	1.34
Electricity intensity (GWH electricity consumed per USDm)[2]	**0.053**	0.045
Water intake (m^3)[3]	**17,902**	14,893
Water intake intensity (water intake (m^3) per USDm)[3]	**601.253**	500.504
Wastewater intensity (wastewater (m^3) per USDm)	**61.059**	61.097
Waste intensity (total waste (tons) per USDm)[2]	**0.315**	0.309

1 These emissions are not included in ECO's total reported emissions.

2 The increase in 2025 compared to 2024 was due to increased summer manufacturing, requiring refrigeration and air conditioning, along with an increase in units produced which were sold at a reduced unit price.

3 The increase in 2025 compared to 2024 was due to increased manufacture of products requiring more cleaning.

Resource Management & Waste

Managing resource efficiency and waste through sustainable operations and collaboration with suppliers.

Office sustainability initiatives

Our commitment to sustainability is further demonstrated by our approach to recycling. Mixed materials and battery recycling continued. No ECO IT equipment was collected for refurbishment or recycling in 2025.

Water use data was collected for the first time in 2025 at the Southgate office, totalling 304.9m³ (185.9m³ potable, 119.0m³ sewerage) with associated emissions of 0.05 tCO_2e. As this represents less than 0.01% of ECO's total reported emissions, it falls below our materiality threshold of 0.1% and has been excluded from the totals in Tables 1 and 2. ECO's office-based operations offer limited scope to influence water consumption; however, we will continue to monitor usage annually and reassess materiality as our emissions boundary expands.

Efficient use of resources in day-to-day operations

For the first time, Scope 3 total waste was measured at the Southgate office in 2025. Waste and mixed recycling were measured in 2025. Total waste and recycling was 568.2kg with 334.7kg being waste and 233.5kg being mixed recycling. We will continue to collect data annually. Office staff are reminded to recycle paper and other recyclables, including food waste.

Collaborating with suppliers to improve packaging sustainability

We continue to collaborate with suppliers to increase the sustainability of secondary product packaging. In 2025, 100% of secondary packaging was deemed to be recycled and/or recyclable, with 16% classified as recycled and 88% as recyclable. The former reduced from 2024 due to increased demand for products not currently packed in recycled secondary packaging. An aspiration is to collaborate with suppliers to increase their use of recycled materials.

The transition from less recyclable HDPE to PET containers for ivermectin injectable formulations was completed in 2025, with 100% of the total volume filled in PET containers. We continue to look for ways to increase sustainability of our packaging.

Social

Our focus is on employees, business partners and the community.

We aim to achieve excellence in diversity, focusing on gender parity and ethnic diversity that reflects the regions in which we work.

Employee Engagement, Development and Inclusion

Creating an inclusive, engaging and supportive workplace

Employee engagement

ECO is committed to regularly assessing and improving employee engagement, with surveys conducted biennially. Following surveys in 2022 and 2024, a third ECO employee engagement survey took place in 2026 and will be reported next year. We are committed to maintaining strong employee retention. In 2025, employee turnover rate remained healthy at 11% (retention rate 89%) and below the current UK employee turnover average of 15%. This follows two years of improvement, with 2024 being particularly low at 6%.

Employee training and development

ECO is dedicated to supporting employee training and development to enhance staff motivation and retention whilst continually improving productivity and skills development. Employees are invited to submit proposals for personal and professional training.

Mandatory training takes place throughout the year, ensuring employees are equipped in key areas such as Modern-Day Slavery, Cyber Security, Anti-Bribery and Corruption, Data Integrity, Good Manufacturing/Laboratory Practices, Pharmacovigilance and Health and Safety.

Diversity, equity and inclusion

ECO is committed to fostering a diverse and inclusive environment and undertakes ongoing efforts in this area, recognising that a diverse workforce brings different perspectives that are important to the Company's success.

We foster an inclusive workplace and support the engagement and development of our people.

ESG continued

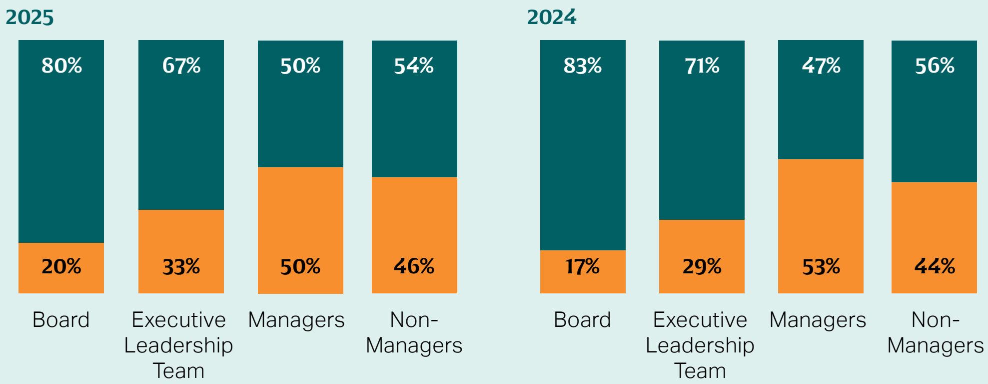
Gender parity

ECO recognises the value of diversity in business and commits to improving gender diversity across all regions, levels and functions of the Company through a combination of recruitment, retention and training programmes.

As of 31 December 2025, the Board and Executive Leadership Team (ELT) female gender ratios increased. The gender ratios in the Managers and Non-Managers groups in 2025 remained similar to those in 2024 (Graph 1).

Key
- Women
- Men

Graph 1: Gender ratios

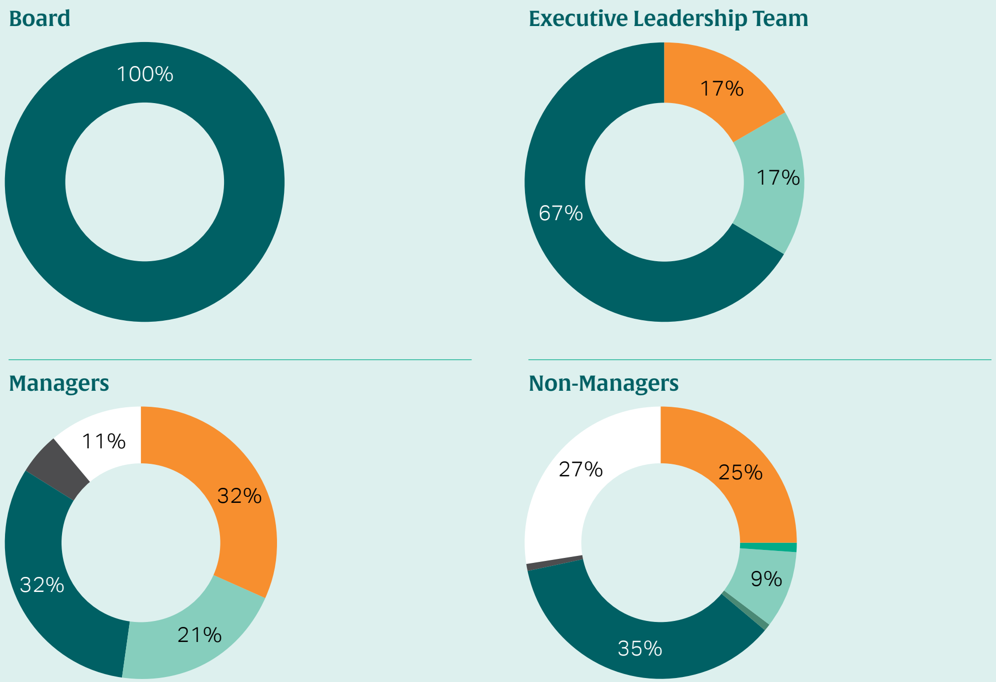


Ethnic diversity

Ethnicity data for 2025 was retrieved from the HR Software programme (Graph 2). In 2025, 19 nationalities worked in 18 global locations, with 88% working in their home country. ECO's approach to valuing global diversity while hiring and retaining local people to meet local needs continues, while ongoing monitoring ensures our business needs are met.

Key
- Asian (Indian, Pakistani, Bangladeshi, Chinese, and any other Asian background)
- Black (Caribbean, African, and any other Black or Caribbean background)
- Hispanic or Latin American
- Mixed or multiple ethnic backgrounds
- White (British, Irish, and any other White background)
- Other
- Not defined

Graph 2: Ethnicity data 2025



Business Partner Engagement

Engaging and educating partners on animal health and welfare.

The ECO commercial team works closely with end-users, veterinary surgeons and distributors, actively providing educational opportunities and programmes to equip these professionals with the broader animal health and welfare agenda. Examples include lectures to local veterinarians on pig health and production and mycoplasma training to a large customer by ECO Technical Managers. Our technical and marketing support ensures that our products are understood and used correctly while educational initiatives assist in the wider understanding, diagnosis, prevention and treatment of diseases within our area of expertise.

Community Support

Contributing to local communities.

ECO continued to support two main charities, SHIVIA and Signpost. In 2025, the Group donated £4,000 to SHIVIA which, after a match donation, equated to £8,000, and £4,000 to Signpost. Individuals were also supported with fundraising for events and/or donations including the Nightingale Cancer Support Centre, Circus Star, Go Kids Go and Vetquest Research Ltd.

Report of the Chief Financial Officer

For the year ended 31 March 2026

Christopher Wilks
Chief Financial Officer

Introduction

I am pleased to report a strong year with improving revenue, margins and profits alongside the progress made on our vaccine launch and deeper R&D pipeline.

At its core, the financial priorities are to ensure that ECO delivers on our stated investment case. We do this through optimisation of our existing portfolio of Aivlosin formats, managing our cashflow to support our R&D activity without recourse to external funding, and assessment of M&A, licensing and other business development activity.

We also continue in our role of stewards of the business, ensuring that shareholder's assets are safeguarded by robust controls and processes, and that as we deploy resources to parts of the business this is done in a way that will enhance shareholder value. In the year to 31 March 2026 we derived over £0.5m of savings and additional income through structural review of the finance department, optimisation of tax credits, elimination of wasteful spend and the optimisation of interest income on cash reserves. This is in addition to substantial and ongoing efficiency savings following our implementation of NetSuite.

We are now seeking to lead the implementation of AI across the business to further drive efficiencies by automating certain manual transaction processes, improving reporting by providing quicker and better analysis, providing an AI interrogation interface to the ERP system and enhancing our prospect models. Further use cases are emerging rapidly as the business embraces the opportunities provided by AI, whilst of course being mindful of the relative immaturity of the technology and the potential for emerging risks.

Trading

Previous years have seen a pattern of stronger trading in the second half of the year. This is associated with disease prevalence in pigs during the northern hemisphere winter. This pattern of trading has continued in the year ended 31 March 2026 with the second half accounting for 55% (2025: 58%) of the annual revenue.

The lower second half weighting this year was due to the lower fourth quarter revenue in China (January to March 2026) as the pork market economics worsened. In other, non-China/Japan, markets the second half weighting of revenue averaged 57%.

The geographical analysis of revenue corresponding to the Group's operating segments is as follows:

Revenue summary – actual exchange rates

Year ended 31 March	2026 (£'m)	2025 (£'m)	% change
China and Japan	**24.1**	22.9	5%
North America (USA and Canada)	**26.1**	21.4	22%
South and Southeast Asia	**11.1**	11.9	(7%)
Latin America	**18.8**	16.3	15%
Europe	**4.8**	4.9	(2%)
Rest of World and UK	**2.6**	2.2	18%
	87.5	79.6	10%

Most markets saw growth in this year, except S&SE Asia, where challenges in the Indian market held the segment back, and Europe which also broadly traded sideways. In India shipments were restricted to £0.9m (2025: £5.2m) in order to manage distributor credit risk. Taking into account the reduction in the India market the rest of the South East Asia segment increased by 52% from £6.7m to £10.2m showing good recovery from the previous difficulties in Thailand.

We faced currency headwinds throughout the year as sterling appreciated against other currencies, notably the Dollar and the Yuan. The geographical analysis of revenue on a constant currency basis is as follows:

Revenue summary – constant currency

Year ended 31 March	2026 (£'m)	2025 (£'m)	% change
China and Japan	**25.0**	22.9	9%
North America (USA and Canada)	**27.4**	21.4	28%
South and Southeast Asia	**11.6**	11.9	(3%)
Latin America	**19.7**	16.3	21%
Europe	**4.6**	4.9	(6%)
Rest of World and UK	**2.7**	2.2	23%
	91.0	79.6	14%

Report of the Chief Financial Officer continued

For the year ended 31 March 2026

Notwithstanding a very strong performance during the year ended 31 March 2026 in China, the decline in the pork price during the first quarter of calendar year 2026 resulted in slower trading during that final quarter of the financial year. The current pork market economics have been widely reported and the combination of over supply (more sows with a greater than previously recorded productivity rate (piglets/sow/year) and reduced demand (general economic slowdown resulting in less restaurant consumption and less in-home meat consumption is resulting in losses per farmed pig in all producers by as much as $60/pig. In such circumstances the decision to treat disease with all products including Aivlosin is impacted. Economists expect a re-balancing of the market in the Autumn.

At £26.1m (constant currency £27.4m), North America continued to grow volume despite the impact of tariffs. Volume growth arose from the superior efficacy of Aivloisin as well as successful initiatives to support pig producers "in barn" directly with mycoplasma disease eradication programmes.

Excluding India, the South and South East Asia revenue segment increased by 52%. In Thailand a major customer lost in the prior period was regained. We continued to see good growth in Bangladesh and the Philippines building on last year's successful re-entry to this market.

Latin America, comprises Brazil and Mexico (where the Group operates through wholly owned subsidiaries) and a group of other countries in South America where trade is conducted through exclusive distribution arrangements. A decision was made during the year to sell to more product to Brazilian customers direct rather than through a distributor. This change has proved successful with Brazil revenue growing 25% in the year and at higher gross margins. Mexico recorded a slow year as excess stock in the distribution channel worked through to end users; new local leadership is now in place and key customers have been regained. Outside of Mexico and Brazil, Colombia performed strongly with distributor issues now resolved, and we saw strong growth across Peru, Uruguay and Ecuador.

The European market segment is dominated by sales into Spain – £2.1m (2025: £1.5m) and the UK – £1.2m (2025: £1.1m). A new distributor has been appointed in Spain with a consequent revitalisation of sales initiatives in that market.

Gross margins were 48.6% in the year ended 31 March 2026 (2025: 45.1%). This improvement in gross margins arose despite the foreign exchange impact of Sterling compared with the US Dollar and the Chinese Yuan. On a constant currency basis the revenues for the year are £91.0m; recalculating the gross margin based on constant currency revenue would provide a gross margin of 50.5%. These better gross margins have been achieved through reductions in product input costs, as well as robust sales pricing.

The Group hedges its largest currency exposures through a layering of forward contracts covering the successive financial quarters and a portion of the anticipated US Dollar generation. On a quarterly basis these forward contracts are supplemented by additional layers, thus providing an averaging effect to the US Dollar-Sterling exchange rate. The hedging policy provides protection to net profit, earnings per share and cash but has no effect on gross profit or gross margin because the gains and losses are accounted for in finance costs.

Administrative expenses, at £31.7m (2025: £28.7m), increased 10%; personnel costs increased by 12% as a consequence of bonus accruals related to stronger financial performance. Furthermore, additional provisions were made in the year of £3.6m (2025: £0.5m) in respect of receivables and whilst full recovery is planned the ageing profile of the specific accounts requires a provision. Offsetting the above effects were savings in other administrative expense categories and FX gain.

The R&D portfolio progressed well during the year, and the milestone of marketing approval by the European Medicines Agency for our first mycoplasma poultry vaccine was reached – ECOVAXXIN® MS. The group expects further submissions and approvals in the next and following years supporting the targeted investment in innovative vaccine technology. The strong market potential and probability of technical and regulatory success supports the capitalisation of late stage R&D expenditure which showed no indications of impairment. At the current time the Group capitalises expenditure on ECOVAXXIN® MG and ECOVAXXIN® MS (work on marketing approvals in other non-EU jurisdictions) as well as a long acting Florfenicol based anti-infective, ECOFlor, for swine respiratory disease.

Total cash expenditure on R&D (inclusive of that amount capitalised) in the year was £8.8m (2024: £8.6m). The total expenditure on R&D is shown below.

Total R&D expenditure in the year was similar to the prior year. Expenditure on late stage assets (capitalised items) was 41% of total expenditure compared with 53% in the prior year. This reduction reflects the completion of the majority of the development work on ECOVAXXIN® MS and a greater proportion of expenditure on earlier stage programmes. The R&D programme continues to be funded from the Group's cash flow. At 10% of revenue (2025: 11%) the Group is confident that programmes (late, mid and early stage) will receive the required funding to advance them according to plan. The measure of R&D expenditure as a % of revenue is a measure of affordability, not a target. The Group expects to update the market further during an R&D day to be held in the Autumn.

	Year ended 31 March	
	2026 (£'m)	2025 (£'m)
Research and development expenses – expensed in period	**5.2**	4.0
Development expenditure – capitalised in intangible assets	**3.6**	4.6
Total expenditure	**8.8**	8.6

EBITDA is a key performance measure for the Group; the removal of amortisation, depreciation and other non-cash charges to profit provides a good indication of the underlying cash trading performance of the business. The charge for amortisation of intangible assets in the year was £1.1m (2025: £1.2m). The adjusted EBITDA, defined as operating profit excluding exceptional items, share based payments, depreciation, amortisation and foreign exchange gains and losses, at £8.5m (2025: £7.3m) was above market expectations and was achieved through stronger trading at higher gross margins, and in spite of higher bonus payments, expensed R&D investment and provisioning for doubtful debts compared with the year ended 31 March 2025. Furthermore, the adjusted EBITDA margin, expressed as a percentage of revenue in the period, improved further to 9.8% in the year ended 31 March 2026 compared with 9.2% in the year ended 31 March 2025 and 9.0% in the year ended 31 March 2024.

Profit before income tax also continued to improve to £5.4m for the year to 31 March 2026 (2025: £4.0m including an exceptional profit of £1.0m).

There were no exceptional items in the year to 31 March 2026 (the prior year exceptional items were profits on disposal of the non-core product line Ecomectin horse paste to an Italian distributor and parasite treatment licences for Southern Africa).

The Group's effective tax rate was 33% for the year ended 31 March 2026 (2025: 34%). Factors causing the effective rate to be greater than the headline UK rate of 25% are the withholding tax suffered on intragroup dividends received from China. In the year ended 31 March 2026, the Group received marketing approval for the first of its vaccines. The expected profits from this product together with the significantly weaker R&D tax credit regime now in place in the UK mean a deferred tax asset has been recognized in the year as we begin to have visibility of future profits in the Group. The Group expects to use all available tax losses over the next five years and to increase the value of the deferred tax asset it recognises on its tax losses.

Report of the Chief Financial Officer continued

For the year ended 31 March 2026

Earnings per share (EPS) has improved from 2.49 pence in the year ended 31 March 2025 to 3.26 pence per share in the year ended 31 March 2026. The Group's Employee Benefit Trust has purchased shares in the Group and is holding these shares to satisfy option exercises under all of the Group's share incentive programmes:

	No. of shares
Bought in the year ended 31 March 2025	270,000
Bought in the year ended 31 March 2026	799,472
Total purchased by the EBT to date	1,069,472
Deferred bonus exercises Dec 2025	(24,754)
Shares held by the EBT at 31 Mar 2026	1,044,718

This will result in reduced dilution upon vesting as EBT shares will be transferred before new shares are issued.

Operating cash inflow before movements in working capital was £8.5m (2025: £7.3m). Operating cash flow was £10.2m (2025: £12.1m). The jurisdiction of cash balances were as follows:

	Year ended 31 March	
	2026 (£'m)	2025 (£'m)
Held in UK	**6.2**	8.4
Held in non-China subsidiaries	**3.6**	1.6
Held in China 100% owned subsidiary	**4.2**	4.0
Held in China 51% owned subsidiary	**11.4**	11.0
	25.4	25.0

The Group repatriates cash from China by annual dividend declaration; this is subject to withholding taxes of 5% and is paid according to the relevant shareholdings.

On a day-to-day basis, the Board considers the cash held in the Group's subsidiaries in China to be unavailable to the Group outside of China; accordingly, treasury management decisions and funds available for investment in R&D are based upon the cash balances outside of China.

During June 2025, two dividends totalling £3.4m (post withholding tax) were received from China. In addition, during June 2026, a dividend of £3.1m (post withholding tax) was received from the Group's 100% owned subsidiary in China. In addition, a further dividend from the Group's 51% owned subsidiary is expected to be received during July or August 2026.

The Group's banking facilities were successfully renewed during June 2026 for a further five years on terms more favourable than the previous arrangements. The facilities total £15.0m, being a £5.0m overdraft facility and a committed £10.0m revolving credit facility. These facilities were undrawn as at 31 March 2026.

The Group's inventory balance reduced to £13.5m on 31 March 2026 from £14.6m on 31 March 2025.

This reduction was principally in finished goods and reflected the strong end to the year particularly in USA, in particular. Overall inventory days declined from 122 days to 109 days.

Trade receivables decreased from £28.5m at 31 March 2025 to £24.0m on 31 March 2026 with average debtor days (expressed as an average of the annual revenue) declining from 131 days to 100 days.

Trade payables decreased from £15.1m as at 31 March 2025 to £11.9m as at 31 March 2026. This largely represented the timing of payment for large shipments of the key active pharmaceutical ingredient in the prior year. Payable days dropped accordingly from 126 to 97 days.

Simplified presentation of the Group

In response to certain stakeholder requests to provide a simplified description of the Group's performance we present the following analysis. The ECO Group can be thought of in three components, the first, a core trading business which manufactures and sells its products worldwide through wholly owned subsidiaries, distributors or direct to market. This applies to all territories except China where ECO operates through a 51% owned subsidiary. Cash returns from this China subsidiary is by way of a dividend.

The second component to this analysis of the Group is an investment in a China business that pays the Group an annual dividend. The third component of this analysis is an R&D business which employs a team of people undertakes studies and trials through third parties and has developed a body of intellectual property with rich potential for high future returns.

With these three components in mind one can disaggregate the Group results using already disclosed information, as follows:

ECO Animal Health Group plc – Disaggregation analysis

Profit	ECO excluding ECO Biok* (£'m)	ECO Biok Note 15 (£'m)	ECO R&D operation (£'m)	Consolidated Group (£'m)
Revenue	65.1	22.4	–	87.5
Cost of sales	(31.4)	(13.6)	–	(45.0)
Gross profit	33.7	8.8	–	42.5
	52%	39%	–	49%
Administrative expenses	(25.2)	(4.6)	(1.9)	(31.7)
Research & Development expenses	–	–	(5.2)	(5.2)
Other income	–	0.1	–	0.1
Profit/(loss) from operating activities	**8.5**	**4.3**	**(7.1)**	**5.7**
Net finance cost	**(0.1)**	**(0.2)**	**–**	**(0.3)**
Share of profit of associate	–	–	–	–
Profit/(loss) before income tax	8.4	4.1	(7.1)	5.4
Income tax credit/(charge)	(0.9)	(1.1)	0.4	(1.6)
Withholding tax on dividends	(0.2)	–	–	(0.2)
Profit/(loss) for the year**	**7.3**	**3.0**	**(6.7)**	**3.6**
Profit/(loss) from operating activities	8.5	4.3	(7.1)	5.7
Deprecation	0.7	0.8	–	1.5
Amortisation	1.1	–	–	1.1
Share based payments and foreign exchange differences	0.2	–	–	0.2
Exceptional items	–	–	–	–
Adjusted EBITDA	**10.5**	**5.1**	**(7.1)**	**8.5**

** Note rounding difference when compared with income statement.

Report of the Chief Financial Officer continued
For the year ended 31 March 2026

ECO Animal Health Group plc – Disaggregation analysis continued

Profit	ECO excluding ECO Biok* (£'m)	ECO Biok Note 15 (£'m)	ECO R&D operation (£'m)	Consolidated Group (£'m)
China dividend				
Received by ECO Group from China 51% owned subsidiary in year	2.6	(2.6)	–	–
Balance sheet				
Intangible fixed assets	29.1	–	15.2	44.3
Tangible fixed assets	5.4	2.6	–	8.0
Deferred tax balance	1.3	0.2	–	1.5
Inventories	9.2	4.3	–	13.5
Receivables	20.6	3.4	–	24.0
Other current assets	1.6	–	–	1.6
Cash balance	14.0	11.4	–	25.4
Trade payables	(8.0)	(3.9)	–	(11.9)
Lease liabilities	(2.2)	(2.7)	–	(4.9)
Other payables	(5.1)	(0.9)	–	(6.0)
Net assets	**65.9**	**14.4**	**15.2**	**95.5**
Cash flow				
Profit/(loss) before tax	8.4	4.1	(7.1)	5.4
Non–cash items	2.3	0.8	–	3.1
Net working capital movements/net finance cost and tax payments	(1.9)	0.7	0.4	(0.8)
Cash flow from operating activities	8.8	5.6	(6.7)	7.7
Cash flow from investing activities	(0.1)	0.0	(3.6)	(3.7)
Cash flow from financing activities	(8.9)	(5.6)	10.3	(4.2)
Foreign exchange movements	0.2	0.4	–	0.6
Net increase in cash	–	0.4	–	0.4
Opening cash	14.0	11.0	–	25.0
Closing cash	14.0	11.4	–	25.4

* The Group own 51% of ECO Biok with 49% owned by a minority shareholder. Details of ECO Biok are disclosed in Note 15.

By performing this analysis for prior years the following comparative performance for the core group can be set out as follows:

Group excluding China and R&D	**2026**	2025	2024	2023
Revenue	**65.1**	60.1	67.8	61.2
Gross Margin	**52%**	48%	43%	45%
Adjusted EBITDA	**10.5**	9.5	9.4	7.8
Adjusted EBITDA margin	**16%**	16%	14%	13%
Effective tax rate	**13%**	10%	28%	18%
Inventories	**9.2**	11.7	13.0	17.4
Receivables	**20.6**	23.9	27.6	22.9
Cash balance	**14.0**	14.0	10.4	6.8
Cash generated from operations	**8.8**	14.0	10.3	7.2
Cash received from China 51% owned subsidiary dividend	**2.6**	1.1	2.9	1.9
R&D component				
R&D cash expenditure (net of tax credits)	**10.3**	10.5	8.0	8.2
Effective R&D tax credit rate	**4%**	1%	15%	14%
China 51% Subsidiary				
Revenue	**22.4**	19.5	21.6	24.1
Gross margin	**39%**	37%	38%	44%
Adjusted EBITDA	**5.1**	3.7	3.9	6.6
Adjusted EBITDA margin	**23%**	19%	18%	27%
Effective tax rate	**27%**	27%	29%	29%
Inventories	**4.3**	2.9	4.0	5.0
Receivables	**3.4**	5.1	4.5	3.9
Cash balance	**11.4**	11.0	11.9	14.9

The dividend from the China based 100% owned subsidiary in respect of the year ended 31 December 2025 has been received in June 2026 at £3.1m (2025: £0.9m). The dividend for the Group's interest in the 51% owned China subsidiary is expected to be declared in July 2026 and is expected to be not less than £2.5m (2025: £2.5m).

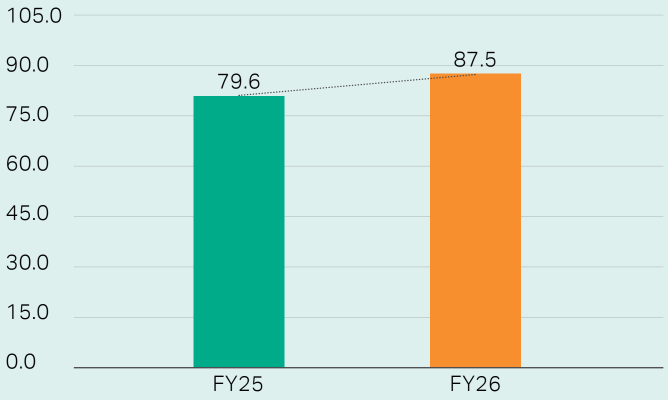
In summary the Group can be described as a core trading business which has delivered consistent (and rising) profitability in the last four years approaching £11m, rising cash generation and cash balances and which receives a consistent annual dividend of £2m – £3m and from which a new product development programme is being funded which in turn is now creating new revenue streams.

Christopher Wilks
Chief Financial Officer
14 July 2026

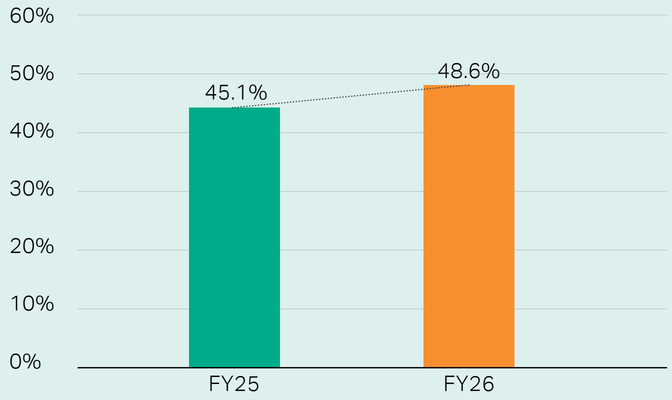
Key Performance Indicators

A summary of the KPIs is as follows. Adjusted EBITDA is defined in the paragraphs above and analysed in tabular format in note 5 to these accounts:

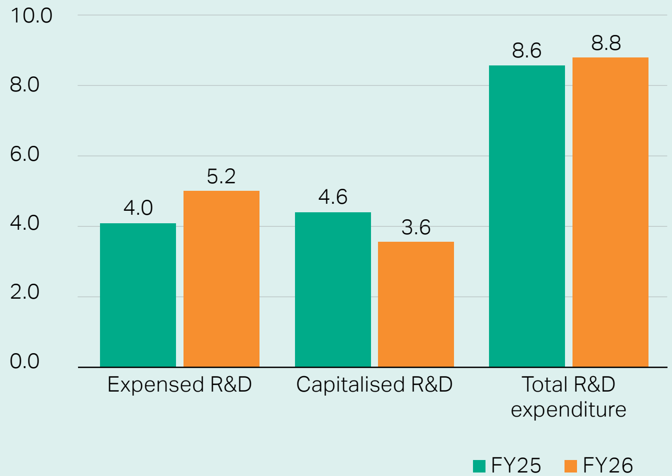
Revenues (£'m)



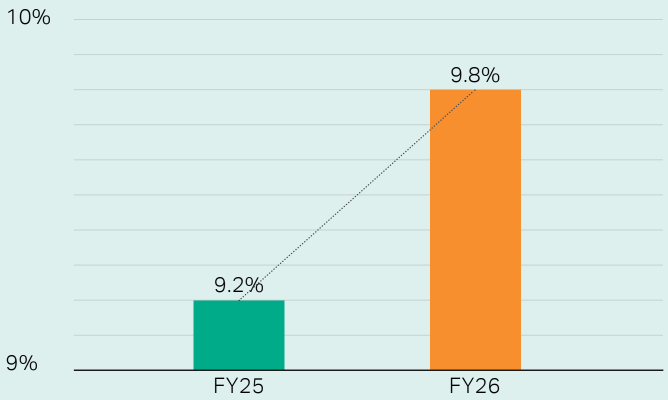
Gross margin (%)



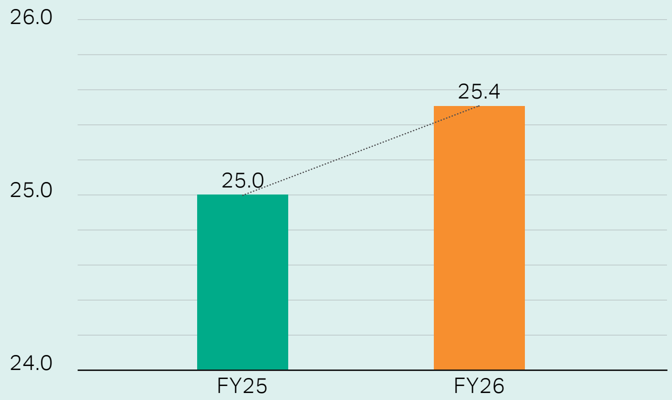
Research & Development (£'m)



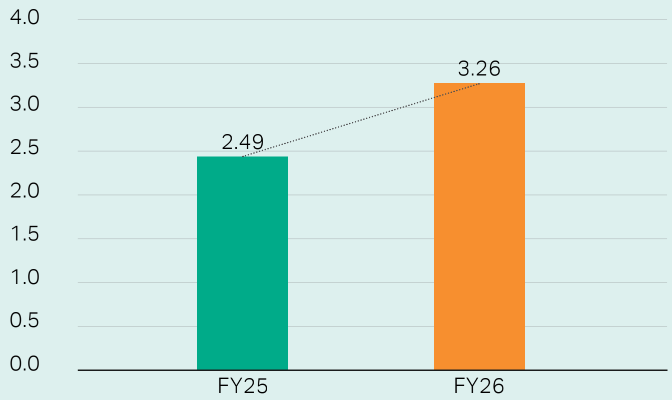
Adjusted EBITDA margin (%)



Cash balances (£'m)



EPS (pence)



Principal Risks and Risk Management

The Group has an established process for the identification and management of risk. Ultimately, the management of risk is the responsibility of the Board of Directors and the Audit Committee, working through the Leadership Team.

The Board's role in risk management includes promoting a culture that emphasises integrity at all levels of business operations and setting the overall policies for risk management and control.

The Board adheres to the risk monitoring approach set out in the Quoted Companies Alliance ('QCA') Code. This code requires the Boards to consider principal risks, defined as those which threaten the business model, future performance, solvency or liquidity.

The Board monitors and reviews the effectiveness of its risk management framework. By actively monitoring risks the Group is better prepared to serve its customers and seize opportunities. This report discloses the principal risks identified.

The risk register is at the heart of the framework and has been updated during the year.
Risks can come is various forms, including strategic, financial, regulatory, operational, and compliance. Risks are assigned to one of these three categories in accordance with a series of guidelines tailored to the Group's circumstances. The most significant risks are those which threaten the business model, future performance, solvency or liquidity, and the Board considers these to be the key risks. In addition to the principal risks, the register identified two further categories of risk. A second tier is a category comprising the risks which the Board 'actively monitors' and the third tier covers the risks of which the Board is 'aware'.

The likelihood and impact associated with each risk is considered, with the final categorisation taking into account the relevant control mitigations.

The use of these standardised guidelines, regular monitoring and a communicative internal culture make the risk register a more dynamic resource – it is both a statement of "where we are" and a "call to action" for any further controls and monitoring.

The principal risks and their mitigations are set out in the table below.

Having taken the opportunity to update the risk management framework and the risk register, and considered the risks and the associated controls, the Directors are satisfied that the controls are appropriate for the scale and complexity of the business.

Key

Likelihood/impact
- H High
- M Medium
- L Low

Direction of change
- Increase
- No change
- Decrease

Risk	Likelihood	Controls	Impact	Change in year
Strategic: High reliance on a small number of outsourced product, manufacturing and research suppliers.	M	Ongoing search for second source of key active ingredient. Entering into new agreements with outsourced manufacturers. Global reach and strong reputation allowing new collaboration arrangements with research organisations. Stockpiles of key supplies. Commercial mindset allowing fruitful relationships with existing suppliers. Quality control inspection of outsourced manufacturers. Business interruption insurance.	M	No change
Strategic: High dependency on a single product.	L	Substantial programme of structured R&D investment in new vaccine and biological products. Ongoing spend on maintaining the quality and effectiveness of existing products.	H	No change
Strategic: Potential threat from generic producers.	H	Generic defence strategy – combining strong brand management, regulatory and legal stance in country with patent and trademark infringement enforcement. Aivlosin® technical superiority supported by market leading technical knowledge and strain characterisation. Ensure adequate supply and stock in markets. Product diversification initiatives.	H	No change
Strategic: ECO uses third party manufacturers and careful management is required to ensure ECO adequately supplies its customers.	M	Commercially-focused staff, cautious of over-promising and under-delivering. Ensure trials accurately predict the performance of the product in the marketplace. Marketing team close to the market statistics and as close to market intelligence as it is possible to be. High calibre staff recruited. Use of only reputable and well established laboratories and subcontractors.	M	No change
Financial: Risk of fraud and depletion of Group funds.	L	Enhanced corporate governance. Implementing robust systems and controls. Keep international cash balances to a minimum. Daily/weekly monitoring of all bank account cash balances with explanations for material increases and depletions of balances. Continuation of Internal Audit programme, with a particular focus on LATAM and China.	L	No change
Geopolitical: Geopolitical & economic unpredictability	L	The Group looks at developing manufacturing capability outside China; a geographically-diversified customer base; investment in maintaining veterinary efficacy and effective marketing to ride out the trading difficulties imposed by political and economic unpredictability; search for opportunities to diversify manufacturing arrangements.	M	No change
Financial: Cyber attack, including fraud, IP theft, ransomware or hacking.	M	Strong controls against unauthorised access to Group systems in place. Regular back up of data in the cloud or on duplicate servers. Continual review and strengthening of controls and security. VPN uses best that Microsoft can offer. Hardware where devices can only work on our system. Extensive, obligatory staff training requirements on cyber risks.	H	Increase

Chairman's Introduction to Governance

Joachim Hasenmaier
Chairman

On behalf of the Board, I am pleased to present ECO Animal Health Group plc's Corporate Governance Statement for the year ended 31 March 2026. Strong governance remains central to the effective oversight of the Group, supporting disciplined decision-making, constructive challenge and the delivery of our long-term strategy.

As in previous years, we follow the QCA Corporate Governance Code and this year we again report against the 2023 version of the code. We continue to monitor our governance arrangements and governance framework to ensure it is robust and supports the business's mission of providing best-in-class ethical solutions for our customers, vets and producers, and supports the medium to long-term success of the Group.

As Chair of the Board, my role is to ensure that the Board operates effectively, with the right balance of skills, experience and independence to support the Group's strategy and oversee risk, internal controls and stakeholder engagement. During the year, the Board continued to focus on the development of the Group's strategic priorities, succession planning for the Board and senior management, the implementation of the Remuneration Policy approved by shareholders at the 2025 AGM, and the ongoing review of the Group's principal and emerging risks.

We have continued to follow the QCA Corporate Governance Code and, whilst the Company complies with most of the principles of the 2023 QCA Code, we continue to review and update governance arrangements and frameworks to ensure they are both robust and supportive of the business's objectives.

Additionally, Principle 8 of the 2023 QCA code recommends that the Board performance evaluation should be supplemented by an external evaluation every three years. The Board has carried out an annual performance review internally and will consider the need for an external evaluation of its performance.

In March 2026, Frank Armstrong informed the Board of his intention to step down as Independent Non-Executive Director following the conclusion of this year's Annual General Meeting, having been elected Senior Lay Member (Chair) of the Court of the University of Edinburgh, a role he will assume in August 2026. On behalf of the Board, I would like to thank Frank for his significant contribution to ECO, including his service as Chair of the Remuneration Committee. The Board has commenced a search process to identify a suitable successor and remains focused on maintaining an appropriate balance of skills, experience and independence on the Board.

The Board remains committed to maintaining high standards of governance and to ensuring that our governance arrangements continue to evolve alongside the business. Further details of how the Board has applied the ten principles of the 2023 QCA Code, together with reports from the Chairs of the Board Committees on their work during the year, are set out in the pages that follow.

Joachim Hasenmaier
Chairman
14 July 2026

Chairman's Introduction to Governance continued

Attendance at Meetings

All Committee and Board meetings held in the year were quorate. Directors' attendance during the financial year ended 31 March 2026 were as follows:

Board

8 meetings

D. Hallas	8
C. Wilks	8
F. Armstrong	8
T. James	8
J. Hasenmaier	8

Audit Committee

5 meetings

Chair: Tracey James

D. Hallas	By invitation
C. Wilks	By invitation
F. Armstrong	5
T. James	5
J. Hasenmaier	5

Remuneration Committee

3 meetings

Chair: Dr Frank Armstrong

D. Hallas	By invitation
C. Wilks	By invitation
F. Armstrong	3
T. James	3
J. Hasenmaier	3

Nomination Committee

1 meeting

Chair: Joachim Hasenmaier

D. Hallas	By invitation
C. Wilks	By invitation
F. Armstrong	1
T. James	1
J. Hasenmaier	1

Board of Directors

Leadership built on industry experience

Joachim Hasenmaier
Chairman

Appointed as Chairman: 1 April 2025
Appointed to Board: 12 Feb 2024

Year of birth: 1960

Highly experienced commercial leader with more than two decades in the international animal health industry. From 2001 to 2019, held a variety of senior roles within the animal health division at Boehringer Ingelheim, concluding as member of the Board of Managing Directors responsible for the entire animal health division. Led the integration of the former Sanofi animal health business Merial. Also served as Chairman of the Board at IMV Technologies since 2022 and as a Member of the Supervisory Boards of Invetx. Doctor of Veterinary Medicine; PhD in Immunology from Ludwig-Maximillians University Munich; MBA from Northwestern University USA.

David Hallas
Chief Executive

Appointed: 1 April 2022

Year of birth: 1964

Over 30 years of experience in the animal health industry and a qualified veterinarian. Previously managing director of Sure Petcare, a wholly owned subsidiary of Merck Inc., and Associate Vice President of MSD Animal Health with full P&L responsibility for mid Europe – a group of seven European countries with combined revenue of over US$450m. Has also held senior global, regional and business unit management roles at Merck, Schering Plough and Pfizer (now Zoetis). Substantial experience managing profitable growth through introduction of new products including vaccines, and successful M&A integrations.

Christopher Wilks
Chief Financial Officer

Appointed: 3 Sep 2019

Year of birth: 1964

Considerable experience in the fields of both finance and science. Began career after graduating from the University of Durham with a BSc in Applied Physics and Electronics, initially joining Marconi Space Systems. Trained as a Chartered Accountant at Arthur Young (now EY) and is a Fellow of the Institute of Chartered Accountants in England and Wales. Currently a Non-Executive Director and Chair of the Audit Committee of Kromek Group plc. Previously CFO of Signum Technology Limited and CFO at Sondex plc.

Dr Frank Armstrong
Independent NED

Appointed: 1 May 2020

Year of birth: 1957

Medical doctor, Fellow of the Royal College of Physicians and Fellow of the Faculty of Pharmaceutical Medicine. He was Non-Executive Chair of BioCaptiva Limited (retired May 2026), and he is elected as Senior Lay Member of the Court of the University of Edinburgh, a post he will take up on 1 August 2026. Also a Member of the Council and Trustee of the Royal College of Physicians and Faculty of Pharmaceutical Medicine, and the Senior Advisor Board of Healthcare Royalty Partners. Previously held Non-Executive roles at Faron Pharmaceutical, Summit Therapeutics, Redx Pharma and Mereo Biopharma. Started career at ICI Pharma/Zeneca Pharma before moving to Bayer AG where he became head of worldwide product development.

Tracey James
Independent NED

Appointed: 1 Dec 2021

Year of birth: 1962

Chartered Accountant who spent 26 years with Grant Thornton UK LLP, with the last 14 years as an Audit Partner. Member of Grant Thornton's Oversight Board and served on the Audit and Risk, and Pensions Committees. Previously Finance Director of Karl Storz Endoscopy Canada (1999–2000). Currently Non-Executive Director and Chair of the Audit Committee at Gattaca plc.

Key

- A Audit
- N Nomination
- R Remuneration
- Chair

Compliance with the Principles of the QCA Codes

The Company's shares are traded on AIM. The Board has continued to adopt the requirements of the QCA's 2023 Corporate Governance Code, and the following table summarises how the ten Principles of the QCA Code have been applied during the financial year.

#	QCA Principle	Explanation
1	**Establish a strategy and business model which promote long-term value for shareholders**	The Board meets annually to review and approve the strategy for the Company. The strategic plan and business model are reviewed by the Executive Leadership Team on an ongoing basis, with relevant operational and management updates being reported to demonstrate delivery and progress. Decisions of the Board are made in line with the strategic plan and business model for the Group. Further details of the Group's strategy can be found in the Strategic Report.
2	**Promote a corporate culture that is based on ethical values and behaviours**	The Board leads by example and makes decisions that are in the best interests of the Group and its stakeholders as a whole. Culture and ethics are underpinned by a clear set of values (Collaboration, Commitment and Curiosity), which guide decision-making at all levels. The Company's ethical approach to business is reflected in its long-term and fruitful relationships with clients. The Group seeks to ensure responsible business practice is fully integrated into the management of all its operations. The Company embeds ethics and culture through training on standards of business conduct and employee expectations, robust whistleblowing arrangements for the reporting of poor or improper business practices, and the consistent demonstration of high standards of behaviour by those in leadership roles.
3	**Seek to understand and meet shareholder needs and expectations**	The Board communicates regularly with its shareholders via investor roadshows and regular reporting. Communications include the Annual Report, Interim Statement, trading and other announcements made on RNS and at the Company's AGM. The AGM provides shareholders with an opportunity to consider the Group's activities and to put questions to the Board, and all shareholders are encouraged to attend. The Company appointed ICR Healthcare to act as a main contact point for shareholder queries. Following announcement of full year and half year results the Company makes presentations to institutional shareholders, private client brokers and investment analysts. Corporate information and specific disclosures required under AIM Rules for Companies and the QCA Code are available on the Company's website.
4	**Take into account wider stakeholder interests, including social responsibilities, and their implications for long-term success**	The Board values the opinions of key stakeholders and regularly seeks to ensure that the views of employees, suppliers, customers and partners are known and acted upon where relevant. During the year, the Company undertook an all-employee survey, which provided employees with an opportunity to share their views, enabled the Company to monitor progress in key areas for improvement and generated valuable data to inform the development of an effective action plan. The Company has achieved an 'A' rating for its ESG activities from Integrum ESG and the Board regularly monitors progress against the Company's ESG activity against its objectives. More information can be found in the ESG Report on pages 13 to 16.
5	**Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation**	The Audit Committee is responsible for overseeing management's activities in identifying, evaluating and managing the risks facing the Group and records them on the Group risk register. The Company has continued to strengthen its risk management and internal control framework. Further information can be found in the Audit Committee report on pages 30 to 32. The Board monitors financial controls through setting and approving an annual budget and regular review of management accounts. The Board oversees external independent internal audit assurance work commissioned to review specific areas of risk highlighted by the Board.
6	**Establish and maintain the Board as a well-functioning, balanced team led by the Chair**	The biographies of each of the Directors, including their experience and skills, are available on the Company's website and in the Company's latest Annual Report. The Board keeps under review its current balance and composition to ensure it has a sufficiently wide range of skills and experience. The Board is supported by the Audit, Remuneration and Nomination Committees, each with delegated duties and responsibilities. The Company has three Non-Executive Directors, each considered to be independent. The Board meets on a minimum of six occasions per year. All Board Directors commit the necessary time required to fulfil their roles. There is no performance-related remuneration for the Non-Executive Directors.
7	**Maintain appropriate governance structures and ensure that individually and collectively the Directors have the necessary up-to-date experience, skills and capabilities**	The Nomination Committee reviews at least annually the balance and composition of the Board and its Committees to ensure the skills and experience needed for successful operation are in place. Update training is undertaken periodically. The Company Secretary is assisted by an external professional company secretarial services provider. There is a clear division of responsibility between the Non-Executive Chairman and the Chief Executive. All Directors receive regular and timely information on both the Group's operational and financial performance.

Compliance with the Principles of the QCA Codes continued

#	QCA Principle	Explanation
8	**Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement**	The Chairman evaluates the performance of the Board through a combination of questionnaires and one-to-one meetings with each Director. A Board performance review is undertaken annually, supported by the external company secretarial provider. Succession planning is recognised as a material topic and is the responsibility of the Nomination Committee, which makes recommendations to the Board concerning Board appointments and monitors succession below the Board at least annually.
9	**Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture**	The Board is supported by a Remuneration Committee which oversees the Company's Remuneration Policy and framework, formed of independent Non-Executive Directors and supported by an external remuneration advisor. The Company has published alongside the Directors' Remuneration Report a Remuneration Policy covering the Executive and Non-Executive Directors. This has been reviewed annually by the Remuneration Committee in conjunction with H2glenfern, the Company's remuneration advisers to ensure that it reflects good market practice. The Remuneration Policy was put to an advisory vote at the 2025 AGM and approved by shareholders.
10	**Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**	The Board ensures that all stakeholders across the business are actively engaged. The Company recognises that meaningful engagement with its shareholders is integral to the continued success of the Group and has actively engaged with shareholders through meetings, presentations and roadshows. All RNS press releases are published on the Company's website. The AGM is an opportunity for shareholders to meet and discuss the Company's business with the Directors.

Leadership and the Board

The Role of the Board

The Board comprises two Executive Directors and three independent Non-Executive Directors (including the Chairman). The Board is responsible for providing effective leadership to promote the long-term success of the Group. Key responsibilities include:

- Setting the Group's vision and strategy
- Ensuring the necessary financial and human resources are in place to support implementation of the strategy
- Maintaining the policy and decision-making process through which the strategy is implemented
- Providing entrepreneurial leadership within a framework of good governance and risk management
- Monitoring performance against key financial and non-financial indicators
- Responsibility for risk management and systems of internal control
- Setting values and standards in corporate governance matters

Division of Responsibilities

Non-Executive Chairman – Joachim Hasenmaier

Has primary responsibility for leading the Board, facilitating the effective contribution of all members and ensuring that it operates effectively in the interests of the shareholders. He maintains a strong focus on governance to ensure good practice is embedded in day-to-day operations and maintains a regular dialogue with the CEO to ensure the business receives the support necessary to progress the strategy.

Chief Executive Officer – David Hallas

Responsible for the day-to-day running of the business including implementation of the strategy. Supported by an Executive Leadership Team who have management responsibility for the business operations and support functions.

Independent Non-Executive Directors

Their role is to provide oversight and scrutiny of the performance of the Executive Directors; constructively challenge to help develop and execute on the agreed strategy; satisfy themselves as to the integrity of financial reporting systems and internal controls; ensure the systems of risk management are robust and defensible; and review corporate performance and its reporting to shareholders.

Board Committees

The Board has delegated certain responsibilities to three Committees: Audit Committee, Remuneration Committee and Nomination Committee. Each Committee has written terms of reference set by the Board, available on the Group website. The Committee terms of reference were reviewed and updated during the financial year. Membership of each Committee is determined by the Board on the recommendation of the Nomination Committee. Each Committee Chair reports to the Board on the activities considered and determined by the relevant Committee. A summary of the Committees' responsibilities and their work during the year can be found in the reports from the Committees appearing later in this section.

Appointment and Re-Election of Directors

The Nomination Committee supports the Board by reviewing Board composition, identifying suitable candidates and making recommendations on Director appointments. Further information is set out in the Nomination Committee report on page 39.

New Directors receive a tailored induction to the Group and its operations. During their tenure, Directors are given access to the Group's operations and personnel and receive updates on relevant matters, taking account of their individual qualifications and experience. In line with the 2023 QCA Code, except Frank Armstrong who will be standing down as a Director at the conclusion of the AGM, the Directors will stand for re-election at the Company's Annual General Meeting. Information on the composition of the Board, including diversity, is set out in the Nomination Committee Report.

Board Activities

The Board held eight scheduled meetings during the year. The Board agenda is structured between standing agenda items, governance requirements and areas of operational and strategic focus. The Board also held ad-hoc meetings to deal with non-routine business. All meetings of the Board were quorate.

Each Board Committee also has an agreed schedule of activity covering matters that are delegated under their respective remits.

Key activities reviewed by the Board during the financial year were as follows:

Strategy and commercial	• Commercial updates – Manufacturing and Operations • R&D pipeline • Business Development opportunities • Strategy Review • Commercial launch of ECOVAXXIN MS
Governance	• Board and Committee Performance Review • QARA Review • Key Policy Review • Review and approval of Board Schedule of Matters Reserved, Committee Terms of Reference and Modern Slavery Act Statement
Performance	• Review of monthly financial performance and forecasts • Review of Latest Estimate and approval of Budget • Approval of Annual Results and Interim Financial Statements • Review of going concern and cashflow
Stakeholders	• People update • ESG and sustainability updates • Investor relations and shareholder updates • Annual General Meeting planning

Procedures are in place for distributing meeting agendas and reports, so they are received in good time ahead of meetings. Ahead of each Board meeting, the Directors each receive reports which includes updates on strategy, finance, operations, commercial activities, business development, risk management, legal and regulatory, people and infrastructure, and investor relations. The Directors may have access to independent professional advice where needed at the Group's expense.

Leadership and the Board continued

Board Effectiveness

During the year, a Board Performance Review was undertaken on behalf of the Chairman by the external company secretary provider. The review was conducted by questionnaire, giving each Director the opportunity to provide feedback on a range of matters, including Board leadership, effectiveness and accountability. The detailed findings were reviewed by the Board and a number of actions were agreed. The review confirmed the Board's view that it continues to operate effectively, with an appropriate balance of Non-Executive Directors and a Boardroom culture that supports open discussion and constructive challenge. Areas identified for further focus during the year included strategy follow-up, enhanced risk oversight and consideration of AI.

Risk Management

The Board is responsible for setting the Group's risk appetite and overseeing the effectiveness of its risk management framework. The Audit Committee supports the Board in this regard and reports to it at least three times each year. Further information is set out in the Audit Committee report on pages 30 to 32.

Internal Controls

There is a clear delegation of authority from the Board to the Executive Leadership Team, supported by reporting lines to the Executive Directors. The Group finance team manages the financial reporting process and maintains controls over the preparation, review and timely reporting of financial information for Board meetings and the annual and half-yearly reporting cycle.

The Audit Committee reviews the effectiveness of internal controls annually under its delegated terms of reference and reports its findings to the Board, which retains ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness. These controls are designed to provide reasonable assurance over the safeguarding of assets, the recognition and measurement of liabilities, the maintenance of proper accounting records and the reliability of financial information used within the business. Further information is set out in the Audit Committee report on pages 30 to 32.

Key elements of the internal control framework include clear communication of ECO's values and strategy, business and financial planning aligned to strategic objectives, regular review of policies and procedures, ongoing monitoring of controls and internal processes, reporting of performance against plans, budgets and forecasts, and Board-approved remediation actions arising from internal control reviews.

The Board considers that the Group's internal controls are appropriate for its size, complexity and risk profile. The Group also maintains a suite of codes and policies to support good governance, effective internal control and the consistent embedding of culture across the business.

Stakeholder Engagement

The Company maintains an active dialogue with shareholders and other key stakeholders through a range of channels, including the Annual Report and Accounts, regulatory announcements, the AGM and meetings with existing and potential investors. Investor information, including regulatory announcements, reports and presentations, financial calendar details and disclosures is available on the Company's website. The Company also engages with the market through broker research and investor relations support.

In addition, the Company maintains regular engagement with employees, customers, suppliers and regulators in order to understand their perspectives and to inform decision-making across the business. This ongoing dialogue supports the Board's consideration of stakeholder interests in the delivery of the Group's strategy and long-term success.

Going Concern

After making appropriate enquiries, the Directors have, at the time of approving the financial statements, formed a judgement that there is a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements. This conclusion is based on a review of the resources available to the Group, taking account of the Group's financial projections together with available cash and committed borrowing facilities.

Annual General Meeting

At the 2025 Annual General Meeting, all resolutions put to shareholders were passed by a majority. This year's AGM will take place on 8 September 2026 at Singer Capital Markets, 1 Bartholomew Lane, London, EC2N 2AX.

J. Hasenmaier

Joachim Hasenmaier
Chairman
14 July 2026

Audit Committee Report

For the year ended 31 March 2026

Tracey James

Audit Committee Chair

I am pleased to present the Audit Committee's ("the Committee") annual report on its activities for the period up to the review of our 2026 Annual Report and Accounts.

This report is intended to explain how the Committee has met its responsibilities and report on the activities of the Committee during the year. As Chair of the Committee I would welcome questions from shareholders on any of the Committee's activities at our AGM to be held on 8 September 2026.

Aims and objectives

The Committee monitors the integrity of the Financial Statements of the Interim and Annual Reports and formal announcements relating to the Group's financial performance, including advising the Board that the Annual Report taken as a whole is fair, balanced and understandable. It reviews significant financial reporting issues, key judgements and accounting policies and disclosures in financial reports, reviews the effectiveness of the Group's internal control procedures and risk management systems and considers how the Group's internal audit requirements shall be satisfied, making recommendations to the Board. It reviews the independent auditor's audit strategy and implementation plan and its findings in relation to the Annual Report and Interim Financial Statements. It monitors the relationship with the Group's independent auditor including the consideration of audit fees and independence.

Members of the Committee have access to the Company Secretary who attends and minutes all meetings. To enable the Committee to discharge its duties effectively, the Company Secretary is responsible for ensuring the Committee receives high-quality, timely information. The Chairman of the Committee works closely with the CFO and the finance team to ensure papers for meetings are comprehensive and relevant. When appropriate to do so, the Committee seeks the support of external advisers and consultants.

Membership of the Committee

During the year to 31 March 2026, the Committee comprised Tracey James (Chair), Dr Frank Armstrong, and Dr Joachim Hasenmaier.

Appointments to the Committee are made by the Board following recommendations from the Nomination Committee. Only members of the Committee have the right to attend meetings. The Committee members have a mix of knowledge and skills gained through their experience of business, management practices including risk, the industry sector and the committee as a whole has recent and relevant financial experience. The Executive Directors are invited to attend meetings, and other senior people will attend as appropriate. The external auditor also attends the meetings to discuss the planning and conclusions of their work and meet with the members of the Committee without any members of the executive team present. The Committee Chair also meets privately with the senior statutory auditor, Christopher Cork, outside of the Committee meetings.

Operation of the Committee

The Committee reviews and updates the Terms of Reference regularly, to conform to best practice, which are subject to approval by the Board. The Terms of Reference are available on the Group's website as well as in hard copy format from the Company Secretary. Each year, the Committee works to a planned programme of activities, which are focused on key events in the annual financial reporting cycle and other matters that are considered in accordance with its Terms of Reference.

It provides oversight and guidance to contribute to the ongoing good governance of the business, particularly by providing assurance that shareholders' interests are being properly protected by appropriate financial management, reporting and internal controls. The Committee approves the terms of all audit and non-audit services provided by the Group's Auditors to ensure audit objectivity is maintained.

The main activities of the Committee during the period since the last Report were as follows:

- Reviewing the management and reporting of financial matters including key accounting policies.
- Reviewing the Annual Report and Accounts and advising the Board on whether, when taken as a whole, it is fair, balanced, and understandable and provides shareholders with the information necessary to assess the Group's position and performance, business model and strategy.
- Considering the appropriateness of, and the appointment of, independent external accountants to undertake specific internal audit engagements.
- Overseeing the relationship with, and the independence and objectivity of, the external auditors.
- Setting policy in relation to the use of the external auditors for non-audit services.
- Advising the Board on the Group's appetite for and tolerance of risk and the strategy in relation to risk management and reviewing any non-conformances with these.
- Reviewing the Group's risk management and internal control systems and their effectiveness, including reviewing the Delegated Authority framework.
- Reviewing the Group's procedures for detecting and preventing fraud, bribery and corruption and ensuring the Group's whistleblowing procedures are adequate for employees to raise concerns.
- Reviewing the findings of external audit reviews, ensuring that they are analysed and improvement plans are implemented.
- Reviewing global compliance matters throughout the year.

Audit Committee Report continued

For the year ended 31 March 2026

Internal Audit

Internal audit work is undertaken by external organisations, the scope and extent of which is focused on both financial and non-financial processes and controls within the Group. Internal Audit work is planned and determined by a risk-based approach. In addition, a regular programme of quality and regulatory compliance auditing is undertaken by the Group's internal team. The head of this team presents a summary of work done and findings to the Committee and Board.

During the year an external specialist cyber security firm carried out penetration testing of the IT environment. The Committee reviewed the findings of the review, ensuring remediation plans are in place.

Risk management and Internal Controls

The Committee reviewed the Group's risk assurance framework in the year. The responsibilities surrounding risk management and internal control systems are designed to meet the needs of the size and complexity of the business. It takes into account the applicable requirements of regulators in the various markets in which the business operates as well as the legal requirements of being a UK company whose shares are admitted to trading on AIM. Internal controls are designed to manage rather than eliminate risk and provide reasonable but not absolute assurance against material loss or misstatement.

The key components of the current systems of internal controls are:

- Clearly communicating ECO's values and strategy to ensure these are understood and people know what is expected.
- All employee communication sessions and employee engagement surveys.
- Developing business and financial plans that support the strategy.
- Reviewing policies and procedures to ensure these remain fit for purpose.
- Continuous monitoring of controls and internal processes to identify opportunities for strengthening and improvement.
- Regular reporting of actual performance relative to business plans, budgets and forecasts.
- Ensuring there is a structure of accountability
- Training and monitoring.
- Board-approved remediation activities in response to internal control review findings.

Whistleblowing

The Group has a Whistleblowing Policy and has developed procedures to help with the detection and prevention of fraud. Published on the Group's Intranet, the Policy provides all employees access to a confidential forum in which it is possible to raise concerns about potential and perceived improprieties. Provided it is appropriate to do so, the process is managed by the Company Secretary. The outcomes of any investigations carried out in accordance with the Policy is reported to the Committee. There were no whistleblowing notifications or events during the year ended 31 March 2026.

Fair, balanced and understandable

The content and disclosures made in the Annual Report are subject to a verification exercise by management to ensure that no statement is misleading in the form and context in which it is included, no material facts are omitted which may make any statement of fact or opinion misleading, and implications which might be reasonably drawn from the statement are true. The Committee was satisfied that it was appropriate for the Board to approve the Financial Statements and that the Annual Report taken as a whole is fair, balanced and understandable such that it allows shareholders to assess the Group's position and performance against the Group's strategy and business model.

Significant accounting issues

The Committee reviewed the key judgements applied to a number of significant accounting issues in the preparation of the Financial Statements. The review included consideration of the following:

Issue	How the committee addresses
Revenue Recognition and accounting for discounts	The Group has well-developed accounting policies for revenue recognition in compliance with IFRS15 as shown in note 2 and note 3 to the Financial Statements. The Group has one main source of revenue representing direct sales of animal pharmaceutical products into UK, European and global markets. The Group recognises revenue at the point its performance obligation is met, which may occur at different points in the revenue cycle dependent on contractual terms and shipping methods. Certain revenue arrangements include the offering of volume and other discounts to customers. The Committee receives reports from management and from the auditors to evidence that the policies are complied with across the Group.
Intangible assets capitalised and development expenditure	The Group's accounting policy for intangible assets is included within the accounting policies in note 2 and the components of intangible assets are set out in note 11. In practice, work that is undertaken to build towards regulatory approval for a new treatment claim using Aivlosin®, the Group's longstanding product, or work that is undertaken on new products that have passed through the internally assessed gateway into full development is capitalised as the projects are likely to meet the capitalisation criteria whereas costs in relation to some of the Group's earlier stage projects, on advanced preventative treatments, for example, are expensed. Capitalisation of any costs are subject to careful consideration of residual technical and economic feasibility and commercial risk. These risks are monitored and reviewed throughout the project life, notwithstanding any previous decision to pass through the full development gateway. Goodwill and intangible asset impairment calculations (including assumptions about future performance of the Group) and sensitivities are undertaken at least annually by management and reviewed by the Board and the Committee. The Committee also considered and agreed the appropriateness of the sensitivity analysis disclosures.
Accounting for and disclosure of non-underlying items excluded from Adjusted EBITDA	The Committee considered the accounting for and disclosure of non-underlying items (see note 5 to the Financial Statements) which are excluded from the calculation of Adjusted EBITDA. The Committee reviewed with management and discussed the accounting and disclosure with the Group's auditors. The Committee concluded it was content with the accounting for and disclosure of non-underlying items.

Audit Committee Report continued

For the year ended 31 March 2026

Significant accounting issues continued

Issue	How the committee addresses
Expected Credit Loss Provision	The Group's accounting policy and judgements are laid out in note 2 and the details of the Expected Credit Loss ("ECL") are in note 17 to these financial statements. The Committee considers both the appropriateness of the historical data, third party data and any other judgements that inform the rate of provision. Where management have made specific provision on individual debtors, it considers whether those judgements are appropriate and correctly informed. This relates principally to debtors with material outstanding or overdue balances.

Shareholders' attention is drawn to the section titled 'Auditor's responsibilities for the audit of the financial statements' in the Report from the independent auditor on page 42, about specific areas as reported by the independent auditor to provide its opinion on the Financial Statements as a whole.

Independent auditor

The appointment of the independent external auditor is approved by shareholders annually. The independent auditor's audit of the Financial Statements is conducted in accordance with International Standards on Auditing (UK) ('ISAs'), issued by the Financial Reporting Council ('FRC'). There are no contractual obligations that act to restrict the Committee's choice of external auditor.

Christopher Cork of HaysMac LLP (formerly Haysmacintyre LLP), continues as statutory Auditor to the Group.

The assessment of the effectiveness of external auditors is an ongoing process involving regular discussion with key stakeholders within the Group, engagement with and feedback from the external auditors themselves, and consideration by the committee of the performance of the external auditors.

Having considered the effectiveness and performance of the independent auditor for the financial year ended 31 March 2026, the Committee recommended to the Board the reappointment of HaysMac LLP (formerly Haysmacintyre LLP) as independent auditor of the Group for the next financial year, which will be subject to approval by the shareholders at the AGM to be held on 8 September 2026.

Independent auditor: services, independence and fees

The independent auditor provides the following deliverables as part of its statutory audit services:

- A report to the Committee giving an overview of the results, summary of work undertaken and findings, estimates, judgements and observations on the control environment
- An opinion on whether the Group and Company Financial Statements are true and fair
- An internal controls report to the Committee, highlighting to management any areas of weakness or concern identified through the course of their external audit work

The Committee regularly reviews all fees for non-audit work paid to the independent auditor. Details of these fees can be found in note 5 to the Financial Statements. Non-audit fees were £nil in 2026 (2025: £nil).

The Committee regulates the appointment of former colleagues of the independent auditor to positions in the Group. During the year ended 31 March 2026, no such appointments took place. The independent external auditor also operates procedures designed to safeguard its objectivity and independence. These include the periodic rotation of the senior statutory auditor, use of independent concurring partners, use of a technical review panel (where appropriate) and annual independence confirmations by all our people.

The independent external auditor reports to the Committee on matters including independence and non-audit work on an annual basis.

Tracey D James

Tracey James
Audit Committee Chair
14 July 2026

Remuneration Committee Report

For the year ended 31 March 2026

Dr Frank M Armstrong
Remuneration Committee Chairman

On behalf of the Remuneration Committee, I am pleased to introduce the Remuneration Committee Report. As a company admitted to AIM, we are guided by the QCA's Remuneration Committee Guide in order to apply best practice.

In this report we set out the Committee's responsibilities and report on the activities of the Committee during the year. We will be putting advisory resolutions to approve this report and the Remuneration Policy at our 2026 AGM.

Membership of the Committee

During the year the Remuneration Committee comprised of Dr Frank Armstrong (Chairman), Tracey James and Joachim Hasenmaier. Following the conclusion of this year's AGM, Dr Frank Armstrong will step down from his role as a director of the company and Chair of the Remuneration Committee. Tracey James will become Chair of the Remuneration Committee.

Role of the Remuneration Committee

On behalf of the Board, the Remuneration Committee reviews and determines the pay, benefits and other terms of service of the Company's Executive Directors (CEO and CFO) and the ELT. The Committee also keeps under review the broad compensation strategy with respect to all other Group employees.

The terms of reference of the Committee are set out on the Group website.

Remuneration Committee actions in the year

During the course of the year, the main activities of the Committee were:

- Approving annual bonus structure and targets for the year to March 2026
- Determining the Executive annual bonus outcome for the year to March 2026
- Review of the 2025 Remuneration Committee Report
- Considering changes to Executive salaries at mid-year in line with our normal cycle
- Approval of performance criteria for the LTIP for Executive Directors and ELT of the Group for the year to March 2026
- Approval of grant of LTIP awards for the Executive Directors and ELT in August 2025
- Approval of share option across the Group
- Consulting major shareholders in respect of changing the structure of Executive Director long term incentives as detailed further below

Post year end, the committee has:

- Approved annual bonus structure and targets for the year to March 2027
- Finalised the executive annual bonus outcome for the year to March 2026
- Review of the Remuneration Committee Report, including the Remuneration Policy, in the Annual Report and Accounts 2026

QCA Code and Remuneration Policy

Both the Remuneration Policy and the Remuneration Committee Report for 2026 will be put to advisory votes at the upcoming AGM.

Following consultation with major shareholders, the Committee has updated its LTIP policy to allow a minority portion of awards to be granted to the Executive Directors as Restricted Share Units ("RSUs"). The Committee considers that RSUs provide simple and transparent long-term alignment with shareholders, while supporting retention and motivation through greater visibility of vesting. The overall LTIP maximum limit will remain unchanged at 100% of salary, with awards normally comprising performance share awards of up to 80% of salary and RSUs with a face value of up to 10% of salary, which in line with the best practice approach of applying a 50% discount to the value of RSU awards will count as 20% of salary against the LTIP limit. RSUs will vest after a minimum three-year period, subject to continued employment and a performance underpin.

Group performance during the year

The Group's financial performance in the year ended 31 March 2026 was above market expectations for both revenue and EBITDA, driven by strong trading in North America and Latin America and improved gross margins.

Remuneration decisions during the year

In the light of strong performance during the year, the CEO and CFO received bonuses in respect of the year ended 31 March 2026 at 70.8% and 73.6% of salary, respectively.

The Executive Directors were granted long term incentive awards on 28 August 2025 as detailed later in this report.

Further information on all decisions is set out below.

Remuneration Committee Report continued

For the year ended 31 March 2026

2025 AGM

At our AGM held on 25th September 2025, the advisory resolution on the Remuneration Report received 99.3% votes in favour. The resolution on the Remuneration Policy received 82.1% votes in favour and 17.9% votes against. The votes against included one significant shareholder, whose vote, the Remuneration Committee understands, reflects its policy of voting against Remuneration Resolutions where LTIP performance period, including any holding period, is less than five years. LTIP awards made by the company have performance and vesting periods of three years which is in line with normal and best practice for AIM companies. For the same reason at the AGM held on 25 September 2025, this significant shareholder also voted against the re-appointment of the chair of the Remuneration Committee.

Remuneration Policy

The Group's remuneration structure has been designed to bring the Company into line with best remuneration practice and to improve the alignment of senior leadership with shareholder interests, thereby supporting future value creation. The Committee's aim, as in previous years, is that the rewards that can be earned provide a competitive level of incentive and are appropriate for a Group of comparable size and complexity at each level of performance. To this end, the Committee considers appropriate goals from time to time which it believes will best ensure delivery of the Group's short and long term objectives and ensure alignment with stakeholder interests.

Policy table

Element	Link to remuneration policy/strategy	Operation	Maximum opportunity	Performance metric
Base Salary	To help recruit and retain high performing Executive Directors. Reflects the individual's experience, role and importance to the business.	Base salary is reviewed annually with any changes effective 1 October with reference to each Executive Director's performance and contribution, Group performance, the scope of the Executive Directors' responsibilities and consideration of competitive pressures.	The Committee is guided by the general increase for the broader employee population but has discretion to decide on a lower or a higher increase.	The Committee considers individual and Group performance when setting base salary.
Benefits	To help recruit and retain high performing Executive Directors. To provide market competitive benefits.	Executive Directors benefit from private medical, permanent health insurance and life assurance cover.	Maximum benefit applies according to the underlying insurance policy and is four times base salary in the case of life assurance.	N/a
Pension	To help recruit and retain high performing Executive Directors. To provide market competitive pensions.	Employer's pension contribution.	The Company may contribute up to 10% of base salary in the case of CFO.	None
Annual Bonus Plan	To incentivise and reward performance. To align the interests of the Executives and shareholders in the short and medium term.	The Annual Bonus is earned by the achievement of one-year performance targets set by the Remuneration Committee. The parameters, performance criteria, weightings and targets are ordinarily set at the start of each financial year. 33% of awards to Executives under the Annual Bonus plan may be deferred into shares vesting after 3 years under the deferred bonus plan or annual bonus may be paid entirely in cash. Awards are subject to malus and clawback provisions.	The maximum bonus opportunity for the CEO and CFO is 100% of base salary with target set at 60%.	Performance measures may include financial, non-financial, personal and strategic objectives. Performance criteria and weightings may be changed from year to year. At present, the performance targets are based on Revenue and EBITDA performance and achievement of personal targets.

Remuneration Committee Report continued

For the year ended 31 March 2026

Element	Link to remuneration policy/strategy	Operation	Maximum opportunity	Performance metric
Long Term Incentive Plan (LTIP)	To incentivise and reward long term performance and value creation. To align the interests of Executive Directors and shareholders in the long-term.	Executive Directors are eligible to receive awards under the LTIP at the discretion of the Committee. Awards may be granted as nil-cost options, conditional awards or alongside a minority portion of Restricted Share Units (RSUs). Performance share awards vest after three years subject to meeting of objective performance conditions specified at award. RSUs vest after three years subject to continued employment and a performance underpin. Awards are subject to malus and clawback provisions.	In accordance with the scheme rules the normal maximum award in any financial year is 100 % of base salary. The maximum in exceptional circumstances under the LTIP plan rules is 200% of salary. RSUs are valued at twice their face value, such that an RSU award with a face value of 10% of salary would count as 20% of salary against the LTIP limit. On this valuation basis, the maximum RSU award would be 20% of salary. Awards in FY26 were set at 44% of base salary.	Performance criteria and weightings may be changed from year to year. For awards made in FY26 75% of the award was subject to an absolute TSR target and 25% subject to R&D based targets. RSUs vest subject to continued employment and a performance underpin.
All employee share plan	To encourage all employees to make a long-term investment in the Company's shares in a tax efficient way.	The Executive Directors may participate in the CSOP on the same terms as other eligible employees.	The maximum participation level will be aligned to HMRC limits. To date, Executive Directors have not received CSOP awards.	None
Shareholding requirement	Encourages Executive Directors to achieve the Group's long-term strategy and create sustainable stakeholder value. Aligns with shareholder interests.	125% for the CEO and 100% for the CFO. Legally owned shares and deferred bonus shares (with value calculated on an after tax basis) are counted against this limit. Information on where the CEO and CFO sat against this limit at 31 March 2026 is set out in the annual report on Remuneration.	N/a	N/a
Non-Executive Director remuneration	To provide fees appropriate to time commitments and responsibilities of each role.	Non-Executive Directors are paid a base fee in cash. Fees are reviewed periodically. In addition, reasonable business expenses may be reimbursed.	The Group Board is guided by the general increase for the broader employee population and takes into account relevant market movements.	N/a

Service contracts and letters of appointment

All Executive Directors have employment contracts which are subject to 12 months' notice from either the Executive or the Group, given at any time.

All Non-executive Directors have a remuneration agreement on a rolling basis subject to three months' notice by either the Non-Executive Director or the Group, given at any time. In the event of termination of their appointment they are not entitled to any compensation.

Remuneration of the Non-Executive Directors is determined by the Chairman and the CEO. They may be paid additional fees in the event that their workloads are significantly in excess of their contractual obligations. The Chairman's remuneration is determined by the Remuneration Committee in conjunction with the CEO. However, the Chairman is not entitled to vote on the matter.

The Executive Directors' service agreements and the Non-Executive Directors' appointment letters are available for inspection by shareholders at the Company's registered office and at the Company's AGM.

Malus and clawback

In respect of bonus and long term incentives, the Remuneration Committee has the authority to apply malus and clawback within three years of payment or vesting. This authority may be exercised in cases, inter alia, of financial misstatement, data or calculation errors in performance assessments, fraud or misconduct.

Remuneration Committee Report continued

For the year ended 31 March 2026

Remuneration of employees below the Group Board

Employees below the Group Board receive base salary, benefits, annual bonus, and senior staff are granted share awards. Other staff may be granted options.

Shareholder consultation

The Committee's policy is to consult with major shareholders in respect of significant decisions on executive remuneration. The Chair of the Remuneration Committee is available for contact with investors concerning the Company's approach to remuneration.

Consideration of new Executive Directors or senior executives

When recruiting or promoting any senior executive, we seek to apply consistent policies on fixed and variable remuneration components in line with the remuneration policy set out above. Where applicable, the Committee may seek to compensate new Executive Directors for remuneration forfeited on leaving previous employers.

Leaver provisions

If an employee ceases employment before the bonus payment date, their entitlement to an annual bonus will generally lapse. However, in the case of a "good leaver," the remuneration committee may exercise discretion to award a pro-rata bonus based on the period worked and performance achieved before the termination date. Any bonus payment to a good leaver is subject to the usual performance conditions and Company discretion.

Under the LTIP, if an award holder leaves employment before their award vests, the award will ordinarily lapse. However, in good leaver circumstances, a portion of the award may still vest, subject to performance assessment and time-apportionment. The Committee has the discretion to waive the performance conditions and/or time apportionment.

Change in control provisions

In the event of a Corporate Event such as a change of control, scheme of arrangement, voluntary winding-up, or delisting, the treatment of the annual bonus is at the discretion of the Remuneration Committee. Typically, the bonus will be pro-rated based on time served and performance achieved up to the date of the Corporate Event. The Committee may also decide to accelerate payment.

Under the LTIP, if a Corporate Event occurs, outstanding awards will be time pro-rated, unless the Remuneration Committee determines that a lesser (or no) reduction is appropriate. Additionally, the Committee will assess the extent to which performance conditions have been met at the time of the event. The committee may also determine to waive performance conditions.

Remuneration during the year ended 31 March 2026

Directors' remuneration

The aggregate remuneration payable to the Directors in respect of the period was as follows:

	Salary		Other		Pension		Bonus		Total Remuneration	
	2026 £000's	2025 £000's	**2026 £000's**	2025 £000's	**2026 £000's**	2025 £000's	**2026 £000's**	2025 £000's	**2026 £000's**	2025 £000's
D. Hallas	**368**	356	**3**	1			**266**	74	**637**	431
C. Wilks	**272**	263	**18**	21	**27**	31	**205**	52	**522**	367
A. Jones		88							**0**	88
F. Armstrong	**55**	53							**55**	53
J. Hasenmaier	**95**	47							**95**	47
T. James	**55**	53							**55**	53

Remuneration Committee Report continued

For the year ended 31 March 2026

Salaries

As at 1 April 2025, the salary of the Chief Executive Officer was £361,342 and the salary of the Chief Financial Officer was £267,446. These were increased in line with the UK based staff increase of 4.1% effective 1 October 2025 to £375,400 and £277,900, respectively.

As at 1 April 2025, the salary of the Chair was €108,000 and the salary of both Non-Executive Directors was £53,500. These were increased in line with the UK based staff increase of 4.1% effective 1 October 2025 to €112,400 and £55,700, respectively.

Annual bonus

The Committee considered the performance of the Executive Directors in the financial year against the criteria of the Annual Bonus Scheme based 70% on financial performance and 30% on personal objectives. The maximum bonus opportunity for the year for the Executive Directors was 100% of salary, with On Target bonus at 60% of salary.

The financial element was assessed by reference to revenue and EBITDA, each measured against budget and was paid out at 105% and 108% of maximum respectively. The personal objectives element was assessed separately, with the CEO achieving a personal element outcome of 81% of maximum, and the CFO achieving a personal element outcome of 91% of maximum As a result, the CEO and CFO received bonuses in respect of the year ended 31 March 2026 at 70.8% and 73.6% of salary, respectively.

Long term incentives

The Company made awards under its LTIP to Executive Directors on 28 August 2025 subject to three year performance targets for TSR and R&D as detailed in the table below. Based on the share price the day before award, the value of these awards was set at approximately 44% of salary at that time.

On 28 August 2025, the Company made awards under its Deferred Bonus Plan (DBS) in respect of bonuses paid for the year ended March 2025 over 60,295 ordinary shares in the Company to two Executive Directors as detailed in the table below.

The Remuneration Committee meeting in March 2026 determined whether any of LTIP options granted in February 2023 met the criteria for vesting. The Committee confirmed that the none of the total shareholder return criteria which prevailed over 75% of the options had been met. The Committee exercised its discretion in respect of R&D criteria that prevailed over the remaining 25% of the options awarded the R&D and resolved that one-quarter of that portion would vest. In total, therefore, 6.25% of the LTIP options granted in February 2023 vested. The Committee determined that the date on which the options would lapse or vest accordingly would be 1 April 2026.

Details of awards held by Executive Directors under the LTIP and awards under the Deferred Bonus Plan as at 31 March 2026 are set out below:

	Date of grant	No. of awards as at 31 March 2025	Number of awards granted in year	Share Price at date of grant (£)	Normal vesting date	**No. of awards held as at 31 March 2026**
LTIP						
David Hallas	24-Feb 23	117,313		1.28	24-Feb-26	**117,313**
	22-Mar-24	101,403		0.86	22-Mar-27	**101,403**
	27-Oct-24	189,531		0.66	27-Oct-27	**189,531**
	28-Aug-25		215,106	0.74	28-Aug-28	**215,106**
Christopher Wilks	24-Feb-23	90,375		1.28	24-Feb-26	**90,375**
	22-Mar-24	75,249		0.86	22-Mar-27	**75,249**
	27-Oct-24	140,280		0.66	27-Oct-27	**140,280**
	28-Aug-25		159,212	0.74	28-Aug-28	**159,212**
Deferred bonus						
David Hallas	21-Dec-23	26,985		1.11	21-Dec-26	**26,985**
	28-Aug-24	82,437		1.08	28-Aug-27	**82,437**
	28-Aug-25		35,472	0.74	28-Aug-28	**35,472**
Christopher Wilks	21-Dec-23	17,577		1.11	21-Dec-26	**17,577**
	28-Aug-24	61,015		1.08	28-Aug-27	**61,015**
	28-Aug-25		24,823	0.74	28-Aug-28	**24,823**

Total awards granted within the last 10 years which have been exercised for new shares or remain outstanding are within the conventional UK dilution limit of 10%. The Company is committed to operating within this limit. Following several purchases during the year, the Company's EBT held 1.0m shares intended to be used to satisfy the vesting of share options at the year end.

Remuneration Committee Report continued

For the year ended 31 March 2026

Directors' interests

Directors' Shareholdings as at 31 March 2026 were as follows:

	Number of shares	% of issued shares
David Hallas	203,041	0.30%
Christopher Wilks	178,186	0.26%
Joachim Hasenmaier	–	–
Frank Armstrong	3,000	0.00%
Tracey James	5,000	0.01%

Based on the closing share price on 31 March 2026 of 96p, David Hallas's shareholding plus the value of his outstanding deferred bonus share awards (calculated on an after tax basis) had a value at 72% of salary. For Christopher Wilks this percentage was 80%.

Remuneration for Year ending 31 March 2027

Executive remuneration will be operated under the policy detailed above.

Salaries

Executive and Non-Executive Director salaries and fees will be reviewed during the year with any changes effective 1 October 2026.

Annual bonus plan

The Annual Bonus Plan applies to both executive directors and the ELT. Performance targets for 2026/27 are split as to 70% linked to Revenue and EBITDA performance, 30% linked to achievement of personal targets set by the Remuneration committee. The proposed personal objectives for the CEO and CFO for FY27 are focused around business performance, R&D projects, growth and corporate governance.

Long term incentives

The Committee intends to make LTIP awards to its Executive Directors and ELT members during FY27. These will operate in line with the Company's policy detailed above.

Annual General Meeting

The Committee will put separate advisory resolutions on its Remuneration Report and its Remuneration Policy to its 2026 AGM.

Dr Frank M Armstrong
Remuneration Committee Chairman
14 July 2026

Nomination Committee Report

For the year ended 31 March 2026

Joachim Hasenmaier
Nomination Committee Chairman

Membership of the Committee

The Nomination Committee comprises Dr Joachim Hasenmaier, Chairman, Dr Frank Armstrong, and Tracey James. Both David Hallas and Chris Wilks have a standing invitation to attend the meetings of the Nomination Committee.

Main Responsibilities

The terms of reference of the Committee are set out on the Group website. The main responsibilities of the Committee are as follows;

- Regularly reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board.
- Giving full consideration to succession planning.
- Keeping under review the leadership needs of the organisation.
- Being responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise.
- Reviewing the results of the Board performance evaluation process that relate to the composition of the Board.
- Formulating plans for succession for both Executive and Non-Executive Directors.
- Nominating membership of the Audit and Remuneration Committees.
- The re-election by shareholders of Directors under the annual re-election provisions and of the retirement by rotation provisions in the Company's Articles of Association.
- Any matters relating to the continuation in office of any Director at any time including the appointment or removal of any Director to Executive or other office.

Before any appointment is made by the Board, the Nomination Committee evaluates the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation, prepares a description of the role and capabilities required for a particular appointment.

After each meeting, the Nomination Committee reports to the Board on its proceedings on all matters within its duties and responsibilities.

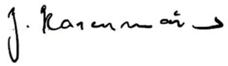
Activities during the year

The Committee met once during the year ended 31 March 2026.

The Committee reviewed the development and succession plans for personnel in key roles in the leadership team and the future succession of Non-Executive Directors.

A Board and Committee Performance Review was undertaken during the year. The Board agreed on a number of actions and progress on these would be monitored throughout the year. Further information can be found in the Corporate Governance section of the Annual Report.

Post year end the Committee has commenced the process to find a replacement for Dr Frank Armstrong.



Joachim Hasenmaier
Nomination Committee Chairman
14 July 2026

Directors' Report

For the year ended 31 March 2026

Directors

The following Directors held office since 1 April 2025:

Frank Armstrong	Non-Executive Director
Tracey James	Non-Executive Director
Joachim Hasenmaier	Non-Executive Chairman (from 1 April 2025)
David Hallas	Chief Executive Officer
Christopher Wilks	Chief Financial Officer

Principal Activities

The principal activities of the Group in the year under review were those of manufacturers and suppliers of animal health products. These activities were conducted on a global scale, through a network including both regional offices and overseas subsidiaries.

Results and Dividends

The profit for the year after tax was £3.7m (2025: £2.6m). The Company does not propose to pay a dividend for the year ended 31 March 2026 (year ended 31 March 2025: £nil).

Statutory information contained elsewhere in the Annual Report

Information required to be part of the Directors' Report can be found elsewhere in this document, as indicated below, and is incorporated into this report by reference:

Information	Location in Annual Report
Financial Highlights	Strategic Report
Key Performance Indicators	Strategic Report
Future Developments	Strategic Report
Financial Risk Management	Strategic Report Note 31 to the financial statements
Energy and Carbon Emissions	ESG report and SECR report in appendix 1
Statement of Corporate Governance arrangements	Compliance with the Principles of the QCA Code
Salaries, bonuses, benefits and share interests of Directors	Remuneration Committee Report
Details of the key issues and stakeholder considerations discussed by the Board during the year, and how the Company engages with its stakeholders, including the s172 Statement	Strategic Report

Share Capital structure

The Company's issued share capital, as at 31 March 2026 was £3,387,983 divided into 67,759,671 ordinary shares of £0.05 each. Full details relating to the Company's issued share capital can be found in note 25 to these Financial Statements.

The Company's ordinary shares rank pari passu in all respects with each other, including for voting purposes and for all dividends. Ordinary shareholders are entitled to receive notice of, and to attend and speak at, any general meeting of the Company. On a show of hands, every shareholder present in person or by proxy (or being a corporation represented by a duly authorised representative) shall have one vote and, on a poll, every shareholder who is present in person or by proxy shall have one vote for every share they hold. The Notice of Annual General Meeting specifies deadlines for exercising voting rights and appointing a proxy or proxies. Further information on the voting and other rights of shareholders are set out in the Company's Articles of Association (the "Articles"), which are available on the Company's website.

Authority for the Company to purchase its own shares

At the General Meeting held on 21 August 2025, shareholders authorised the Company to make market purchases of the Company's ordinary shares up to an aggregate number of 1,700,000 ordinary shares. This authority was renewed at the Company's AGM on 25 September 2025, where the Company was generally, and unconditionally, authorised by its shareholders to make market purchases (within the meaning of section 693 of the Companies Act 2006) of up to a maximum of 1,700,000 of its ordinary shares. The Company has repurchased 1,044,718 shares under a share buy-back scheme.

This authority is due to expire on the date of this year's AGM (or, if earlier, at the close of business on 8 September 2026) save that the Company may, before such expiry, make a contract or agreement to make a market purchase of its own ordinary shares, which will, or may be, executed wholly, or partly, after the expiry of such authority and the Company may purchase such shares as if the authority conferred hereby had not expired.

Substantial Shareholdings

At 30 June 2026 the Company had been notified of the following holdings in its issued share capital representing the largest 10 shareholdings:

Shareholder	Shares	% Issued
Schroders Investment Management (London)	11,820,000	17.44%
Soros Fund Management (New York)	6,886,520	10.16%
Mr Peter A Lawrence (UK)	6,501,146	9.59%
FIL Investment International (London)	5,927,856	8.75%
Lombard Odier Asset Management (London)	4,626,458	6.83%
Chelverton Asset Management (Bath)	2,669,754	3.94%
Interactive Investor (Manchester)	2,301,711	3.40%
Hargreaves Lansdown Asset Mgt (Bristol)	1,942,496	2.87%
Artemis Investment Mgt (Edinburgh)	1,687,647	2.49%
Sorbus Partners (Stafford)	1,587,900	2.34%

Directors' Report continued

For the year ended 31 March 2026

Articles of Association

The rules governing the appointment and replacement of Directors are set out in the Company's Articles of Association which are available on the Company's website.

Financial Risk Management

Information on the use of financial instruments by the Group and its management of financial risk is disclosed in note 31 to the financial statements. Further details of the Group's financial risks and controls are set out in the Strategic Report.

Group Research and Development Activities

The Group is continually researching into and developing new products and markets. The Group remains committed to obtaining further authorisations of its Aivlosin® products in other key territories and for additional disease applications, while at the same time expanding its product offering to include vaccines and other biologicals relevant to the swine and poultry markets.

Directors' and Officers' Liability Insurance

The Group maintains Directors' and Officers' liability insurance for the benefit of its Directors which remained in place at 31 March 2026 and throughout the preceding year.

Political Donations

No political donations were made during the year (2025: nil).

Stockbrokers

Singer Capital Markets were the Company's nominated advisor and stockbroker at the year end. Panmure Liberum replaced Investec Bank Plc as joint brokers during the year. The closing share price on 31 March 2026 was 96.0p per share (2025: 53.5p). During the year the average share price was 77.8p (2025: 89.1p).

Auditors

The auditors HaysMac LLP are being proposed for reappointment at the forthcoming Annual General Meeting of the Company.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Under company law, the Directors have prepared the Group and Company financial statements in accordance with UK adopted international financial reporting standards. The Directors are required to: select suitable accounting policies and apply them consistently; make judgements and accounting estimates that are reasonable and prudent; state whether applicable accounting standards have been followed; and prepare the financial statements on the going concern basis unless it is inappropriate to presume the Group will continue in business.

Statement of Disclosure to Auditors

So far as each of the Directors at the date of approval of this report are aware: (a) there is no relevant audit information of which the Group and the Company's auditors are unaware; and (b) they have taken all steps they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group and the Company's auditors are aware of that information.

Parent Company Guarantee

ECO Animal Health Group plc has given statutory guarantees against all the outstanding liabilities of ECO Animal Health Ltd, thereby allowing its subsidiary to be exempt from the annual audit requirement under Section 479A of the Companies Act, for the year ended 31 March 2026.

Approval

The Strategic Report and this Directors' Report were approved by the Board on 14 July 2026 and signed on its behalf by:

J. Hasenmaier

Joachim Hasenmaier
Chairman
14 July 2026

Independent Auditors' Report

to the members of ECO Animal Health Group Plc

Opinion

We have audited the financial statements of ECO Animal Health Group plc (the 'Company') and its subsidiaries (together the 'Group') for the year ended 31 March 2026 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Statements of Financial Position, Statements of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the Parent Company's and Group's affairs as at 31 March 2026 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- 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 Financial Reporting Council's (the FRC's) Ethical Standard as applied to listed public interest/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.

An overview of the scope of our audit

Our audit scope covered all the Group's components with varying levels of testing based on the significance of each component. We performed a scoping assessment of the Group at the planning stage of the audit and subsequently updated this assessment for the year-end figures. We assessed the risk of material misstatement for each of these components and determined their significance based on the overall impact to the Group financial statements. Our assessment incorporated a consideration of the significance of revenue, expenditure, and balances in the context of the group financial statements and group materiality. We also assessed each entity in relation to the risk of management override of controls.

The components in scope for audit procedures were selected based on our assessment of the likelihood of that component giving rise to a risk of material misstatement in the Group financial statements. Full scope audit procedures were performed on components with significant levels of aggregation risk. Specific audit procedures were performed on components where aggregation risk was considered to be limited or none.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- Procedures on the entire financial information of the component, including performing substantive procedures and tests of operating effectiveness of controls (full scope procedures); and
- Procedures on one or more classes of transactions, account balances or disclosures (specific scope procedures).

At March 2026, the Parent Company, ECO Animal Health Ltd, ECO Animal Health USA Corp and Pharmgate Animal Health LLC, and the sub-group incorporated in China were subject to full scope audit procedures. The Group's subsidiaries incorporated in Brazil, Mexico, Japan, Canada, and Ireland were subject to specific scope audit procedures, varying in nature, as a result of our scoping assessment. The audits of all entities other than the sub-Group incorporated in China and the Irish entity were carried out by the Group audit team for the purposes of the group audit. The audits of the sub-Group in China, which represents Zhejiang ECO Biok Animal Health Products Ltd., Shanghai ECO Biok Animal Health Products Limited and Zhejiang ECO Animal Health Company Ltd, have all been audited to component materiality by a component auditor under instruction from and supervision by HaysMac LLP as the group auditor. The local audit of ECO Animal Health Europe Ltd has been completed by a component auditor under instruction from and supervision by HaysMac LLP, with only specific scope procedures on revenue cut-off and journals required from the group audit opinion perspective.

The work performed was to the materiality levels set out below, with component materiality levels adopted for the relevant subsidiary entities depending on the level of work to be performed as a result of our scoping assessment.

We communicated with both the Directors and the Audit Committee our planned audit work via our audit planning report and relevant discussions throughout the audit process.

We communicated audit progress with the Audit Committee through interim audit progress meetings. We have communicated any issues to the Audit Committee and the Directors in our final audit findings report.

Our involvement with component auditors

Where work has been performed by component auditors, we have been involved at all stages of the component audit to ensure in our role as group auditor the work completed was sufficient to provide us with sufficient and appropriate audit evidence to allow us to form our basis for our opinion on the Group financial statements as a whole. Our involvement with component auditors consisted of, but was not limited to the following procedures:

- A scoping meeting to document our pre-planning assessments, including required updates with regards to revised ISA (UK) 600 requirements.
- An audit planning meeting with ourselves and the component auditors.
- An audit planning meeting with ourselves, component auditors and local management.
- An assessment of the internal policies and procedures of the component auditor to ensure that the audit methodology was appropriate and of consistent quality with our own.
- We provided planning communications outlining the key audit risks with component auditors to ensure that their focus was applied to the key risk areas outlined by ourselves as group auditor. In instances where we had performed some of the assessment, this had been communicated to component auditors.
- Where applicable, we completed a remote review of the audit files prepared by the component auditors and a review of the group audit reporting appendices and internal reporting memos provided to us by the component auditors.
- We considered the work performed by component auditors in the context of our own internal policies and procedures and requested additional procedures to be performed where applicable.
- We instructed the component auditors to perform additional testing where we considered it appropriate following our review of working papers prepared. We also provided component auditors with any work performed at the group level as part of the overall assessment.
- We scheduled a finalisation meeting to discuss outcomes of the audits to supplement our overall audit of the group. This included local and group management.
- We incorporated misstatements and findings from the component auditors review in our final audit findings report.

Throughout the audit process the group audit team remained in contact with the component auditors to discuss progress, findings and discuss further audit work to be performed in order to complete the work on the Group's Chinese subsidiaries to an appropriate standard.

Independent Auditors' Report continued

to the members of ECO Animal Health Group Plc

Conclusions relating to going concern

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.

Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included consideration of the inherent risks to the Group's business model and analysed how those risks might affect the group's financial resources or ability to continue operations over the period 12 months from the date of the signing of the financial statements.

The risks that we considered most likely to affect the group's financial resources or ability to continue operations over this period were adverse circumstances impacting timely conversion of trade receivables to cash, growth in revenues, adverse changes in working capital trends and significant difficulties in relation to accessing overseas cash. The performance of the overseas markets is significant to the group model and therefore through our review we have considered any downturn in performance in these markets.

We considered these risks through a review of the application of reasonably foreseeable downside scenarios that could arise with reference to the level of available financial resources indicated by the Group's financial forecasts and management's assessment of these risks, including potential mitigations available. This has been aligned with our review of the development of future products and the assessments performed by management in determining the market opportunities that they look to exploit.

Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the group and the parent company's ability to continue as a going concern;
- Evaluating the methodology used by the directors to assess the group and the parent company's ability to continue as a going concern including assessment and evaluation of the key assumptions used and judgements applied;
- Considering the sufficiency of financing facilities available to the group over the period covered by Management's going concern assessment, particularly those due for renewal in the period;
- Reviewing the liquidity headroom and sensitivities performed by management, and applying a number of sensitivities to the base forecast assessment of the directors to ensure there was sufficient headroom to adopt the going concern basis of accounting; and
- Reviewing the appropriateness of the directors' disclosures regarding going concern in the financial statements.

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 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.

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, including those which 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.

In determining the key audit matters we considered the:

- Areas of higher risks of material misstatement or significant risks identified in accordance with ISA (UK) 315
- Significant audit judgements on financial statement line items that involved significant management judgement such as accounting estimates, and
- The impact of significant events and transactions during the period covered by the audit.

The following table summarises the key audit matters we have identified and rationale for their identification together we how we responded to each in our audit. The table also shows how our judgement of the magnitude of each risk has changed since the previous audit.

Independent Auditors' Report continued

to the members of ECO Animal Health Group Plc

Key audit matter	How we addressed the key audit matter in the audit
Revenue recognition at year-end	
⊖ The group's revenue recognition policy is included within the accounting policies in note 2 and the components of revenue are set out in note 4. The Group recognises revenue in respect of the sale of Aivlosin® and animal health products in the UK, European and Global markets. The Group recognises revenue in line with the relevant INCOTERMS applicable to sales to customers and therefore recognises revenue at the point in which the Group's performance obligation is satisfied in transferring control of the product to its customer. As a result of revenue relating to product sales only, there is a risk that revenue has been materially misstated as a result of fraud or error through the incorrect recognition of revenue related to sales that occurred around reporting date and the incorrect application of delivery terms in relation to the revenue being recognised.	We performed specific tests to consider whether revenue has been recorded in the correct period and is free from misstatement. These were as follows: • Assessed the group's accounting policy for each material revenue stream and performed walkthrough procedures to assess the design and implementation of controls. • Evaluated management's review controls in respect of revenue recognition. • Performed substantive testing on in year sales. We documented the business processes in place for the recording of a sale in the ledger for both the UK and significant overseas components. • Our substantive testing was supported by the use of data analytics to identify any unexpected trends in revenue recognition, with focus placed on transactions around the reporting date. This also included an assessment of the flow of transactions in the significant components for any evidence of transactions outside the expected flow. • Our review also included an assessment of the appropriateness of the recognition of trade receivables, accrued income and deferred income. • We obtained details of relevant delivery terms applicable to the group and performed walkthrough tests of each determining whether these had been appropriately applied in recognising revenue in the financial statements. • We performed specific targeted testing around the reporting date, with sales listings reviewed and delivery terms obtained for a selection of significant sales. We agreed sales to supporting documentation and recorded the delivery terms for each item. The application of delivery terms was then reviewed to ensure revenue was being recognised as expected. Our assessment included a review of April 2026 sales for completeness.

Key

Ⓝ New risk

⌃ Increased risk

⊖ Same level

⌄ Decreased risk

Independent Auditors' Report continued

to the members of ECO Animal Health Group Plc

Key audit matter	How we addressed the key audit matter in the audit	
Application of IAS 38 – capitalisation and subsequent recoverability of capitalised development costs		
(–) The group's accounting policy for intangible assets is included within the accounting policies in note 2 and the components of intangible assets are set out in note 11. The group has a specific policy in relation to research and development which has been prepared in accordance with IAS 38 requirements. The net book value of capitalised development costs is £26,180k at 31 March 2026 which is a material balance within the Group financial statements. This carrying value has increased due to further capitalisation of costs during the period for projects in the full development phase and therefore progressing towards approval for commercial use. Additions for projects in development totalled £3,585k in the year ended 31 March 2026, with total net book value for this still in development at year-end, £15,331k (2025: £11,745k). These projects are subject to an impairment review on a mandatory basis due to not being amortised. There is a risk that these intangible assets are materially overstated, or that insufficient impairment or amortisation has been charged. Furthermore, there is a risk that additions in the year are capitalised incorrectly on the basis that managements judgement that the criteria of IAS 38 have been met is inappropriate. Management impairment reviews are areas that carry risks of error or fraud due to the degree of estimation uncertainty included in forecasting and discounting future cash flows, due to the assumptions made in relation to future market demand, applicable discount rates and various other macroeconomic inputs included in the impairment model. The impact of this is that the recoverable amount of capitalised development costs carries a high degree of estimation uncertainty and a potential range of reasonable outcomes greater than materiality for the financial statements.	We performed specific tests to consider whether intangible assets relating to ongoing development projects are free from misstatement. These were as follows: • Obtained and reviewed the group research and development policy and critically assessed the application of the policy in line with the IAS38 requirements. • Obtained the intangibles fixed asset register and verified the brought forward figures to the prior year signed financial statements. • For previously capitalised intangibles, we obtained an update on the approvals already in place for any evidence of changes, as well as to document the processes in place to monitor older products. We also ensured that sales related to these historically capitalised projects were taking place evidencing that they remained viable in the market. • For the development projects ongoing in the year, we obtained management's assessment and obtained supporting evidence to ensure that the treatment of these costs as development costs were appropriate and in line with IAS 38 criteria. We engaged an expert as part of this assessment to provide an update on their own assessment of the projects being capitalised and any specifics in the market that may impact the products being developed. • Tested a sample of capitalised expenditure transactions to supporting documentation and to the specific study that this related to in order to assess whether it satisfied the development costs criteria. • Discussed the relevant capitalised projects with the group's internal research and development team as well as an external expert that we engaged who specifically assessed the studies included in the additions sample, as well as the work, including the latest updates for this financial year. We considered the findings of the expert and also assessed their independence and competence.	• Obtained management's impairment assessment and critically analysed the inputs in the model and the forecasts for future revenues of the projects under development. We gained a further understanding of the processes to prepare an assessment of the viability of projects to ensure appeared reasonable. We included a review of any changes from the prior year assessment and obtained commentary from management on the reasons for the changes. • Challenged assumptions made by management in relation to the forecasts, such as expected market share, split of performance per jurisdiction and costs to complete. This included comparing historic forecasts against actual results to determine the accuracy of forecasts as well as performing stress tests on future forecasts to determine the impact. We also considered contradictory evidence and assessed rebuttals provided by management for reasonableness. • Ensured the appropriate cash flows were included in the IAS 36 impairment assessment made by management for all intangible assets. We specifically focused on the forecasts per jurisdiction and how management had formulated these cashflows. • Challenged management around the assessment of the markets and how they judged expected performance of their own products in development, particularly in overseas jurisdictions. • Reviewed the disclosures made with respect to judgements and estimates to ensure these were reasonable and provided sufficient detail in accordance with IAS 1 and our understanding of the judgements and estimates made.

Key

(N) New risk

(^) Increased risk

(–) Same level

(v) Decreased risk

Independent Auditors' Report continued

to the members of ECO Animal Health Group Plc

Our application of materiality

The scope and focus of our audit were influenced by our assessment and application of materiality. We define materiality as the magnitude of misstatement that could reasonably be expected to influence the readers and the economic decisions of the users of the financial statements. We use materiality to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

	Group Financial Statements	Parent Company Financial Statements
Materiality	£840,000 (2025: £686,000)	£503,000 (2025: £411,000)
Benchmark	This was determined as being 9.8% of adjusted EBITDA.	This was determined as 70% of group materiality.
Basis for, and judgements used in the determination of materiality	Adjusted EBITDA was selected as a benchmark as it is a prominent measure used by the directors. This metric is not only disclosed prominently within the financial statements but is also highlighted in the Chairman's statement and RNS announcements to the market, where it is presented on the face of the Statement of Profit or Loss as a non-GAAP measure. This demonstrates the significance management places on Adjusted EBITDA when assessing performance.	The parent company is a holding company and therefore there is no external trade. An allocation based on the group is therefore appropriate. 70% of group materiality has remained as the metric during the course of the audit.

Performance materiality – Performance materiality was set at 70% of materiality, being £587,000 (2025: £480,000). Our determination of performance materiality was based on our understanding of the nature of the Group, its control environment and our experience from previous audits. We obtained evidence of effective controls in place which mitigate the risk of misstatement through our assessment of them and walkthrough procedures.

Reporting threshold – The reporting threshold to the audit committee was set as 5% of materiality, being £41,950 (2025: £34,300). If, in our opinion in differences below this level warranted reporting on qualitative grounds, these would also be reported.

Differences in materiality levels from the previous audit – The materiality figure has increased in the year in line with changes in performance of the group and therefore is considered to be proportionately appropriate.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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 parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 parent 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 parent 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Independent Auditors' Report continued

to the members of ECO Animal Health Group Plc

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance and management of the group and parent company. Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Based on our understanding of the group and industry, we considered the extent to which non-compliance with laws and regulations could have a material effect on the financial statements. We also identified and considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the applicable accounting framework, the Companies Act 2006, UK and overseas tax legislation, AIM rules and pharmaceuticals regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- We obtained an understanding of how the group complies with relevant legal and regulatory frameworks through discussions with the directors and management;
- We inspected relevant tax filings and considered these and other relevant correspondence for indications of non-compliance;
- We performed specific reviews around overseas tax legislation and compliance of these components where appropriate to assess any evidence of material misstatement;
- We assessed the susceptibility of the parent company's and group's financial statements to material misstatement including how fraud might occur by considering the key risks impacting the financial statements;
- We carried out a review of manual entries recorded in management's accounting records and assessed the appropriateness of such entries;
- We challenged assumptions and judgements made by management and their critical accounting estimates; and
- We assessed whether the group's control environment is adequate for the size and operating model of such a group.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Christopher Cork
(Senior Statutory Auditor)
For and on behalf of HaysMac LLP,
Statutory Auditors

10 Queen Street Place
London EC4R 1AG
14 July 2026

Consolidated Income Statement

As at 31 March 2026

	Notes	2026 £000's	2025 £000's
Revenue	3	**87,525**	79,596
Cost of sales		**(45,028)**	(43,682)
Gross profit		**42,497**	35,914
		48.6%	45.1%
Administrative expenses		**(31,676)**	(28,727)
Research and development expenses		**(5,250)**	(3,988)
Other income	4	**147**	148
Exceptional items	5	**–**	954
Operating profit		**5,718**	4,301
Share of profit of associate	15	**36**	50
Finance income	6	**79**	110
Profit before financing and income tax		**5,833**	4,461
Finance costs	6	**(399)**	(452)
Profit before income tax		**5,434**	4,009
Income tax charge	8	**(1,779)**	(1,375)
Profit for the year		**3,655**	2,634
Profit attributable to:			
Owners of the parent Company		**2,190**	1,686
Non-controlling interest	26	**1,465**	948
Profit for the year		**3,655**	2,634
Earnings per share (pence)	7	**3.26**	2.49
Diluted earnings per share (pence)	7	**3.15**	2.43
Adjusted EBITDA (Non-GAAP measure)	5	**8,540**	7,299

The notes on pages 53 to 88 form part of these financial statements.

Consolidated Statement of Comprehensive Income

As at 31 March 2026

	Notes	2026 £000's	2025 £000's
Profit for the year		**3,655**	2,634
Other comprehensive income/(loss):			
Items that may be reclassified to profit or loss:			
Foreign currency translation differences		**152**	(368)
Items that will not be reclassified to profit or loss:			
Deferred tax on property revaluations			
Remeasurement of defined benefit pension schemes	23	**(154)**	(14)
Other comprehensive income/(loss) for the year		**(2)**	(382)
Total comprehensive income for the year		**3,653**	2,252
Attributable to:			
Owners of the parent Company		**2,016**	1,611
Non-controlling interest	26	**1,637**	641
		3,653	2,252

The notes on pages 53 to 88 form part of these financial statements.

Consolidated Statement of Changes in Equity

As at 31 March 2026

	Share Capital	Share Premium	Revaluation Reserve	Treasury Shares Reserve	Other Reserves	Foreign Exchange Reserve	Retained Earnings	Total	Non-controlling Interest	Total Equity
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Balance at 31 March 2024	**3,387**	**63,319**	**271**	**–**	**106**	**788**	**15,819**	**83,690**	**9,690**	**93,380**
Profit for the year	–	–	–	–	–	–	1,686	1,686	948	2,634
Other comprehensive income:										
Foreign currency differences	–	–	–	–	–	(41)	(20)	(61)	(307)	(368)
Actuarial gains on pension scheme assets	–	–	–	–	–	–	(14)	(14)	–	(14)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**(41)**	**1,652**	**1,611**	**641**	**2,252**
Transactions with owners:										
Issue of shares in the year	1	–	–	–	–	–	–	1	–	1
Acquisition of shares by EBT	–	–	–	(204)	–	–	–	(204)	–	(204)
Share-based payments	–	–	–	–	–	–	401	401	–	401
Dividends	–	–	–	–	–	–	–	–	(1,065)	(1,065)
Transactions with owners	**1**	**–**	**–**	**(204)**	**–**	**–**	**401**	**198**	**(1,065)**	**(867)**
Balance at 31 March 2025	**3,388**	**63,319**	**271**	**(204)**	**106**	**747**	**17,872**	**85,499**	**9,266**	**94,765**
Profit for the year	–	–	–	–	–	–	2,190	2,190	1,465	3,655
Other comprehensive income:										
Foreign currency differences	–	–	–	–	–	(20)	–	(20)	172	152
Actuarial gains on pension scheme assets	–	–	–	–	–	–	(154)	(154)	–	(154)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**(20)**	**2,036**	**2,016**	**1,637**	**3,653**
Transactions with owners:										
Acquisition of shares by EBT	–	–	–	(732)	–	–	(18)	(750)	–	(750)
Share-based payments	–	–	–	–	–	–	330	330	–	330
Dividends	–	–	–	–	–	–	–	–	(2,494)	(2,494)
Transactions with owners	**–**	**–**	**–**	**(732)**	**–**	**–**	**312**	**(420)**	**(2,494)**	**(2,914)**
Balance at 31 March 2026	**3,388**	**63,319**	**271**	**(936)**	**106**	**727**	**20,220**	**87,095**	**8,409**	**95,504**

The notes on pages 53 to 88 form part of these financial statements.

Company Statement of Changes in Equity

As at 31 March 2026

	Share Capital	Share Premium	Revaluation Reserve	Treasury Shares Reserve	Other Reserves	Retained Earnings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Balance at 31 March 2024	**3,387**	**63,319**	**–**	**–**	**106**	**6,920**	**73,732**
Loss for the year	–	–	–	–	–	(658)	(658)
Other comprehensive income:							
Actuarial gains on pension scheme assets	–	–	–	–	–	(14)	(14)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**(672)**	**(672)**
Transactions with owners:							
Issue of shares in the year	1	–	–	–	–	–	1
Acquisition of shares by EBT	–	–	–	(204)	–	–	(204)
Share-based payments	–	–	–	–	–	401	401
Transactions with owners	**1**	**–**	**–**	**(204)**	**–**	**401**	**198**
Balance at 31 March 2025	**3,388**	**63,319**	**–**	**(204)**	**106**	**6,649**	**73,258**
Loss for the year	–	–	–	–	–	629	629
Other comprehensive income:							
Actuarial gains on pension scheme assets	–	–	–	–	–	(154)	(154)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**475**	**475**
Transactions with owners:							
Acquisition of shares by EBT	–	–	–	(732)	–	(18)	(750)
Share-based payments	–	–	–	–	–	330	330
Transactions with owners	**–**	**–**	**–**	**(732)**	**–**	**312**	**(420)**
Balance at 31 March 2026	**3,388**	**63,319**	**–**	**(936)**	**106**	**7,436**	**73,313**

The notes on pages 53 to 88 form part of these financial statements.

Consolidated Statement of Financial Position

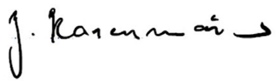
As at 31 March 2026

		Group		Company	
		2026	2025	**2026**	2025
	Notes	**£000's**	£000's	**£000's**	£000's
Non-current assets					
Intangible assets	11	**44,279**	41,834	**–**	–
Property, plant and equipment	12	**3,438**	4,038	**–**	–
Right-of-use assets	14	**4,524**	3,399	**6**	20
Investments	15	**324**	316	**22,020**	21,690
Amounts due from subsidiary company	17	**–**	–	**51,104**	48,937
Deferred tax assets	18	**1,496**	1,074	**–**	–
Total non-current assets		**54,061**	50,661	**73,130**	70,647
Current assets					
Inventories	16	**13,510**	14,553	**–**	–
Trade and other receivables	17	**23,955**	28,516	**387**	1,664
Income tax recoverable	13	**345**	1,143	**–**	–
Other taxes and social security		**1,252**	724	**638**	182
Cash and cash equivalents	19	**25,432**	25,006	**133**	1,515
Total current assets		**64,494**	69,942	**1,158**	3,361
TOTAL ASSETS		**118,555**	120,603	**74,288**	74,008
Current Liabilities					
Trade and other payables	20	**(11,949)**	(15,071)	**(862)**	(673)
Provisions	22	**(5,359)**	(4,964)	**–**	–
Income tax payable	13	**(625)**	(801)	**–**	–
Other taxes and social security payable		**(128)**	(305)	**–**	–
Lease liabilities	21	**(760)**	(621)	**(5)**	(15)
Dividends		**(50)**	(50)	**(50)**	(50)
Total current liabilities		**(18,871)**	(21,812)	**(917)**	(738)
Net current assets		**45,623**	48,130	**241**	2,623
Total assets less current liabilities		**99,684**	98,791	**73,371**	73,270

		Group		Company	
		2026	2025	**2026**	2025
	Notes	**£000's**	£000's	**£000's**	£000's
Non-current liabilities					
Deferred tax liabilities	18	**(7)**	(862)	**(58)**	(9)
Lease liabilities	21	**(4,173)**	(3,164)	**–**	(3)
TOTAL ASSETS LESS TOTAL LIABILITIES		**95,504**	94,765	**73,313**	73,258
EQUITY					
Issued share capital	25	**3,388**	3,388	**3,388**	3,388
Share premium account		**63,319**	63,319	**63,319**	63,319
Revaluation reserve	27	**271**	271	**–**	–
Treasury shares reserve	27	**(936)**	(204)	**(936)**	(204)
Other reserves	27	**106**	106	**106**	106
Foreign exchange reserve	27	**727**	747	**–**	–
Retained earnings		**20,220**	17,872	**7,436**	6,649
Shareholders' funds		**87,095**	85,499	**73,313**	73,258
Non-controlling interests	26	**8,409**	9,266	**–**	–
TOTAL EQUITY		**95,504**	94,765	**73,313**	73,258

The notes on pages 53 to 88 form part of these financial statements.

Approved by the Board and authorised for issue on 14 July 2026.



Joachim Hasenmaier
Chairman

Consolidated Cash Flow Statement

As at 31 March 2026

		Group		Company	
		2026	2025	**2026**	2025
	Notes	**£000's**	£000's	**£000's**	£000's
Cash flows from operating activities					
Profit before income tax		**5,434**	4,009	**499**	(725)
Adjustment for:					
Finance income	6	**(79)**	(110)	**(992)**	(1,124)
Finance cost	6	**399**	452	**3**	4
Foreign exchange (gain)/loss	5	**(172)**	720	**(55)**	(132)
Depreciation	12	**860**	984	**–**	–
Amortisation of right-of-use assets	14	**664**	681	**–**	32
Amortisation of intangible assets	11	**1,140**	1,166	**–**	–
Share of associate's results	15	**(36)**	(50)	**–**	–
Share based payment charge	24	**330**	401	**–**	162
Exceptional items	5	**–**	(954)	**–**	–
Operating cash flows before movements in working capital		**8,540**	7,299	**(545)**	(1,783)
Decrease in inventory		**1,243**	2,088	**–**	–
Decrease/(increase) in receivables		**4,494**	4,156	**(1,345)**	1,995
(Decrease)/increase in payables		**(3,940)**	(1,339)	**188**	(211)
Decrease in provision and pensions		**(117)**	(90)	**(154)**	(14)
Cash generated from/(used in) operations		**10,220**	12,114	**(1,856)**	(13)
Finance costs	6	**(112)**	(200)	**(2)**	–
Income tax		**(2,453)**	(1,466)	**(20)**	(9)
Net cash from/(used in) operations		**7,655**	10,448	**(1,878)**	(22)

		Group		Company	
		2026	2025	**2026**	2025
	Notes	**£000's**	£000's	**£000's**	£000's
Cash flows from investing activities					
Acquisition of property, plant and equipment	12	**(192)**	(356)	**–**	–
Purchase of intangibles	11	**(3,585)**	(4,648)	**–**	–
Net cash flow from disposal and acquisition activities	16	**–**	288	**–**	–
Finance income	6	**79**	110	**992**	1,124
Dividends received		**–**	–	**199**	85
Net cash (used in)/from investing activities		**(3,698)**	(4,606)	**1,191**	1,209
Cash flows from financing activities					
Proceeds from issue of share capital		**–**	1	**–**	1
Acquisition of shares by EBT		**(750)**	–	**(750)**	–
Interest paid on lease liabilities	21	**(287)**	(252)	**(1)**	(4)
Principal paid on lease liabilities	21	**(674)**	(638)	**2**	(38)
Dividends paid		**(2,494)**	(1,065)	**–**	–
Net cash used in financing activities		**(4,205)**	(1,954)	**(749)**	(41)
Net (decrease)/increase in cash and cash equivalents		**(248)**	3,888	**(1,436)**	1,146
Foreign exchange movements		**674**	(1,256)	**54**	6
Balance at the beginning of the period		**25,006**	22,374	**1,515**	363
Balance at the end of the period	19	**25,432**	25,006	**133**	1,515

The notes on pages 53 to 88 form part of these financial statements.

Notes to the Consolidated Financial Statements

As at 31 March 2026

1. General information

ECO Animal Health Group plc ("the Company") and its subsidiaries (together "the Group") manufacture and supply animal health products globally.

The Company is traded on the AIM market of the London Stock Exchange and is incorporated and domiciled in the UK. The address of its registered office is The Grange, 100 High Street, Southgate, N14 6BN.

2. Summary of the Group and Company's significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with UK-adopted International Financial Reporting Standards. There were no changes to accounting policies on adoption of UK IFRSs.

The preparation of financial statements, in accordance with UK-adopted international accounting standards, requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Further details of estimates and judgements are provided in note 2.29 and 2.30.

The principal accounting policies are set out below and have been applied consistently in dealing with items which are considered material in relation to the financial statements. They are prepared under the historical cost convention with the exception of certain items which are measured at fair value as described in the accounting policies below.

Going concern

After making appropriate enquiries, the Directors have, at the time of approving the financial statements, formed a judgement that there is a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

This conclusion is based on a review of the resources available to the Group, taking account of the Group's financial projections together with available cash and committed borrowing facilities. The Directors have performed a reverse stress test on the business, by considering what quantum of revenue and gross margin reduction would be required to exhaust all available funds within 12 months of the date of approving the accounts, having due regard to the identified strategic risks. The Directors concluded that the likelihood of such a reduction was remote, and therefore that no material uncertainty exists in respect of going concern.

2.2 Adoption of new and revised standards

The below are the standards and amendments that are new/amended for accounting periods that begin on or after 1 January 2025 and have been adopted by the Group in the current financial year:

- Lack of Exchangeability (Amendments to IAS 21); and
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).

No new standards or amendments that became effective in the financial year ended 31 March 2026 had a material impact in preparing these financial statements.

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the IASB that are mandatorily effective for an accounting period that begins on or after 1 January 2026. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements:

- IFRS 7 & 9: Amendments to the classification and measurement of financial instruments;
- IFRS 7 & 9: Contracts referencing Nature-dependent Electricity;
- Annual improvements to IFRS Accounting Standards – Volume 11;
- IFRS 1: Practice Statement 1 Management Commentary; and
- Disclosures about Uncertainties in the Financial Statements.

Certain standards, amendments to, and interpretations of, published standards have been published that are mandatory for the Group's accounting years beginning on or after 1 January 2027 or later years and which the Group has decided not to adopt early:

- IFRS 18: Presentation and Disclosure in Financial Statements;
- IFRS 19: Subsidiaries without Public Accountability Disclosures; and
- Amendments to IAS 21: Translation to a Hyperinflationary Presentation Currency.

Beyond the information above, it is not practicable to provide a reasonable estimate of the effect of these future standards until a detailed review has been completed.

2.3 Basis of consolidation

The consolidated financial statements comprise the accounts of the Company and its subsidiaries drawn up to 31 March 2026.

An entity is classed as a subsidiary of the Company when, as a result of contractual arrangements, the Company has the power to govern its financial and operating policies so as to obtain benefits from its activities.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value, the difference is recognised directly in the income statement.

Accounting policies of subsidiaries have been changed where material to ensure consistency with the policies adopted by the Group. Although the subsidiaries in Brazil and China and the joint operations in the USA and Canada all have December year ends, the Group uses management accounts to the end of March to prepare the Group accounts.

Subsidiaries are wholly consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation.

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

2. Summary of the Group and Company's significant accounting policies continued

2.3 Basis of consolidation continued

The Group initially recognises any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses. The Group has not elected to take the option to use fair value in acquisitions completed to date.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision-maker. The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Board.

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('functional currency'). The consolidated and Company financial statements are presented in Pounds Sterling, which is the Group and the Company's functional currency.

(b) Transactions and balances

Monetary assets and liabilities denominated in foreign currencies are translated into Pounds Sterling at the rates of exchange ruling at the date of the financial statements.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement within administrative expenses.

Foreign exchange gains and losses that relate to borrowing and cash and cash equivalents are presented in the income statement within administrative expenses.

(c) Group companies

The results and financial position of all Group entities that have a functional currency different from the Group's functional and presentation currency are translated into the Group's functional and presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing exchange rate at the date of the statement of financial position;
- income and expenses for each income statement are translated at average exchange rates unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case the income and expenses are translated at the rate on the dates of the transaction; and
- all resulting exchange differences are recognised through other comprehensive income as a separate component of equity.

When a foreign operation is partially disposed or sold, exchange differences that were recognised in equity are recognised in the income statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rate.

2.6 Financial instruments

Financial assets

Financial assets comprise mainly trade and other receivables and cash and cash equivalents in the consolidated statement of financial position. These financial assets arise principally from the provision of goods to customers and are measured at amortised cost.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed with reference to historical data adjusted by forward-looking information. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the consolidated income statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, 12-month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The group uses forward foreign exchange contracts to manage its currency exposure. Certain foreign currency inflows that would typically be translated to sterling at spot to meet liabilities are sold forward to reduce the Group's exposure to fluctuations in exchange rates. The group has not opted to use hedge accounting for these instruments, and any changes in fair value are recognised in the income statement.

Financial liabilities

Financial liabilities comprise mainly trade and other payables and bank overdrafts in the consolidated statement of financial position. These financial liabilities are initially recognised at fair value and subsequently measured at amortised cost in accordance with IFRS 9.

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

2. Summary of the Group and Company's significant accounting policies continued

2.7 Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the costs of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Please refer to note 11 for further details.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not subject to amortisation but is tested for impairment annually. The impairment test requires an allocation of the goodwill balance to the cash-generating units that are expected to benefit from the synergies of the combination. The balance is then compared with the present values of the cash flows expected to be generated by that cash-generating unit. In practice the cash generating units to which goodwill is allocated correspond with the operating segments identified in note 3.

Negative goodwill arising on an acquisition is recognised directly in the income statement. On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss recognised in the income statement on disposal. Goodwill arising before the date of transition to IFRS, on 1 April 2004, has been retained at the previous UK GAAP amounts, subject to being tested for impairment at that date. Goodwill written off to reserves under UK GAAP prior to 1998 has not been reinstated and is not included in determining any subsequent profit or loss on disposal.

2.8 Other intangible assets

Other intangibles are detailed in note 11. IAS 38 – Intangible Assets includes guidance on the accounting for research and development expenditure. Such an intangible asset is a resource that is controlled by the entity as a result of past events (for example, purchase or self-creation) and from which future economic benefits (inflows of cash or other assets) are expected. The three critical attributes of an intangible asset are:

- identifiability;
- control (power to obtain benefits from the asset); and
- future economic benefits (such as revenues or reduced future costs).

Identifiability

An intangible asset is identifiable when it:

- is separable (capable of being separated and sold, transferred, licensed, rented, or exchanged, either individually or together with a related contract); or
- arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

Development expenditure – whether purchased or self-created (internally generated) is an example of an intangible asset, governed under IAS 38.

Recognition criteria

IAS 38 requires an entity to recognise an intangible asset (at cost) if, and only if:

- it is probable that the future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

IAS 38 includes additional recognition criteria for internally generated intangible assets.

Expenditure on the research phase of an internal project is expensed as incurred. Expenditure in the development phase of an internal project is capitalised if the entity can demonstrate:

a) the technical feasibility of completing the intangible asset so that it will be available for use or sale.
b) its intention to complete the intangible asset and use or sell it.
c) its ability to use or sell the intangible asset.
d) how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The probability of future economic benefits must be based on reasonable and supportable assumptions about conditions that will exist over the life of the asset.

If an entity cannot distinguish the research phase of an internal project to create an intangible asset from the development phase, the entity treats the expenditure for that project as if it were incurred in the research phase only.

The Group context of IAS 38

Since the early start-up stages of the business, the Group has and continues to invest significant expenditure in research and development into new animal treatments and therapies. This has resulted in a significant family of pharmaceutical treatments for pigs and poultry. Branded as Aivlosin®, this product has developed over 20 years into treatments for multiple respiratory and intestinal infections – each of which have separate regulatory and marketing approvals in each target market. The work to bring Aivlosin® from the laboratory to the commercial farm has moved through the classical phases of pharmaceutical development and the ECO Animal Health R&D model can be described by the following broad phases:

- The discovery phase – in vitro, in laboratory.
- The proof of concept phase – key efficacy trials in small groups of animals.
- The exploratory development phase – optimisation of dose, economic validation.
- The full development phase – building the data set for dossier submission.
- Submission of an application for regulatory approval.
- Marketing and regulatory approval granted – commercial revenue begins.

The application of the principles of IAS 38 to the above model is to treat expenditure on research and development as an expense until the likely commercial benefits that will flow from the project can be judged to be highly probable. This means that the technical feasibility (judged by reference to efficacy) must be certain, the economic feasibility (judged by reference to manufacturing methodology, market intelligence, overall programme cost) has to be highly probable and the likelihood of gaining regulatory approval must be judged to be highly probable. The Directors consider that capitalisation will generally commence once a project enters the full development phase.

In practice, work that is undertaken to build towards regulatory approval for a new treatment claim using Aivlosin®, vaccines or other technologies, or an approval for marketing new technologies of applications in a new geographical market can be viewed as starting at the full development phase and are likely to meet the capitalisation criteria whereas costs in relation to some of the Group's recently announced projects, on vaccine development, for example, are likely to meet the capitalisation requirements once they are approved internally to commence the full development phase, subject to careful consideration of residual technical feasibility/risk.

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

2. Summary of the Group and Company's significant accounting policies continued

2.8 Other intangible assets continued

The Group context of IAS 38 continued

The Group's R&D team prepare a technical profile for new products in development, with timings for development activity reflecting the technical challenges that must be overcome in order to obtain a marketing authorisation for the relevant regulator. In turn the R&D team work with the Group's marketing team to develop a business case for a new product by considering a number of additional factors. These additional factors will include local intelligence on the appetite for new products gathered through the Group's global network of existing sales channels, third-party data on the size of potential markets for new products, and suitable pricing strategies in the context of potential competitor products.

Amortisation of capitalised expenditure is determined with reference to the point at which regulatory approval is given to the product to which the expenditure relates. For historic periods, the approach adopted has been to amalgamate the expenditure incurred on all projects relating to the same product since the last regulatory approval and then identify the next nearest regulatory approval given for that product in either the same or a subsequent half-year. Amortisation begins in the half-year following the receipt of regulatory approval. A full six months of amortisation is charged in the first half-year for which costs are amortised.

Where it is possible to allocate an individual capitalised cost to a single identifiable project the start date for amortisation is the half-year following the half-year period in which the project receives regulatory approval. Where regulatory approval has not been received for a project, the amortisation has not started.

Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Aivlosin®	5% on cost
Ecomectin®	10% on cost
Vaccines	5% on cost
Trademarks and patents	10% on cost

2.9 Property, plant and equipment and depreciation

Plant and equipment are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	10%–20% on cost
Fixtures, fittings and equipment	10%–20% on cost
Motor vehicles	25% on cost
Leasehold improvement	18%–25% on cost

Freehold land and buildings valuations are measured as a level 3 recurring fair value measurement. The property is professionally valued by a qualified surveyor at least once every three years. Surpluses (which are not reversals of previous deficits) arising from the periodic valuations are taken to other comprehensive income, and deficits (which are not reversals of previous surpluses) are taken to the income statement within administrative expenses. Depreciation is provided at a rate calculated to expense the valuation less estimated residual value over the remaining useful life of the building at a rate of 2% per annum on a straight-line basis. Land is not depreciated.

2.10 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each year end to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated in order to determine the impairment loss if any. The recoverable amount is the higher of its fair value and its value in use. For intangible assets with an indefinite useful life or not available for use, an impairment test is performed at each year end.

In assessing value in use, the expected future cash flows from the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised in the income statement whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

A previously recognised impairment loss for costs other than goodwill is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior years and no reversal of impairment losses recognised on goodwill.

2.11 Investments in subsidiaries

An investment in a subsidiary is where the Group own a controlling interest in an entity. Investments in subsidiaries are stated at cost less impairment in the parent Company's statement of financial position.

Other non-current asset investments are stated at fair value. They are recognised or derecognised on the date when the contract for acquisition or disposal requires the delivery of that investment.

Investments are assessed for impairment at the end of each reporting period. An impairment is recognised in profit or loss when the recoverable amount of an asset is less than its carrying amount, with the value of any impairment being the difference between the recoverable amount and carrying amount.

Impairments can be reversed in subsequent periods where there is any indication that the impairment loss recognised in a prior period may no longer exist or have decreased.

During the year the Group established an Employee Share Ownership Trust (the 'ESOT'). The assets, liabilities and returns of the ESOT are consolidated within the results of the ESOT's sponsoring company, ECO Animal Health Group plc.

During the year the ESOT acquired shares in ECO Animal Health Group plc. The shares held by the ESOT are treated as treasury shares in the accounts of ECO Animal Health Group plc.

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

2. Summary of the Group and Company's significant accounting policies continued

2.12 Joint arrangements

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control; that is, when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

The Group classifies its interests in joint arrangements as either:

- Joint ventures: where the Group has rights to only the net assets of the joint arrangement; or
- Joint operations: where the Group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement;
- The legal form of joint arrangements structured through a separate vehicle;
- The contractual terms of the joint arrangement agreement;
- Any other facts and circumstances (including any other contractual arrangements).

The Group has interests in joint operations. The Group recognises its share of the assets, liabilities, income, expenses and cash flows of joint operations combined with the equivalent items in the consolidated financial statements on a line-by-line basis.

2.13 Investments in associates

An associate is an entity in which an investor has significant influence but not control or joint control. Significant influence is defined as "the power to participate in the financial and operating policy decisions but not to control them".

The Group reports its interests in associates using the equity method of accounting. Under this method, an equity investment is initially recorded at cost (subject to initial fair value adjustment if acquired as part of the acquisition of a subsidiary) and is subsequently adjusted to reflect the Group's share of the net profit or loss of the associate. If the Group's share of losses of an associate equal or exceed its "interest in the associate", the Group discontinues recognising its share of further losses. If the associate subsequently reports profits, the investor resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

2.14 Leasing

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases under IFRS 16, except for short-term leases and leases of low-value assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease, which is the date the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.10 for further details.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term. The lease liabilities include the present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (for example, changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Notes to the Consolidated Financial Statements continued
As at 31 March 2026

2. Summary of the Group and Company's significant accounting policies continued

2.14 Leasing continued

Extension and termination options
Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Recognition exemptions
The Group applies the short-term lease recognition exemption to its short-term leases, being those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

The Group also applies the recognition exemption to leases of which the underlying asset is of low value, comprising assets below the Group's capitalisation threshold. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Practical expedients
The Group applies a single discount rate to a portfolio of leases with reasonably similar characteristics.

2.15 Inventories
Inventories are valued at the lower of cost and net realisable value. Cost is determined using the historical batch price of the principal raw materials and the weighted average cost for other ingredients and other product costs. The cost of finished goods comprises raw materials, packaging costs and sub-contracted manufacturing costs. Net realisable value is the estimated selling price in the ordinary course of business, less any costs which would be incurred in completing the goods ready for sale.

2.16 Trade receivables
Trade receivables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Trade receivables are presented net of discounts or other variable consideration adjustments earned, where the expectation and intention is to settle the balance net. Impairment provisions are recognised based on the simplified approach in accordance with IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. See impairment section in section '2.6 Financial instruments' for more details.

2.17 Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held on call with banks, and other short term highly liquid investments with original maturities of three months or less. For the purpose of the statement of cash flows, bank overdrafts are included in the presentation of cash and cash equivalents.

2.18 Financial liabilities and equity
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in assets after deducting all of its liabilities.

2.19 Bank borrowings and loans
Interest-bearing bank loans and overdrafts are recorded as the proceeds received, net of direct issue costs (which equate to fair value). Finance charges including premiums payable on settlement or redemption and direct issue costs are accounted for on an amortised cost basis in profit or loss using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

2.20 Trade payables
Trade payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

2.21 Provisions and contingent liabilities
Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation outstanding at the year end and are discounted to present value where the effect is material.

A contingent liability is disclosed where there is a possible obligation arising from a past event and whose existence and valuation will be confirmed only by the occurrence or non-occurrence of a future event. A contingent liability is also disclosed if the outflow in respect of the past event is neither probable nor remote, or if it is not possible to measure the obligation with sufficient reliability.

Notes to the Consolidated Financial Statements continued
As at 31 March 2026

2. Summary of the Group and Company's significant accounting policies continued

2.22 Revenue recognition
Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. The Group's revenue is principally derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This point in time is determined with reference to INCO terms with that customer, with control of goods deemed to have transferred as per the relevant INCO terms. The most common terms used by the Group are Carriage, Insurance and Freight (CIF), Free On Board (FOB), ExWorks (EXW) and Carriage and Insurance Paid to (CIP).

- For transactions under CIF and FOB, the revenue is recognised at the point the goods are loaded onto the vessel or aircraft and a bill of lading or airway bill is issued.
- For transactions under EXW, the revenue is recognised at the point the goods are collected from the Group's warehouses or factory.
- For transactions under CIP, the revenue is recognised at the point the goods are loaded on to a truck at the designated point of departure and a loading note is issued.

Revenue is shown net of value added tax, returns, rebates and discounts and after eliminating sales within the Group. Transaction price is determined by the contract and variable consideration relating to discounts, free goods or volume rebates has been constrained in estimating contract revenue that is highly probable by using the most likely amount method.

The Group's contracts for delivery of goods are less than 12 months; there are no warranties within its sales contracts.

Revenue is recognised when the performance obligation is fulfilled, and the amount can be measured reliably. The performance obligation is fulfilled when control of the goods passes to the customer, which is normally in accordance with Incoterms or receipt by customer. No goods are dispatched on a sale or return basis. Distributors trade on their own account and not as agents.

The Group also receives interest and royalty income, which are recognised on an accrual basis.

2.23 Pensions
Defined contribution scheme
The pension costs charged against operating profits represent the amount of the contributions payable to the schemes in respect of the accounting period.

Defined benefit scheme
The regular cost of providing retirement pensions and related benefits is charged to the income statement over the employees' service lives on the basis of a constant percentage of earnings. The present value of the defined benefit obligation less the fair value of the plan assets is disclosed as an asset or liability in the statement of financial position in accordance with IAS 19. The disclosure of a net defined benefit asset is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan. Actuarial gains or losses are recognised through other comprehensive income.

2.24 Share-based payments
The Group issues equity-settled share options to certain employees in exchange for services from those employees. Equity-settled share options are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant.

The fair value determined at the grant date of such equity-settled share options is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions (with a corresponding movement in equity).

Fair value is measured by use of the Black-Scholes model for those options granted with non-market performance conditions. The expected life used in the model has been established based on management's best estimate of the effects of non-transferability, exercise restrictions and behaviour considerations.

In addition, the binomial model has been used to model future market outcomes for those options granted with a market performance condition.

Further details of the inputs to the Black-Scholes and the binomial model can be found in note 24 to the accounts.

Share-based payment charges are credited to retained earnings.

2.25 Taxation
Tax expense for the period comprises current and deferred tax.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the year end. Tax expenses are recognised in profit or loss or other comprehensive income according to the treatment of the transactions which give rise to them.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amount in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the date of the statement of financial position and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

IFRIC 23 Uncertainty over Income Tax Treatments
IFRIC 23 provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The interpretation requires:

- the Group to determine whether uncertain tax treatments should be considered separately or together as a group, based on which approach provides better predictions of the resolution;
- the Group to determine if it is probable that the tax authorities will accept the uncertain tax treatment; and
- if it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty. The measurement is required to be based on the assumption that each of the tax authorities will examine amounts they have a right to examine and have full knowledge of all related information when making those examinations.

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

2. Summary of the Group and Company's significant accounting policies continued

2.26 Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Amounts arising on the restructuring of equity and reserves to protect creditor interests are credited to the capital redemption reserve.

Amounts arising from share-based payment expenses are recorded within retained earnings.

The cost of its own shares bought into treasury is debited to retained earnings as required by the Companies Act 2006. A subsequent sale of these shares would result in this entry being wholly or partly reversed with any profit on the sale being credited to share premium.

Amounts arising from the revaluation of non-monetary assets and liabilities held in foreign subsidiaries, and joint operations are held within the foreign exchange revaluation reserve.

2.27 Non-controlling interest

For each business combination, the Group elects to measure any non-controlling interest in the acquiree either at fair value or at their proportionate share of the acquiree's identifiable net assets. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owner. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognised in the statement of profit or loss.

2.28 Dividend distribution

Dividends are recorded when they become a legal obligation of the Company. For final dividends, this will be when they are approved by the shareholders at the AGM. For interim dividends, this will be when they have been paid.

2.29 Critical accounting estimates

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted).
- Level 2: Observable direct or indirect inputs other than level 1 inputs.
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of inputs used that has a significant effect on the fair value measurement of the item.

The Group measures a number of items at fair value, including:

- land and buildings (note 12);
- forward foreign exchange contracts;
- pension and other post-retirement benefit commitments (note 23);
- share-based payments (note 24); and
- initial recognition of financial instruments (note 31).

For more detailed information in relation to the fair value measure of the items above, please refer to the applicable notes.

Pension scheme

The Group maintains one defined benefit pension scheme which has been accounted for according to the provisions of IAS 19. Although the assumptions were determined by a qualified actuary, any change in those assumptions may materially impact the financial position and results of the Group. Details of the assumptions used can be found in note 23 of the financial statements.

Share-based payments

The charge to the income statement in respect of share-based payments has been externally calculated using management's best estimates of the number of options expected to vest and various other inputs to the Black-Scholes and the binomial model, as disclosed in note 24. Variations in those assumptions in the model may have a material impact on the Group's results and financial position at the time of valuation. Those options that contain market conditions have been valued using the binomial model, and those without have been calculated using the Black-Scholes model. Management assesses whether the charge or vested portion should be amended based on an annual reassessment of the likelihood of non-market based vesting conditions being met.

Leases – estimating the incremental borrowing rate

Where the Group cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

In practice, the Group considered the following aspects in the assessment of IBR. Once decided, the IBR will remain unchanged unless there are modifications in lease terms or changes in the assessment of an option to purchase the underlying asset.

A base rate that reflects economic environment and the term of the lease. This is mainly derived from the yield of a government bond issued by the country in which the Group has in scope leases. Where the term of the lease does not conform with the maturity period of the bond, the Group considered other available information such as yields on the bonds with the nearest maturity period, or the yield curve published by the country's treasury department. Considering there is often a difference in the cash flow profile between a lease and government bond, the Group has decided to reduce the base rate by 0.05% to 0.10%.

Financing factors that reflect the lessee companies' risk premium on borrowing. Management considered the financial strength and credit risk of the lessee companies and has estimated the credit spread to be in the range of 1.50% to 5.00%.

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

2. Summary of the Group and Company's significant accounting policies continued

2.29 Critical accounting estimates continued

Leases – estimating the incremental borrowing rate continued

Asset factors that reflect the quality of hypothetical security. Depending on the location and type of underlying assets, the Group expects the quality of security in this hypothetical borrowing transaction to vary. For example, the right to use a warehouse in rural areas may provide less relevant security compared to a commercial office in a major city's central business district. Based on the Group's assessment, the asset factor ranges between -0.45% to -0.50%.

The following are the critical judgements that have been made in the process of applying the Group's accounting policies and have the most significant effects on the amounts recognised in financial statements.

Income taxes

The Group is subject to income taxes in the United Kingdom and also in other jurisdictions.

Significant judgements are required in determining the provision for income taxes including the use of tax losses and in estimating deferred tax assets arising from unused tax losses or credits. There are some transactions and calculations for which the ultimate tax determination is uncertain, including tax credits for research and development expenditures. The Group recognises assets and liabilities based on estimates of the final agreed position.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets on timing differences are recognised to the extent by which the Directors estimate that future profits will be generated to utilise the underlying costs or losses to which they relate. The Directors use forecasts of future performance to determine the likelihood and timing of future taxable profits. In turn expectations about the Group's product portfolio and future product releases inform this assessment.

2.30 Critical accounting judgements

Capitalisation of intangible assets

The Group assesses development costs incurred for capitalisation in accordance with the requirements of IAS 38 and the Group's accounting policy described in note 2.8. In carrying out its assessment the Group considers a range of factors, each of which requires the use of judgement, in consultation with the new product development team. Factors considered include: the stage of development and assessment of technical and commercial feasibility of the project; the size of the markets in which the Group currently sells products; and the size of any additional markets in which the Group intends to sell the product. For key development projects, where there is a higher degree of estimation uncertainty over future product releases, independent external consultants are engaged to validate both technical progress and the overall market appetite for the new product in order to ensure that it remains reasonable to capitalise associated project costs.

Impairment review of intangible assets

The Group tests annually whether goodwill or other intangible assets with indefinite life, or not yet available for use, have suffered any impairment. Other intangible assets are reviewed for impairment when an indication of potential impairment exists. Impairment provisions are recorded as applicable based on Directors' estimates of recoverable values.

The impairment test requires an allocation of the intangible asset value to the cash-generating units that are expected to benefit from the synergies of the combination. The balance is then compared with the present values of the cash flows expected to be generated by that cash-generating unit. In practice the cash generating units to which goodwill is allocated correspond with the operating segments identified in note 3.

The recoverable amounts of the cash-generating units (CGUs) to which intangible assets are allocated are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding discount rates, growth rates and the assumption of an indefinite future life for the assets giving rise to the cash flows. Where intangible assets relate to future product releases the key assumptions also relate to forecasts for market share and product pricing. The Group also reviews and quantifies the tax implications related to any recognised impairments and these are included within tax calculations as appropriate.

Further details of the impairment reviews performed can be found in note 11 of the financial statements.

Provisions

Certain aspects of a sales tax related to imported products in a Group subsidiary might have been applicable. The subsidiary has been importing an increasing volume of product in recent years but has recently implemented for its largest customer a new system to avoid this possible dispute. This matter has been reviewed by the groups local tax experts but is subject to further review of the tax legislation and ongoing case law. No tax payment has yet been determined. However, a substantial tax settlement may be required in due course and a provision has been recognised based on the principles outlined by IFRIC 23 Uncertainty over Income Tax Treatments.

The Group has disclosed a contingent liability in respect of payroll-related obligations in one of the Group's subsidiaries. There is uncertainty in this matter over whether the obligations will give rise to an outflow of resources and also over the quantum of any outflow, meaning that its treatment inherently incorporates the exercise of judgement and estimation uncertainty. Management have sought advice and applied judgement in reaching their conclusion that this matter is appropriately disclosed as a contingent liability.

Accounting for ECO Biok as a subsidiary

The Group has determined that it has control over Zhejiang ECO Biok Animal Health Products Limited ('ECO Biok') and its results are therefore consolidated within the Group accounts. The Group owns a 51% interest in ECO Biok, although decisions are made jointly, it is the entity through which the Group has chosen to enter the Chinese market. ECO Biok depends on the Group for the right to sell Aivlosin® products, which gives the Group power over ECO Biok's activities. Therefore it is appropriate to treat ECO Biok as a subsidiary.

Calculation of expected credit loss

The Group assesses on an annual basis the expected credit loss on the receivable it holds as at the balance sheet date. It does so by using the higher of historic loss rates experienced by the group, or a wider measure of likely default at a country or regional level and applying this against the receivable balance when profiled for age and origin.

Where there is indicator of possible non-recovery of a large receivable, management may separately assess the risk of irrecoverability via probabilistic modelling of possible outcomes or other means. Such modelling is inherently uncertain and requires judgement over market conditions, contractual arrangements and the commitment of the debtor to repaying in full.

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

3. Segment information

Management has determined the operating segments based on the reports reviewed by the Board to make strategic decisions. The Board considers the business from a geographical perspective. Geographically, management considers the performance in the Corporate/UK, China and Japan, North America, South and Southeast Asia, Latin America, Europe and the Rest of the World.

Revenues are geographically allocated by the destination of customer.

The performance of these geographical segments is measured using earnings before interest, tax, depreciation and amortisation ('Adjusted EBITDA**'), adjusted to exclude share-based payments, revaluation, impairment and personnel related litigation matters. Adjusted EBITDA is a non-GAAP measure used by the management to assess the underlying business performance. The details of Adjusted EBITDA is given in note 5.

	Corporate/UK	China & Japan	North America	S & SE Asia	Latin America	Europe	Rest of World	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Year ended 31 March 2026								
Sale of goods	**1,206**	**24,059**	**26,148**	**11,076**	**18,806**	**4,798**	**1,432**	**87,525**
Royalties	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue from external customers	**1,206**	**24,059**	**26,148**	**11,076**	**18,806**	**4,798**	**1,432**	**87,525**
Adjusted EBITDA**	**(22,035)**	**8,812**	**10,372**	**4,528**	**4,840**	**1,517**	**678**	**8,712**
Year ended 31 March 2025								
Sale of goods	1,110	22,898	21,414	11,854	16,307	4,913	796	79,292
Royalties	–	–	–	–	–	–	304	304
Revenue from external customers	1,110	22,898	21,414	11,854	16,307	4,913	1,100	79,596
Adjusted EBITDA**	(16,986)	7,349	7,529	4,974	1,993	1,035	685	6,579

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

3. Segment information continued

Reconciliation of Adjusted EBITDA

A reconciliation of Adjusted EBITDA for reportable segments to profit from operating activities is provided as follows:

	2026	2025
	£000's	£000's
Adjusted EBITDA for reportable segments	**8,712**	6,579
Depreciation	**(860)**	(984)
Depreciation of right-of-use assets	**(664)**	(681)
Revaluation of investment property	**–**	–
Provision for ongoing employee litigation	**–**	–
Amortisation of intangible assets	**(1,140)**	(1,166)
Impairment of intangible assets	**–**	–
Other exceptional items	**–**	954
Share-based payment charges	**(330)**	(401)
Profit from operating activities	**5,718**	4,301
Foreign exchange differences	**(172)**	720
Adjusted EBITDA for the Group	**8,540**	7,299

** Adjusted EBITDA reported for the segments includes foreign exchange gains and losses. The Adjusted EBITDA for the Group is presented in note 5.

Product revenues

All product revenues are recognised at a point in time.

	2026	2025
	£000's	£000's
Aivlosin®	**81,983**	72,914
Ecomectin®	**1,889**	2,156
Others	**3,653**	4,526
Total	**87,525**	79,596

Contract balances

	2026	2025
Within one year or on demand	£000's	£000's
At 1 April	**706**	3
Amounts included in contract liabilities that were recognised as revenue during the period	**(706)**	(3)
Cash received in advance of performance and not recognised as revenue during the period	**948**	706
At 31 March	**948**	706

The Group recognised contract liabilities of £948,000 at 31 March 2026 (2025: £706,000). The Group does not hold any long-term sales contracts and any rebates, discounts or free goods incentives are settled and recognised as revenue within the next accounting period. Contract balances are reported within trade and other payables on the statement of financial position.

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

4. Other income

	2026 £000's	2025 £000's
Sundry income	**147**	148
	147	148

5. Result from operating activities

	Notes	2026 £000's	2025 £000's
Result from operating activities is stated after charging/ (crediting):			
Cost of inventories recognised as an expense		**44,594**	43,164
Employee benefits expenses	29	**16,723**	15,054
Amortisation of intangible assets	11	**1,140**	1,166
Depreciation	12	**860**	984
Depreciation of right-of-use assets	14	**664**	681
(Loss)/gain on foreign exchange transactions		**172**	(720)
Research and development		**5,250**	3,988
Impairment losses on trade receivables	17	**3,585**	485
Fees payable to the Company's auditor for the audit of the parent Company and Group annual accounts		**335**	334

Alternative performance measures

Earnings before interest, tax, depreciation, amortisation, revaluation, impairment, share-based payments and foreign exchange differences (Adjusted EBITDA)

	2026 £000's	2025 £000's
Profit from operating activities	**5,718**	4,301
Depreciation	**860**	984
Depreciation of right-of-use assets	**664**	681
Amortisation of intangible assets	**1,140**	1,166
Other exceptional items	**–**	(954)
Share-based payments	**330**	401
	8,712	6,579
Foreign exchange differences	**(172)**	720
Adjusted EBITDA	**8,540**	7,299

Exceptional items

	2026 £'000	2025 £'000
Profit on disposal of Ecomectin® Horsepaste assets	**–**	1,073
Aquilon first instalment	**–**	(249)
Profit on disposal of Southern African licences	**–**	176
Other	**–**	(46)
Total exceptional items	**–**	954

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

5. Result from operating activities continued

Management believe that adjusted EBITDA is an appropriate measure of the Group's performance as it is the initial source for all re-investment and for all returns to shareholders. Investors, bankers and analysts all focus on this important measure of underlying performance because it enables them to make judgements about the Group's ability to generate sufficient cash to meet all the re-investment needs of the business while still providing adequate returns to shareholders. Therefore, adjusted EBITDA has a direct relationship with the value of the Group and is seen by our investors as a key performance indicator for management.

The following items are adjusted for in the calculation of Adjusted EBITDA as defined by the Group.

Item	Rationale for adjustment
Depreciation and amortisation	These items are a result of past investments and therefore, although they are correctly recorded as a cost of the business, they do not reflect current or future cash outflows. Additionally, depreciation and amortisation calculations are subject to judgement regarding useful lives and residual values of particular assets and the adjustment removes the element of judgement.
Impairment of right-of-use assets	This item is a result of past investments and therefore, although they are correctly recorded as income or cost of the business, they do not reflect current or future cash outflows.
Exceptional items	These items are a result of one-off changes to cessation of distribution business and property disposals and therefore, although they are correctly recorded as income or cost of the business, they do not reflect current or future cash outflows.
Share-based payments	This item is subject to judgement and will never be reflected in the Group's cash flows.
Foreign exchange differences	Since the key driver of this figure is the revaluation of monetary assets denominated in foreign currency at the period end, which may reverse prior to settlement, taking this figure out of the EBITDA figure removes volatility from the performance measure. Foreign exchange movements are largely outside of the Group's control, so this gives a better measure of the Group's progress than statutory profit measures which include them.

6. Finance income/(expense)

	2026 £000's	2025 £000's
Finance income		
Interest received on short-term bank deposits	**79**	110
Finance costs		
Interest paid	**(112)**	(200)
Interest paid on lease liabilities	**(287)**	(252)
	(399)	(452)
Net finance costs	**(320)**	(342)

Notes to the Consolidated Financial Statements continued
As at 31 March 2026

7. Earnings per share
The calculation of basic earnings per share is based on the post-tax profit for the year divided by the weighted average number of shares in issue during the year.

	2026			2025		
	Earnings	**Weighted average number of shares**	**Per share amount**	Earnings	Weighted average number of shares	Per share amount
	£000's	**000's**	**pence**	£000's	000's	pence
Weighted average number of shares		**67,760**			67,752	
Less the weighted average number of shares held by the EBT		**(575)**			(122)	
Earnings attributable to ordinary shareholders on continuing operations after tax	**2,190**	**67,185**	**3.26**	1,686	67,630	2.49
Dilutive effect of share options	**–**	**2,309**	**–**	–	1,812	–
Diluted earnings per share	**2,190**	**69,494**	**3.15**	1,686	69,442	2.43

The diluted EPS figure reflects the impact of historic grants of share options and is calculated by reference to the number of options granted for which the average share price for the year was in excess of the option exercise price.

8. Taxation

	2026	2025
	£000's	£000's
Current tax charge		
Foreign corporation tax on profits for the year	**3,167**	1,543
Foreign withholding tax	**188**	162
Research and development tax credits claimed in the year	**(189)**	(119)
Research and development tax credits – adjustment for prior year	**(198)**	16
Deferred tax		
Origination and reversal of temporary differences	**(1,189)**	(227)
Income tax charge	**1,779**	1,375
Origination and reversal of temporary differences	**–**	–
Deferred tax recognised through reserves	**–**	–

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

8. Taxation continued

	2026 £000's	2025 £000's
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	**5,434**	4,009
Profit on ordinary activities before taxation multiplied by the applicable rate of UK corporation tax of 25% (2025: 25%)	**1,359**	1,002
Effects of:		
Non-deductible expenses	**904**	568
Non-chargeable credits	**–**	(3)
Right-of-use assets depreciation	**–**	–
Withholding tax on inter-company dividends	**188**	162
Enhanced allowance on research and development expenditure	**(369)**	(347)
Adjustment in respect of prior years	**(173)**	40
Different tax rate for foreign subsidiaries	**293**	6
Intra-Group dividend	**–**	–
Origin and reversal of temporary differences	**(1,203)**	(272)
Unused tax losses carried forward	**872**	1,003
Tax effect of share based payments	**–**	–
Patent Box claim	**(92)**	(784)
Income tax charge	**1,779**	1,375
Effective income tax rate	**33%**	34%

9. Parent profit/(loss) for the financial year

	2026 £000's	2025 £000's
Parent Company's (loss) for the financial year	**629**	(658)

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 not to present the parent Company income statement.

10. Dividends

The Board of Directors does not propose that a dividend be paid for the year ended 31 March 2026 (2025: Nil).

Proposed dividends on ordinary shares are subject to approval at the Annual General Meeting and are not recognised as a liability as at the date of the statement of financial position.

11. Intangible assets

Group	Goodwill £000's	Distribution rights £000's	Drug registrations, patents and licence costs £000's	Total £000's
Cost				
At 31 March 2024	17,930	407	29,546	47,883
Additions	–	–	4,648	4,648
Impairment	–	–	(105)	(105)
At 31 March 2025	17,930	407	34,089	52,426
Additions	–	–	3,585	3,585
At 31 March 2026	**17,930**	**407**	**37,674**	**56,011**
Amortisation				
At 31 March 2024	–	(198)	(9,334)	(9,532)
Charge for the year	–	(20)	(1,146)	(1,166)
Written back on impairment	–	–	106	106
At 31 March 2025	–	(218)	(10,374)	(10,592)
Charge for the year	–	(20)	(1,120)	(1,140)
At 31 March 2026	**–**	**(238)**	**(11,494)**	**(11,732)**
Net book value				
At 31 March 2026	**17,930**	**169**	**26,180**	**44,279**
At 31 March 2025	17,930	189	23,715	41,834
At 31 March 2024	17,930	209	20,212	38,351

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

11. Intangible assets continued

The amortisation and impairment charges are included within administrative expenses in the income statement.

Distribution rights are amortised over their estimated useful life of 20 years and reviewed for impairment when any indication of potential impairment exists. The remaining amortisation period at the date of the financial statements ranged from 3 to 20 years.

The acquisition of ECO Animal Health Limited in October 2004 gave the Group ownership of the intellectual property and established distribution networks in respect of Aivlosin® and Ecomectin® and gave rise to £17,359,000 of goodwill. The acquisitions of Zhejiang ECO Biok Animal Health Products Limited in 2007 and ECO Animal Health Japan Inc in 2009 opened further distribution and sale opportunities for Aivlosin® and Ecomectin® and gave rise to £94,000 and £477,000 of goodwill respectively.

Goodwill acquired in a business combination is allocated at acquisition to the cash-generating units (CGUs) that are expected to benefit from the business combination. The cash generating unit to which goodwill is allocated corresponds with the relevant operating segment identified in note 3. This reflects Ltd has been determined to be the single cash generating unit, however, has always traded in geographies around the world, reselling through its subsidiaries as the most effective way in which to reach global markets and therefore this is incorporated into the goodwill assessment, thus incorporating the impact of operating segments into the review.

The Group has recalculated the headroom as it would have been at March 2026 when comparing the net present value of cash flows to the carrying value of goodwill. The goodwill impairment review uses cash flows from the Group's global revenues in respect of Aivlosin® and Ecomectin®. Expected future cash flows in respect of new vaccines – both the outflows on research and development of these new products and the forecast revenues from sales – are excluded. Intangible assets in respect of new vaccines are tested for impairment separately. This approach is appropriate given that the acquisitions which gave rise to the goodwill balance were made to enhance the Group's global capacity to sell Aivlosin® and Ecomectin® products rather than new products expected to be introduced following successful completion of current R&D projects.

The recoverable amount of the CGU is determined from value in use calculations. The key assumptions for the value in use calculations are those regarding discount rates, growth rates and the estimated remaining useful life of the asset.

The Group prepares cash flow forecasts that cover the two-year period after the statement of financial position date and then extrapolates them assuming a 3% annual growth rate which is well below the past performance of the business. The Directors believe that the long-term growth rate assumed does not exceed the average long-term growth rate for the relevant markets.

Management estimates discount rates using the pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. In the current year management estimated the applicable rate to be 12% (2025: 11%). Management considers that there is adequate headroom when comparing the net present value of the cash flows to the carrying value of goodwill to conclude that no impairment is necessary this year. On assumptions as at each period end the excess of recoverable amount over carrying value is over £66m (2025: £107m).

Management believes that the most significant assumption in the calculation of value in use is the term over which the cash flows are modelled. However, even if the growth rate were to be zero, the present value of the cashflows over the next three years would exceed the carrying amount.

The Group estimates that the discount rate applied when calculating the value in use would have to increase to a rate in excess of 56% before there was an indication that the goodwill balance would need to be impaired (2025: recalculated as 48%).

The net book value of drug registrations, patents and licence costs can be broken down as follows:

	2026 £000's	2025 £000's
Aivlosin®	**10,661**	11,653
Ecomectin®	**251**	360
Vaccines	**15,234**	11,649
Others	**34**	53
	26,180	23,715

Aivlosin® is a highly effective antibiotic that treats a range of specific enteric (gut) and respiratory diseases in pigs and poultry, ensuring a rapid return to health. In addition to the welfare benefits, healthy animals gain weight faster, digest food more efficiently and get to market earlier which all bring economic benefit to the farmer. Substantial ongoing product development covering more formulations, species and diseases is expected to substantially further increase its revenue generating potential. The remaining useful life ranges between 7 and 20 years, where the shortest period relates to assets on the balance sheet which received regulatory approval a number of years ago and have been amortised over a number of years, and where the remaining useful life of 20 years relates to capitalised assets which have not yet received regulatory approval and whose amortisation has not yet commenced. Ecomectin® is an endectocide that controls worms, ticks, lice and mange in grazing stock and pigs. The remaining useful life is 2 years.

At 31 March 2026 intangible assets included £15,331,000 (2025: £11,745,000) of assets capitalised that had not commenced their useful life, of which approximately £75,000 (2025: £75,000) were Aivlosin® related products.

The impairment review for intangible assets relating to ongoing development activity, for which regulatory approval is expected to be received at a future date, is performed with reference to cash flow projections modelled in each development project's business case. The cash flows in these business cases reflect the expected economic life of the new product (a period of more than twenty years) and the variables captured include the costs to complete the development activity, the future product sale price, expected future market share, the rate of market penetration for new product releases and overall market size. The market size comprises a number of factors, including the total population of the target animal species, the replacement rate (which in the case of poultry is the length of time during which they are productive layers), the proportion of the species population prone to the diseases to which ECO's product is directed and the proportion of the population which is subject to vaccination. In determining these factors uses the expertise of own teams, particularly members of the R&D, marketing, sales and finance teams. Third-party data is reviewed to enhance the accuracy of the estimates used. For key development projects, independent external consultants are engaged to validate both technical progress and the overall market appetite for the new product.

Drug registrations and licences are amortised over their estimated useful lives of 10 to 20 years, which is the Directors' estimate of the time it would take to develop a new product allowing for the Group's patent protection and the exclusivity period which comes with certain registrations. All such costs are recorded in the Corporate/UK reporting segment.

The Group continuously reviews the status of its research and development activity, paying close attention to the likelihood of technical success and the commercial viability of development projects. In the year to March 2026 there were no indications that an impairment was necessary (2025: no impairment).

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

12. Property, plant and equipment

Group	Freehold land and buildings	Leasehold improvements	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£000's	£000's	£000's	£000's	£000's	£000's
Cost or valuation						
At 31 March 2024	98	751	4,736	1,616	373	7,574
Additions	32	–	94	230	–	356
Disposals	–	–	(42)	(98)	–	(140)
Foreign exchange movements	(4)	–	(57)	(34)	(28)	(123)
At 31 March 2025	126	751	4,731	1,714	345	7,667
Additions	–	–	50	53	89	192
Disposals	–	–	(161)	(9)	(7)	(177)
Foreign exchange movements	4	(2)	53	55	20	130
At 31 March 2026	**130**	**749**	**4,673**	**1,813**	**447**	**7,812**
Depreciation						
At 31 March 2024	(19)	(460)	(812)	(1,247)	(234)	(2,772)
Charge for the year	(8)	(137)	(461)	(354)	(24)	(984)
Disposals	–	–	42	98	–	140
Foreign exchange movements	–	–	(13)	4	(4)	(13)
At 31 March 2025	(27)	(597)	(1,244)	(1,499)	(262)	(3,629)
Charge for the year	(10)	(68)	(651)	(107)	(24)	(860)
Disposals	–	–	161	9	8	178
Foreign exchange movements	(2)	(1)	(33)	(16)	(11)	(63)
At 31 March 2026	**(39)**	**(666)**	**(1,767)**	**(1,613)**	**(289)**	**(4,374)**
Net book value						
At 31 March 2026	**91**	**83**	**2,906**	**200**	**158**	**3,438**
At 31 March 2025	99	154	3,487	215	83	4,038
At 31 March 2024	79	291	3,924	369	139	4,802

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

12. Property, plant and equipment continued

Company	Freehold land and buildings	Fixtures, fittings and equipment	Total
	£000's	£000's	£000's
Cost or valuation			
At 31 March 2024	–	1	1
Additions	–	–	–
At 31 March 2025	–	1	1
Additions	–	–	
Disposals	–	–	–
At 31 March 2026	**–**	**1**	**1**
Depreciation			
At 31 March 2024	–	(1)	(1)
Charge for the year	–	–	–
At 31 March 2025	–	(1)	(1)
Charge for the year	–	–	–
Disposals	–	–	–
At 31 March 2026	**–**	**(1)**	**(1)**
Net book value			
At 31 March 2026	**–**	**–**	**–**
At 31 March 2025	–	–	–
At 31 March 2024	–	–	–

13. Income tax recoverable and payable

Income tax recoverable	2026	2025
	£000's	£000's
UK repayable tax credit in respect of R&D expenditure	**345**	1,143
	345	1,143

Income tax payable	2026	2025
	£000's	£000's
Overseas tax payable	**(625)**	(801)
	(625)	(801)

Notes to the Consolidated Financial Statements continued
As at 31 March 2026

14. Right-of-use assets

Group	Property £000's	Vehicles £000's	Total £000's
Cost or valuation			
At 31 March 2024	5,246	347	5,593
Additions	430	65	495
Disposals	(132)	(83)	(215)
Foreign exchange movements	(151)	–	(151)
At 31 March 2025	5,393	329	5,722
Additions	1,732	–	1,732
Disposals	(998)	(163)	(1,161)
Foreign exchange movements	99	–	99
At 31 March 2026	**6,226**	**166**	**6,392**
Depreciation			
At 31 March 2024	(1,713)	(208)	(1,921)
Charge for the year	(610)	(71)	(681)
Disposals	132	68	200
Foreign exchange movements	79	–	79
At 31 March 2025	(2,112)	(211)	(2,323)
Charge for the year	(624)	(40)	(664)
Disposals	998	163	1,161
Foreign exchange movements	(42)	–	(42)
At 31 March 2026	**(1,780)**	**(88)**	**(1,868)**
Net book value			
At 31 March 2026	**4,446**	**78**	**4,524**
At 31 March 2025	3,281	118	3,399
At 31 March 2024	3,533	139	3,672

Company	Vehicles £000's	Total £000's
Cost or valuation		
At 31 March 2024	161	161
Disposals	(61)	(61)
At 31 March 2025	100	100
Disposals	(68)	(68)
At 31 March 2026	**32**	**32**
Depreciation		
At 31 March 2024	(102)	(102)
Charge for the year	(32)	(32)
Disposals	54	54
At 31 March 2025	(80)	(80)
Disposals	54	54
At 31 March 2026	**(26)**	**(26)**
Net book value		
At 31 March 2026	**6**	**6**
At 31 March 2025	20	20
At 31 March 2024	59	59

Notes to the Consolidated Financial Statements continued
As at 31 March 2026

15. Investments

Group	Investment in associate	Unlisted investments	Total
	£000's	£000's	£000's
At 31 March 2024	259	9	268
Share of associate's result for the year	50	–	50
Foreign exchange differences	(2)	–	(2)
At 31 March 2025	307	9	316
Share of associate's result for the year	36	–	36
Foreign exchange differences	(28)	–	(28)
At 31 March 2026	**315**	**9**	**324**

Company	Unlisted investments (subsidiaries)
	£000's
Cost	
At 31 March 2024	21,451
Additional investment	239
At 31 March 2025	21,690
Additional investment	330
At 31 March 2026	**22,020**
Impairment	
At 31 March 2024	–
Impairment charge	–
At 31 March 2025	–
Impairment charge	–
At 31 March 2026	**–**
Net book value	
At 31 March 2026	**22,020**
At 31 March 2025	21,690
At 31 March 2024	21,451

Notes to the Consolidated Financial Statements continued
As at 31 March 2026

15. Investments continued
The Company holds more than 20% of the share capital of the following companies:

Subsidiary undertakings held by the Company

Company	Registered office address	Company of registration or incorporation	Class	Shares held %
Zhejiang ECO Biok Animal Health Products Limited	Zhongguan Industrial Area, Deqing, Zhejiang Province	P. R. China	Ordinary	3*
ECO Animal Health Limited	The Grange, 100 High Street, Southgate, N14 6BN	England & Wales	Ordinary	100

Subsidiary undertakings held by the Group

Company	Registered office address	Company of registration or incorporation	Class	Shares held %
ECO Animal Health Southern Africa (Pty) Limited.	228 Athol Road, Highlands North, Johannesburg 2192	South Africa	Ordinary	100
Zhejiang ECO Biok Animal Health Products Limited.	Zhongguan Industrial Area, Deqing, Zhejiang Province	P. R. China	Ordinary	51*
Shanghai ECO Biok Veterinary Drug Sale Company Ltd. (via Zhejiang ECO Biok Animal Products Ltd.)	Room 1502-3, Imago Plaza, No. 99 Wuning Road, Ptro District, Shanghai 200063	P. R. China	Ordinary	51
Zhejiang ECO Animal Health Limited	Zhongguan Industrial Area, Deqing, Zhejiang Province	P. R. China	Ordinary	100
ECO Animal Health do Brasil Comercio de Produtos Veterinarios Ltda.	Av. Dr. Cardoso de Melo, 1470, CI311, Villa Olimpia, CEP 04548-005, Sao Paulo	Brazil	Ordinary	100
ECO Animal Health Japan Inc.	1-2-1, Hamamatsu-cho, Minato-Ku, Tokyo	Japan	Ordinary	100
ECO Animal Health USA Corp.	344 Nassau Street, Princeton, New Jersey, 08540	USA	Ordinary	100
Interpet LLC.	3775 Columbia Pike, Ellicott City, Maryland, 21043	USA	Ordinary	100
ECO Animal Health de Mexico, S de R.L. de C.V.	Av Techologico Sur 134-4, Unidad Habitacional Moderna, Queretaro, 76030	Mexico	Ordinary	100
ECO Animal Health de Argentina S.A.	Calle 4 E 43/44 N: 581 P.6 D:B La Plata, Buenos Aires	Argentina	Ordinary	100
ECO Animal Health Malaysia Sdn. Bhd.	10th Floor, Menara Hap Seng, No 1 & 3, Jalan P Ramlee, 50250 Kuala Lumpur	Malaysia	Ordinary	100
ECO Animal Health India (Private) Ltd	No 33/5, Second Floor, Mount Kailash Building, Meanee Avenue Road, Ulsoor Bangalore, Karnataka, 560042	India	Ordinary	100
ECO Animal Health Europe Ltd	6 Northbrook Road, Dublin 6, Eire	Republic of Ireland	Ordinary	100

* The Group's control over its China based subsidiary Zhejiang ECO Biok Animal Health Products Limited is achieved via a joint holding of 51% of the entity's ordinary share capital between the Company (3%) and its UK based trading subsidiary ECO Animal Health Limited (48%).

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

15. Investments continued

Subsidiary undertakings held by the Group continued

The principal activity of these undertakings for the last relevant financial year was as follows:

Company name	Principal activity
ECO Animal Health Limited	Distribution of animal medicines
ECO Animal Health Southern Africa (Pty) Limited	Non-trading
Zhejiang ECO Biok Animal Health Products Limited	Manufacture of animal medicines
Shanghai ECO Biok Veterinary Drug Sale Company Ltd.	Distribution of animal medicines
Zhejiang ECO Animal Health Limited	Procurement of raw materials
ECO Animal Health do Brasil Comercio de Produtos Veterinarios Ltda	Distribution of animal medicines
ECO Animal Health Japan Inc.	Distribution of animal medicines
ECO Animal Health USA Corp.	Distribution of animal medicines
Interpet LLC	Non-trading
ECO Animal Health de Mexico, S. de R. L. de C. V.	Distribution of animal medicines
ECO Animal Health de Argentina S.A.	Non-trading
ECO Animal Health Malaysia Sdn. Bhd	Non-trading
ECO Animal Health India (Private) Ltd	Non-trading
ECO Animal Health Europe Ltd	Distribution of animal medicines

In prior year the Group established an Employee Share Ownership Trust (the 'ESOT'). The assets, liabilities and returns of the ESOT are consolidated within the results of the ESOT's sponsoring company, ECO Animal Health Group plc.

The address of the ESOT is 26 New St, St Helier, Jersey JE2 3RA, Jersey.

Zhejiang ECO Biok Animal Health Products Limited, Zhejiang ECO Animal Health Limited and ECO Animal Health do Brasil Comercio de Produtos Veterinarios Ltda all have 31 December year ends. The Group receives management accounts for the three months to 31 March for these subsidiaries for use in preparing the consolidated financial statements.

Interpet LLC has been excluded from consolidation as it holds no assets or liabilities and has ceased trading.

The following trading subsidiaries have no requirement for audit under local legislation:

- ECO Animal Health do Brasil Comercio de Produtos Veterinarios Ltda.
- ECO Animal Health Japan Inc.
- ECO Animal Health USA Corp.
- ECO Animal Health de Mexico, S. de R. L. de C. V.

ECO Animal Health Group plc has given statutory guarantees against all the outstanding liabilities of ECO Animal Health Ltd, thereby allowing its subsidiary to be exempt from the annual audit requirement under Section 479A of the Companies Act, for the year ended 31 March 2026.

Non-controlling interests

Zhejiang ECO Biok Animal Health Products Limited (Zhejiang ECO Biok) and Shanghai ECO Biok Veterinary Drug Sale Company Limited (Shanghai ECO Biok), both 51% owned subsidiaries of the Group, have material non-controlling interests (NCI). Summarised financial information in relation to these two subsidiaries is presented below together with amounts attributable to NCI.

Please note that as Shanghai ECO Biok is a 100% owned subsidiary of Zhejiang ECO Biok, the summarised results below are consolidated at Zhejiang ECO Biok level, before wider Group eliminations.

Summarised statement of comprehensive income

	2026	2025
For the year ended 31 March	**£000's**	£000's
Revenue	**22,373**	19,523
Cost of sales	**(13,623)**	(12,324)
Gross profit	**8,750**	7,199
Administrative expenses	**(4,621)**	(4,517)
Operating profit/(loss)	**4,129**	2,682
Other income	**133**	109
Finance income	**(167)**	(143)
Profit before tax	**4,095**	2,648
Tax expense	**(1,105)**	(713)
Profit after tax	**2,990**	1,935
Profit allocated to NCI	**1,465**	948
Other comprehensive (loss)/income allocated to NCI	**172**	(307)
Total comprehensive income	**1,637**	641

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

15. Investments continued

Summarised balance sheet

As at 31 March	2026 £000's	2025 £000's
Assets:		
Property, plant and equipment	**293**	440
Right-of-use assets	**2,298**	2,572
Deferred tax assets	**189**	184
Inventories	**4,307**	2,875
Trade and other receivables	**3,435**	5,053
Cash and cash equivalents	**11,391**	10,951
	21,913	22,075
Liabilities:		
Trade and other payables	**3,855**	2,126
Contract liabilities	**923**	705
Lease liabilities – short term	**311**	286
Lease liabilities – long term	**2,446**	2,673
	7,535	5,790

Summarised cash flows

For the year ended 31 March	2026 £000's	2025 £000's
Cash flows from operating activities	**5,649**	2,058
Cash flows from investing activities	**8**	(74)
Cash flows from financing activities	**(5,569)**	(2,622)
Foreign exchange movements	**352**	(359)
Net increase/(decrease) in cash and cash equivalents	**440**	(997)

Joint operations

The Group also holds (by means of its ownership of ECO Animal Health USA Corp.), a 50% interest in Pharmgate Animal Health LLC, which is resident in the USA. Pharmgate Animal Health LLC distributes the Group's products in the USA.

The Group also holds (by means of its ownership of ECO Animal Health Ltd) a 50% interest in Pharmgate Animal Health Canada Inc, which distributes its products into Canada.

The Group also holds (by means of its ownership of ECO Animal Health Europe Ltd) a 50% interest in ECO-Pharm Limited, based in the Republic of Ireland. ECO-Pharm Limited has not yet commenced trading.

Both Pharmgate Animal Health LLC and Pharmgate Animal Health Canada Inc. have accounting years which end on 31 December.

The Group's holdings in each of the joint operations' share capital is given in the table below:

Pharmgate Animal Health Canada Inc	Holding (shares)	Shares in issue	Holding %
Common shares	100	200	50
Class A shares	100	100	100
Class B shares	–	100	–

Pharmgate Animal Health USA LLC	Holding (shares)	Shares in issue	Holding %
Common shares	100	200	50
Class A shares	100	100	100
Class B shares	–	100	–

ECO-Pharm Limited	Holding (shares)	Shares in issue	Holding %
Common shares	25,000	50,000	50
Class A shares	1	1	100
Class B shares	–	1	–

In the case of Pharmgate Animal Health Canada Inc and Pharmgate Animal Health USA LLC, A shares carry the rights to dividends payable out of profits attributable to the Group. These are made up of profits made by products supplied by the ECO Group plus 50% of any profit relating to new products developed jointly by the partners to the joint operation.

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

15. Investments continued

Joint operations continued

The Group previously held (by means of its ownership of ECO Animal Health Europe Ltd) a 50% interest in ECO-Pharm Limited based in the republic of Ireland. ECO-Pharm Limited was dissolved on 29 November 2024. It did not trade prior to dissolution

The following amounts included in the Group's financial statements are related to its interest in these joint operations.

	Pharmgate Animal Health LLC		Pharmgate Animal Health Canada Inc	
	2026	2025	**2026**	2025
	£000's	£000's	**£000's**	£000's
Non-current assets	**–**	–	**–**	–
Current assets	**4,777**	2,292	**504**	418
Current liabilities	**(4,750)**	(2,265)	**(503)**	(418)
Sales	**22,143**	17,366	**4,005**	4,047
Profit after tax	**–**	–	**–**	–

Associated company

The Group also holds (by means of its ownership of ECO Animal Health Japan Inc.) a 47.62% interest in EcoPharma.com which is resident in Japan. This company distributes animal health products and other general merchandise within Japan.

ECO Animal Health Japan Inc's holding in EcoPharma.com is 10,000,000 shares out of a total of 21,000,000 shares.

The following amounts included in the Group's financial statements are related to its interests in this associated company.

	2026	2025
Investments (share of net assets)	**£000's**	£000's
At 1 April	**307**	259
Share of results for the year	**36**	50
Foreign exchange movement	**(28)**	(2)
At 31 March	**315**	307

	2026	2025
Summarised financial information	**£000's**	£000's
At 31 March		
Current assets	**853**	920
Non-current assets	**95**	90
Current liabilities	**(224)**	(282)
Non-current liabilities	**(62)**	(83)
Net assets (100%)	**662**	645
Group share of net assets (47.62%)	**315**	307
Year ended 31 March		
Revenue	**1,998**	2,124
Net profit	**75**	105

16. Inventories

	Group		Company	
	2026	2025	**2026**	2025
	£000's	£000's	**£000's**	£000's
Raw materials and consumables	**6,929**	6,542	**–**	–
Finished goods and goods for resale	**3,014**	3,832	**–**	–
Work in progress	**3,567**	4,179	**–**	–
	13,510	14,553	**–**	–

The above total includes the provision of inventory amounting to £184,000 (2025: £187,000).

£80,000 of stock was written off in the year ended 31 March 2026 (2025 £75,000). Inventory provisions total £150,000 were released in this period (2025 £439,000).

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

17. Trade and other receivables

	Group		Company	
	2026	2025	**2026**	2025
	£000's	£000's	**£000's**	£000's
Non-current:				
Amounts owed by Group undertakings	**–**	–	**51,104**	48,937

The inter-company debt is due on demand, however the Company has classified the receivable as a non-current asset as it does not expect to realise the asset within 12 months after the reporting period.

	Group		Company	
	2026	2025	**2026**	2025
	£000's	£000's	**£000's**	£000's
Current:				
Trade receivables	**21,735**	25,435	**–**	–
Other receivables	**804**	2,217	**135**	1,393
Prepayments and accrued income	**1,416**	864	**252**	271
	23,955	28,516	**387**	1,664

The ageing analysis of these trade receivables is as follows:

Ageing of trade receivables

Group 2026

	Trade receivables	ECL rate	ECL allowance	Net of impairment
	£000's	%	£000's	£000's
Current	17,538	0.92%	393	17,145
Up to 3 months past due	3,358	5.41%	107	3,251
3 to 6 months past due	573	18.09%	5	568
Over 6 months past due	5,663	17.53%	4,892	771
	27,132		5,397	21,735

Group 2025

	Trade receivables	ECL rate	ECL allowance	Net of impairment
	£000's	%	£000's	£000's
Current	18,572	2.09%	388	18,184
Up to 3 months past due	2,581	11.00%	284	2,297
3 to 6 months past due	2,592	5.75%	149	2,443
Over 6 months past due	3,587	30.00%	1,076	2,511
	27,332		1,897	25,435

The Group measures its trade receivables at amortised cost and estimates the allowance for expected credit loss ("ECL") using a provision matrix based on the Group's historical credit loss experience. The market rates are then adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast conditions.

This approach enables the Group to determine unbiased and probability-weighted estimates of credit losses for the lifetime of those trade receivables as required by IFRS 9.

The allowance for ECL in FY26 makes up 19.9% of all trade receivable balances while in FY25, the allowance made up 6.9% of total trade receivable balances. The allowance for ECL in FY25 makes up 56.2% of all overdue balances (FY25 21.7%).

The increase in the provision is driven by:

- Worsening age profiles of outstanding trade debtors;
- Circumstances affecting certain of the Group's customers require additional allowance.

Movement on the Group provision for impairment of trade receivables is as follows:

Group	**2026**	2025
	£000's	£000's
Balance at 1 April	**1,897**	1,439
Additional provision made	**3,853**	753
(Recovered) in the year	**(161)**	(268)
Written off in the year	**(107)**	–
Other	**(85)**	(27)
Balance at 31 March	**5,397**	1,897

18. Deferred tax

Group

Deferred tax assets and liabilities are attributable to the following:

	Group	
	Assets / (liabilities)	Assets / (liabilities)
	2026	2025
	£000's	£000's
Trade related temporary differences	**(3,252)**	(3,527)
Freehold property	**–**	–
Investment property	**–**	–
Plant and equipment	**–**	4
Pension scheme	**(58)**	(58)
Deferred tax on share options	**279**	97
Tax losses carried forward	**3,024**	2,622
Total deferred tax (liabilities)	**(7)**	(862)
Overseas deferred tax assets	**1,496**	1,074
Total deferred tax assets	**1,496**	1,074
Sum of assets minus liabilities	**1,489**	212

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

18. Deferred tax continued

The movement on the deferred tax account can be summarised as follows:

Deferred tax

Deferred tax	Trade related temporary differences	Tax losses carried forward	Plant and machinery	Pension scheme	Shares	Overseas temporary differences	Overseas tax losses	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
At 31 March 2024	(3,875)	2,622	(96)	(58)	128	396	1,041	158
(Charge) / credit for the year through income statement	348	–	100	–	(31)	(396)	33	54
At 31 March 2025	(3,527)	2,622	4	(58)	97	–	1,074	212
(Charge) for the year through income statement	275	402	(4)	–	182	–	329	1,184
FX	–	–	–	–	–	–	93	93
At 31 March 2026	**(3,252)**	**3,024**	**–**	**(58)**	**279**	**–**	**1,496**	**1,489**

Trade related temporary differences relate predominantly to research and development tax deductions claimed in advance of expense recognition in the income statement, carried forward trading losses and a provision for unrealised profit arising on consolidation. The tax losses carried forward are not expected to expire under current legislation.

Any future dividend received from the Chinese subsidiary Zhejiang ECO Biok Animal Health Products Limited will be subject to a 5% withholding tax. The deferred tax liability in respect of this has not been recognised.

Company	Pension scheme	Shares	Total
	2025	2025	2025
	£000's	£000's	£000's
At 1 April 2024	(58)	58	0
Credit/(charge) for the year through income statement	–	(9)	(9)
At 1 April 2025	(58)	49	(9)
Credit/(charge) for the year through income statement	–	(49)	(49)
At 31 March 2026	**(58)**	**–**	**(58)**

At the year ended 31 March 2026 the Group has unused unrecognised overseas tax losses amounting to £12,000 (2025: £332,000), and unused unrecognised UK tax losses amounting to £11,002,000 (2025: £12,315,000). These tax losses are not expected to expire.

Notes to the Consolidated Financial Statements continued
As at 31 March 2026

19. Cash and cash equivalents
Cash and cash equivalents comprise cash and short-term deposits held by the Group net of amounts outstanding on bank overdraft. The carrying amount of these assets is not significantly different to their fair value.

	Group		Company	
	2026	2025	**2026**	2025
	£000's	£000's	**£000's**	£000's
Cash and cash equivalents	**25,432**	25,006	**133**	1,515
Cash and cash equivalents presented in the statement of cash flows	**25,432**	25,006	**133**	1,515

Balances drawn on the bank overdraft facility are repayable on demand and form an integral part of the cash management of the Group and Company. In the statement of cash flows, the Group and the Company have presented cash and cash equivalents net of balances outstanding on bank overdrafts. Amounts drawn and repaid on the overdraft facility are therefore considered as part of changes in cash and cash equivalents and are not presented as financing cash flows.

Cash and short-term deposits held in China are subject to local exchange control regulations. These regulations provide for restrictions on exporting capital from those countries, other than through normal dividends. The carrying amount of the assets included within the consolidated financial statements to which these restrictions apply is £15.6m (2025: £14.9m).

Significant non-cash transactions from investing activities are as follows:

	Group		Company	
	2026	2025	**2026**	2025
	£000's	£000's	**£000's**	£000's
Acquisition of property, plant and equipment by means of leases or not yet paid at year end	**1,732**	**495**	**–**	–
Acquisition of intangible assets not yet paid at year end	**715**	**1,160**	**–**	–

20. Trade and other payables

	Group		Company	
	2026	2025	**2026**	2025
	£000's	£000's	**£000's**	£000's
Trade payables	**5,774**	9,794	**119**	149
Contract liabilities	**948**	706	**–**	–
Other payables	**905**	1,031	**148**	141
Accruals and deferred income	**4,322**	3,541	**595**	383
	11,949	15,071	**862**	673

21. Borrowings

	Group		Company	
	2026	2025	**2026**	2025
	£000's	£000's	**£000's**	£000's
Cash and cash equivalents	**25,432**	25,006	**133**	1,515
Lease liabilities	**(4,933)**	(3,785)	**(5)**	(18)
Net cash	**20,499**	21,221	**128**	1,497

The Group has an overdraft facility in certain currencies in respect of a pool of bank accounts held with NatWest Bank plc.

The interest rate for all currency overdrafts is 1.8% over the relevant currency base rate and the borrowings are secured by two debentures held over the assets of the Group. Any drawdown of this facility is repayable on demand. The Company and ECO Animal Health Limited have each given a guarantee to the Group's bankers for the overdraft facility. The facility has a gross and net limit of £5,000,000, which may be borrowed and repaid at will.

At 31 March 2026, the undrawn facility was £5,000,000 (2025: £5,000,000).

At 31 March 2026, the Group has an undrawn revolving credit facility £10,000,000 (2025: £10,000,000) with NatWest. This facility is interest bearing and can be drawn by the Group on demand. The facility expires on 30 June 2031.

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

21. Borrowings continued

Reconciliation of lease liabilities

	Group		Company	
	2026	2025	**2026**	2025
	£000's	£000's	**£000's**	£000's
Opening lease liabilities	**(3,785)**	(4,025)	**(18)**	(63)
New lease liabilities	**(1,681)**	360	**–**	–
Repayment	**961**	890	**14**	42
Lease liabilities interest	**(287)**	(252)	**(1)**	(4)
Disposal	**–**	25	**–**	7
Foreign exchange	**(141)**	(783)	**–**	–
Closing lease liabilities	**(4,933)**	(3,785)	**(5)**	(18)
Current lease liabilities	**(760)**	(621)	**(5)**	(15)
Non-current lease liabilities	**(4,173)**	(3,164)	**–**	(3)

The Group leases a number of properties and motor vehicles in the jurisdictions it operates in. At 31 March 2026 there were no termination or extension options on leases.

The Group expensed £66,000 for the year ended 31 March 2026 (2025: £70,000) for short-term leases.

Group leases maturity

At 31 March 2026 the Group held the following number of leases in each of the maturity categories below.

At 31 March 2026	**Property Number**	**Vehicle Number**	**Other Number**	**Total Number**
Up to 1 year	**5**	**4**	**3**	**12**
Between 1 – 5 years	**6**	**1**	**1**	**8**
Over 5 years	**5**	**–**	**1**	**6**
Total number of leases	**16**	**5**	**5**	**26**
Average remaining lease term (in years)	**5.1**	**1.1**	**2.4**	**3.7**

At 31 March 2025	Property Number	Vehicle Number	Other Number	Total Number
Up to 1 year	9	2	1	12
Between 1 – 5 years	6	6	2	14
Over 5 years	1	–	2	3
Total number of leases	16	8	5	29
Average remaining lease term (in years)	1.7	1.6	3.2	1.9

Amounts payable under lease arrangements for the Group

The undiscounted contractual cash flows payable under the existing lease arrangements at 31 March are analysed into the following maturity categories.

Group	**2026**	2025
	£000's	£000's
Up to 1 year	**811**	1,036
Between 1 – 5 years	**2,501**	2,123
Over 5 years	**1,999**	748
Total	**5,311**	3,907

22. Provisions and contingent liabilities

	Litigation	Overseas tax	Customer goodwill	Other	Total
	£000's	£000's	£000's	£000's	£000's
At 31 March 2024	456	5,071	332	–	5,859
Charge for year through income statement	–	216	(332)	–	(116)
Foreign exchange	–	(779)	–	–	(779)
At 31 March 2025	456	4,508	–	–	4,964
Charge for year through income statement	(456)	357	–	70	(29)
Foreign exchange	–	424	–	–	424
At 31 March 2026	**–**	**5,289**	**–**	**70**	**5,359**

During the year the Group settled a matter related to personnel litigation. The case was resolved in December 2025 and the provision has been released.

Provisions also include an amount of £5,289,000 in respect of overseas tax liabilities. Certain aspects of a sales tax related to imported products in a Group subsidiary might have been applicable. The subsidiary has been importing an increasing volume of product into this country in recent years. This matter remains uncertain and subject to further review of the tax legislation and case law. No tax payment has yet been determined. However, a substantial tax settlement may be required in due course and a provision has been recognised alongside a corresponding deferred tax asset.

Contingent liability in respect of payroll-related obligations

After the reporting date, it became apparent that there may be additional payroll-related obligations in one of the Group's subsidiaries. The potential obligations are in a single geography.

The Group has taken advice on relevant applicable law and established practice from a number of local advisors and obtained from them a view on the likelihood of restitution for non-compliance and the range of likely outcomes. A lack of official guidance over the periods for which any restitution would be required in relation to this matter means that uncertainty exists in relation to the magnitude of any future outflows.

In the light of the advice obtained, management has assessed that an outflow is possible but not probable. While it is possible such an outflow may be material, the most likely possible outflow is not considered material.

Notes to the Consolidated Financial Statements continued
As at 31 March 2026

23. Pension and other post-retirement benefit commitments

Defined contribution pension scheme
The Group operates defined contribution pension schemes. The assets of the schemes are held separately from the Group and independently administered by insurance companies. The pension cost charge represents contributions payable to the funds in the year and amounted to £5,013 (2025: £56,269).

Defined benefit pension scheme
The Group operates a defined benefit pension scheme in the UK for a number of ex-employees which is closed to new members. A full actuarial valuation was carried out at 6 April 2022 and updated on 31 March 2026 for IAS 19 purposes by a qualified independent actuary. The major assumptions used by the actuary were:

	31 March 2026	31 March 2025
Discount rate	**5.55%**	5.25%

There are no inflation-linked benefits remaining in the Scheme, and as such, no RPI and CPI assumptions are required

Mortality rates
No pre-retirement mortality is assumed (2025: none). Post retirement mortality is based on 100% of the SAPS 'S4' normal tables, based on the members' year of birth, improving in line with CMI 2025 projections with a 1.00% long-term trend rate (2025: 1.00%).

Under these mortality assumptions, the expected future lifetime for a member retiring at age 65 at the year-end would be 21.6 years for males (2025: 20.9 years) and 23.8 years for females (2025: 23.4 years). For members retiring in 20 years' time, the expectation of life would be 22.6 years for males (2025: 21.9 years) and 25.0 years for females (2025: 24.6 years).

The weighted average term of the liabilities is 5 years (2025: 5 years).

The scheme is exposed to a number of risks including:

- Interest rate risk: Movements in the discount rate used could affect the present value of the defined benefit pension obligations.
- Longevity risk: Changes in the estimated mortality rates of former employees could affect the present value of the defined benefit pension obligations.
- Investment risk: Variations in the actual return from the scheme's investments could affect the scheme's ability to meet its future pension obligations

Reconciliation of changes in the asset value during the year

	2026 £000's	2025 £000's
Assets at start of year	**1,213**	1,202
Defined benefit obligation at start of year	**(983)**	(969)
Net asset/(liability) at 1 April	**230**	233
Return on assets	**61**	54
Interest cost	**(49)**	(43)
	12	11
Gain/(loss) on return on plan assets in excess of interest income	**(138)**	77
Gain/(loss) on demographic assumptions	**(30)**	23
Gain/(loss) on financial assumptions	**14**	26
Gain/(loss) on experience adjustment	**–**	(140)
Statement of other comprehensive income	**(154)**	(14)
Employer contributions (gross)	**–**	–
Net asset at 31 March	**88**	230
Actual assets at end of year	**1,047**	1,213
Actual defined benefit obligation at end of year	**(959)**	(983)

Gain/(loss) on changes in assumptions was £30,000 loss (2025: £23,000) relating to changes in demographic assumptions and a gain of £14,000 (2025: £26,000 gain) relating to changes in financial assumptions.

The pension fund assets (principally made up of annuities for the benefit of active pensioners) are all held within a policy managed by an insurance company regulated by the Financial Conduct Authority of the United Kingdom and the United Kingdom Pensions Regulator. By law, the trustees are required to act in the best interests of participants to the schemes. Responsibility for governance of the plans – including investment decisions and contribution schedules – lies with trustees.

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

23. Pension and other post-retirement benefit commitments continued

Reconciliation of changes in the asset value during the year continued

Reconciliation of changes in the asset value during the year	2026	2025
	£000's	£000's
Fair value of assets at 1 April	1,213	1,202
Return on assets	61	54
Gain/(loss) on asset return	(138)	77
Employer contributions (gross)	–	–
(Decrease)/increase in secured pensioners' value due to scheme experience	–	–
Benefits paid	(89)	(120)
Fair value of assets at 31 March	**1,047**	1,213
Reconciliation of changes in the liability value during the year		
Defined benefit obligation at 1 April	983	969
Interest cost	49	43
(Loss)/gain on demographic assumptions	(14)	(26)
(Loss)/gain on financial assumptions	30	(23)
(Loss)/gain on experience adjustment	–	140
(Decrease)/increase in secured pensioners' value due to scheme experience	–	–
Benefits paid	(89)	(120)
Defined benefit obligation at 31 March	**959**	983

No annual contribution to be paid by the employer is expected (2025: £nil).

Year ended 31 March	2026	2025	2024	2023	2022
	£000's	£000's	£000's	£000's	£000's
Fair value of plan assets	1,047	1,213	1,202	1,135	1,795
Present value of defined benefit obligation	959	983	969	954	1,799
(Deficit)/surplus in plan	88	230	233	181	(4)
Experience (losses)/gains on plan liabilities	(138)	77	40	17	–

Plan assets	2026	2025
	£000's	£000's
Assets under management	202	341
Insured annuities	845	872
Total	**1,047**	1,213

Assets under management composition

	2026	2025
Corporate bonds	42.7%	43.6%
Overseas equities	39.8%	37.7%
UK equities	9.4%	10.4%
Property	7.1%	7.3%
Cash	1.0%	1.0%
	100.0%	100.0%

Defined benefit obligation – sensitivity analysis

The following amounts are the effect (on the defined benefit obligation) of reasonably possible changes to the key actuarial assumptions, as required by IAS 19.

Actuarial assumptions	Reasonably possible change	(Decrease)/increase in defined benefit obligation			
		2026		2025	
		£000's	£000's	£000's	£000's
Discount rate	+/- 1%	(54)	61	(55)	61
Members' life expectancy	+/- 1 year	(70)	71	(72)	72

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The Company has given a floating charge dated 1 December 2006 over all of its assets to the trustees of the pension fund to secure all present and future obligations and liabilities to the pension fund.

24. Share-based payments

The expense recognised for share-based payments made during the year is shown in the following table:

	Group		Company	
	2026	2025	2026	2025
	£000's	£000's	£000's	£000's
Total expense arising from equity-settled share-based payments transactions	330	401	–	162

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As at 31 March 2026

24. Share-based payments continued

The share-based payment plans are described below:

Movements in issued share options during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

	Options		Options	
	2026 000's	**2026 WAEP (£)**	2025 000's	2025 WAEP (£)
Outstanding at 1 April	**3,165**	**0.95**	3,560	2.18
Granted during the year – Employee scheme	**101**	**0.74**	128	0.12
Granted during the year – LTIPs	**566**	**0.05**	535	0.05
Granted during the year – Deferred bonus	**60**	**0.05**	143	0.05
Granted during the year – Restricted stock units	**210**	**0.05**	182	0.05
Expired / cancelled during year	**(669)**	**2.09**	(1,368)	3.54
Exercised during the period	**(25)**	**0.05**	(15)	0.05
Outstanding at 31 March	**3,408**	**0.51**	3,165	0.95
Granted < 3 years ago and not vested	**(2,686)**		(2,530)	
Exercisable at 31 March	**722**	**1.48**	635	3.76

722,000 options were exercisable at 31 March 2026 (2025: 635,000). The WAEP of exercisable options at 31 March 2026 was 148.0p (2025: 376.0p).

The average share price during the year was 96.0p (2025: 89.1p).

The maximum aggregate number of shares over which options may currently be granted cannot exceed 10% of the nominal share capital of the Company on the grant date. The options outstanding at 31 March 2026 had a weighted average exercise price of £0.51 (2025: £0.95) and a weighted average remaining contractual life of 8.6 years (2025: 7.6 years).

ECO Animal Health Group plc Executive Share Option Scheme

In accordance with the Executive Share Option Scheme, approved and unapproved share options are granted to Directors and employees who devote at least 25 hours per week to the performance of duties or employment with the Group.

94,500 share options have been granted in the year under this scheme (2025: 127,000). In addition, 566,379 options have been issued under the Group's Long Term Incentive Plan (2025: 535,260), 210,031 options have been issued under the Group's Restricted Stock Units scheme (2025: 182,225) and 60,295 under the Group's deferred bonus arrangements (2025: 143,452).

The exercise price of the options is equal to the market price of the shares at the date of grant. The options vest three years from the date of grant and if the option holder ceases to be a Director or employee of the Company due to injury, disability, redundancy or retirement on reaching pensionable age or any other age at which they are bound to retire at in accordance with the terms of their contract of employment, the option may be exercised within a period of six months after the option holders so ceasing, although the Board may, at its discretion, extend this period by up to 36 months after the date of cessation.

If the option holder ceases employment for any other reason, the option may not be exercised unless the Board permits. The approved and unapproved options will be forfeited where they remain unexercised at the end of their respective contractual lives of ten and seven years respectively.

An analysis of the expiry dates of the outstanding options at 31 March 2026 is given below:

Date of grant	Unapproved	Approved	Exercise price	Expiry date
12 September 2016	–	16,200	£4.330	12 September 2026
21 September 2017	–	28,250	£6.200	21 September 2027
23 October 2018	–	41,650	£3.800	23 October 2028
19 December 2018	–	7,800	£3.800	19 December 2028
28 April 2021	–	78,707	£3.500	28 April 2031
28 April 2021	95,793	–	£3.500	28 April 2028
12 December 2022	–	2,260	£0.050	12 December 2032
27 February 2023	450,828	–	£0.050	27 February 2033
25 April 2023	–	211,100	£1.010	25 April 2033
22 December 2023	44,562	–	£0.050	22 December 2033
22 March 2024	342,180	–	£0.050	22 March 2034
22 March 2024	–	240,700	£0.880	22 March 2034
28 August 2024	143,452	–	£0.050	28 August 2034
27 October 2024	85,675	–	£0.050	27 October 2034
27 October 2024	501,160	–	£0.050	27 October 2034
26 March 2025	–	130,100	£0.590	26 March 2035
26 March 2025	67,500	–	£0.050	26 March 2035
27 August 2025	–	94,500	£0.740	27 August 2035
27 August 2025	60,295	–	£0.050	27 August 2035
27 August 2025	566,379	–	£0.050	27 August 2035
27 August 2025	198,831	–	£0.050	27 August 2035
	2,556,655	**851,267**		

The market price of the shares at 31 March 2026 was 96.0p (2025: 53.5p) with a range in the year of 51.5p to 114.0p (2025: 58.0p to 131.5p).

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

24. Share-based payments continued

Movements in issued share options during the year continued

The Company uses a Black-Scholes model to value share-based payments for options with service conditions and/or non-market performance conditions and the following table lists the inputs to this model for the last five years.

	2026	2025	2024	2023	2022
Vesting period (years)	**3 – 4**	3 – 4	3 – 4	3 – 4	3 – 4
Option expiry (years)	**10**	10	10	10	7 – 10
Dividends expected on the shares	**0.00%**	0.00%	0.00%	0.00%	1.00%
Risk free rate (average)	**4.28%**	4.00% – 4.13%	3.74% – 4.13%	3.20% – 3.75%	0.18%
Volatility of share price	**40%**	40%	40%	40%	40%
Weighted average fair value (pence)	**27.0 – 69.0**	21.5 – 103.3	47.0 – 106.2	84.0 – 108.0	101.0 – 316.0

The risk-free rate has been based on the yield from UK Government Treasury coupons. The volatility of the share price was estimated based on standard deviation calculations on the historic share price.

Long Term Incentive Plan

Under this plan share options may be granted to certain Executive Directors and members of the Company's Executive Leadership Team. The share options awarded under the LTIP are subject to an exercise price of £0.05 per share and performance conditions being achieved that have been set by the Remuneration Committee and relate to total shareholder return (TSR) and research and development targets.

Subject to the performance conditions being met, the share options will vest after the end of a three-year vesting period. The proportion of share options relating to each performance condition is: (i) 75% in relation to the TSR conditions; and (ii) 25% in relation to the R&D targets.

The TSR conditions mean that the share options subject to these conditions will vest subject to the following: (i) 25% of the share options will vest if the annual compound TSR over the performance period equals 7.5%; (ii) 50% of the share options will vest if the annual compound TSR over the performance period equals 10%; and (iii) 100% of the share options will vest if the annual compound TSR over the performance period equals 20%.

The R&D targets mean that the share options subject to these targets will vest subject to the following: (i) 25% of the shares options will vest if specified R&D targets agreed between Executive management and the Remuneration Committee during the performance period are achieved; and (ii) 100% of the shares options will vest if specified R&D targets agreed between Executive management and the Remuneration Committee during the performance period are achieved. The R&D targets comprise a range of identifiable and quantifiable criteria relating to the introduction of new R&D projects, the progress of existing R&D projects to later stages of the development cycle, the submission of projects for approval to relevant regulators and for the approval of projects by the relevant regulators.

25. Share capital

	2026 £000's	2025 £000's
Authorised		
68,100,000 ordinary shares of 5p each	**3,405**	3,405
10,790 deferred ordinary shares of 10p each	**1**	1
32,334 convertible preference shares of £1 each	**32**	32
	3,438	3,438
Allotted, called up and fully paid		
67,759,671 (2025: 67,759,671) ordinary shares of 5p each	**3,388**	3,388

During the year no shares were issued (2025: 14,782 shares were issued). The shares were issued following the exercise of share options. The exercise price was 5 pence per option and consideration of £1,000 was received.

All share issued are non-redeemable and rank equally in terms of voting rights (one vote per share); rights to participate in all approved dividend distribution for that class of shares; and right to participate in any capital distribution on winding up.

The shares in the original or any increased capital of the Company may be issued with such preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, return of capital as the Company may from time to time determine.

26. Non-controlling (minority) interests

	2026 £000's	2025 £000's
Balance as at 1 April	**9,266**	9,690
Share of subsidiary's profit/(loss) for the year	**1,465**	948
Share of foreign exchange gain/(loss) on net investment	**172**	(307)
	1,637	641
Share of dividend paid by subsidiary	**(2,494)**	(1,065)
Balance as at 31 March	**8,409**	9,266

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

27. Other reserves

The Group held a revaluation reserve of £271,000 as at 31 March 2026 (2025: £271,000) relating to the acquisition of ECO Animal Health Japan Inc in 2009 and corresponding to the carrying value of its assets.

The Group and Company held a capital redemption reserve of £106,000 as at 31 March 2026 (2025: £106,000).

The Group held a Treasury Shares reserve of £(936,000) as at 31 March 2026 (2025: £(204,000)).

During the year the Group established an Employee Share Ownership Trust (the 'ESOT'). The assets, liabilities and returns of the ESOT are consolidated within the results of the ESOT's sponsoring company, ECO Animal Health Group plc.

During the year the ESOT acquired shares in ECO Animal Health Group plc. The shares held by the ESOT are treated as treasury shares in the accounts of ECO Animal Health Group plc, with a debit to the Treasury Shares reserve (see note 15).

Included in the Group's foreign exchange reserve are the following exchange movements on consolidation of the subsidiaries and joint operations listed below:

	At 31 March 2025	Movement in the year	**At 31 March 2026**
	£000's	£000's	**£000's**
In respect of:			
Zhejiang ECO Biok Animal Health Products Limited	11	179	**190**
Zhejiang ECO Animal Health Limited	(21)	158	**137**
ECO Animal Health do Brasil Comercio de Produtos Veterinarios Ltda	683	(94)	**589**
ECO Animal Health Japan Inc.	(189)	(120)	**(309)**
ECO Animal Health USA Corp.	(48)	(17)	**(65)**
ECO Animal Health de Mexico, S. de R. L. de C. V.	355	(59)	**296**
ECO South Africa	(49)	(1)	**(50)**
Pharmgate LLC	5	(1)	**4**
ECO Europe Ltd	–	(1)	**(1)**
ECO Malaysia Ltd	–	2	**2**
ECO India	–	(66)	**(66)**
Foreign exchange reserve movements charged to consolidated statement of comprehensive income	747	(20)	**727**

28. Directors' emoluments

	2026	2025
	£000's	£000's
Emoluments for qualifying services	**1,320**	986
Company pension contributions to money purchase schemes	**27**	31
Share-based payments	**236**	108
Benefits in kind	**17**	22
	1,600	1,147

During the year one Director exercised share options (2025: one) realising a gain of £4,374 (2025: £10,000).

The highest paid Director received £770,403 (2025: £464,000) including £133,403 (2025: £33,000) of share-based payments and £nil (2025: £nil) of pension contributions.

29. Employees

Number of employees

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

	2026	2025
	Number	Number
Directors	**5**	5
Production and development	**84**	89
Administration	**42**	43
Sales	**82**	87
	213	224

Employment costs (including amounts capitalised)

	2026	2025
	£000's	£000's
Wages and salaries	**14,245**	12,354
Share-based payments	**330**	401
Social security costs	**1,624**	1,997
Other pension costs	**524**	302
	16,723	15,054

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

30. Related party transactions

There is no ultimate controlling party.

Interest and management charges from parent to the other Group companies

During the year the Company made management charges on an arm's length basis to ECO Animal Health Limited amounting to £3,460,000 (2025: £1,230,000) and charged interest of £970,000 (2025: £1,100,000) to the subsidiary company. Both of these transactions were made through the inter-company account and were eliminated on consolidation.

During the year Zhejiang ECO Animal Health Ltd paid dividends to ECO Animal Health Ltd of £970,228 (RMB 9,529,703).

During the year Zhejiang ECO Biok Animal Health Products Limited paid dividends of £198,979 (RMB 1,960,000) to ECO Animal Health Group plc (2025: £85,217) and £2,396,631 (RMB 23,540,000) to ECO Animal Health Limited (2025: £1,023,478).

Key management compensation

The Group regards the Board of Directors as its key management.

	2026	2025
	£000's	£000's
Salaries and short-term benefits	1,459	1,155
Retirement benefits	27	31
Share-based payments	236	108
	1,722	1,294

The number of Directors for which retirement benefits were accruing was 1 (2025: 1).

31. Financial instruments

The Group uses financial instruments comprising borrowings, cash and cash equivalents and various items, such as trade receivables, trade payables etc. that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations. The Directors are responsible for the overall risk management.

The main risks arising from the Group's use of financial instruments are capital and liquidity risk, credit risk and foreign currency risk and they are summarised below. The policies have remained unchanged throughout the year.

Capital and liquidity risk

The Group manages its capital to ensure continuity as a going concern whilst maximising returns through the optimisation of debt and equity. As part of this, the Board considers the cost and risk associated with each class of capital. The capital structure of the Group consists of cash and cash equivalents in note 19, borrowings in note 21 and equity attributable to equity holders of the parent comprising issued capital, reserves and retained earnings as disclosed in the Group's statement of changes in equity.

Liquidity risk is managed by maintaining adequate reserves and banking facilities with continuous monitoring of the latest developments by management.

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

As an AIM quoted company, our governance framework is underpinned by the AIM Rules and the Quoted Companies Alliance (QCA) Corporate Governance Code 2018 (the 'QCA Code'). In addition to the QCA Code, we monitor developments and guidance in the UK Corporate Governance Code, applicable to main market listed companies, to keep abreast of matters which we feel could also be embedded as best practice as part of a progressive approach. We also review the Investment Association guidelines and seek to comply with these where applicable.

At 31 March 2026, the Group was contractually obliged to make repayments as detailed below:

	2026	2025
Within one year or on demand	£000's	£000's
Trade payables	5,774	9,794
Other payables	905	1,030
Accruals	4,322	3,541
	11,001	14,365

Credit risk

Credit risk is that of financial loss as a result of default by a counterparty on its contractual obligations. The Group's exposure to credit risk arises principally in relation to trade receivables from customers and on short-term bank deposits. Customers' creditworthiness is wherever possible checked against independent rating databases and filing authorities, or otherwise assessed on the basis of trade knowledge and experience. Exposure and customer credit limits are continually monitored both on specific debts and overall.

The credit risk in relation to short-term bank deposits is limited because the counterparties are banks with good credit ratings.

The Group operates in certain geographical areas which are from time to time subject to restrictions in the free movement of funds. The Board seeks to minimise the Group's exposure to these markets but the nature of our business makes it impossible to eliminate this exposure completely.

None of those receivables has been subject to a significant increase in credit risk since initial recognition and, consequently, 12-month expected credit losses have been recognised, and there are no non-current receivable balances lifetime expected credit losses.

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

31. Financial instruments continued

Foreign currency risk

The Group operates in overseas markets particularly through its subsidiaries in China, Brazil, Mexico, the USA and Japan as well as its joint operation in Canada and is therefore subject to currency exposure on transactions undertaken during the year. The Group does some simple economic hedging of receivables when the Board feels it is appropriate to do so and foreign exchange differences on retranslation of foreign monetary items are recorded in administrative expenses in the income statement.

The table below shows the extent to which the Group companies have monetary assets and liabilities in currencies other than in Sterling.

	US Dollar	**Euros**	**Chinese RMB**	**Japanese Yen**	**Brazilian Real**	**Canadian Dollar**	**Mexican Peso**	**Other**
2026	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**
Trade and other receivables	**83,534**	**3,105**	**6,468**	**187**	**1,398**	**829**	**1,751**	**69**
Trade and other payables	**(68,131)**	**(2,099)**	**(5,031)**	**(58)**	**(1,683)**	**(543)**	**(3,418)**	**(55)**
Cash and cash equivalents	**5,367**	**650**	**15,662**	**269**	**2,031**	**198**	**885**	**42**
Total	**20,770**	**1,656**	**17,099**	**398**	**1,746**	**484**	**(782)**	**56**

	US Dollar	Euros	Chinese RMB	Japanese Yen	Brazilian Real	Canadian Dollar	Mexican Peso	Other
2025	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Trade and other receivables	50,589	3,660	6,626	542	669	699	2,374	55
Trade and other payables	(36,335)	(2,775)	(7,187)	(151)	(976)	(511)	(3,000)	(108)
Cash and cash equivalents	6,008	369	15,702	511	988	223	110	40
Total	20,262	1,254	15,141	902	681	411	(516)	(13)

At 31 March 2026 the Group was mainly exposed to the US Dollar, Euro, Chinese RMB, Japanese Yen, Brazilian Real, Canadian Dollar and Mexican Peso. The following table details the effect of a 10% movement in the exchange rate of these currencies against Sterling when applied to outstanding monetary items denominated in foreign currency as at 31 March 2026.

	2026	2025
	£000's	£000's
U S Dollar	**2,308**	2,251
Euro	**184**	139
Chinese RMB	**1,900**	1,682
Japanese Yen	**44**	100
Brazilian Real	**194**	76
Canadian Dollar	**56**	46
Mexican Peso	**(87)**	(57)

Notes to the Consolidated Financial Statements continued

As at 31 March 2026

31. Financial instruments continued

Analysis of financial instruments by category

Group	Financial assets	Financial liabilities	Total
2026	**£000's**	**£000's**	**£000's**
Trade and other receivables[1]	**23,955**	**–**	**23,955**
Cash and cash equivalents	**25,432**	**–**	**25,432**
Trade and other payables[2]	**–**	**(11,001)**	**(11,001)**
Amounts due under leases	**–**	**(4,933)**	**(4,933)**
Borrowings	**–**	**–**	**–**

1. This includes prepayments and accrued income of £1,416,000.
2. This excludes contract liabilities but includes accruals and deferred income of £4,322,000.

2025	£000's	£000's	£000's
Trade and other receivables[1]	28,516	–	28,516
Cash and cash equivalents	25,006	–	25,006
Trade and other payables[2]	–	(14,365)	(14,365)
Amounts due under leases	–	(3,785)	(3,785)
Borrowings	–	–	–

1. This includes prepayments and accrued income of £864,000.
2. This excludes contract liabilities but includes accruals and deferred income of £3,541,000.

Company	Financial assets	Financial liabilities	Total
2026	**£000's**	**£000's**	**£000's**
Trade and other receivables[1]	**387**	**–**	**387**
Cash and cash equivalents	**133**	**–**	**133**
Trade and other payables[2]	**–**	**(862)**	**(862)**
Amounts due under leases	**–**	**(5)**	**(5)**
Borrowings	**–**	**–**	**–**
Amounts due from group undertakings	**51,104**	**–**	**51,104**

1. This includes prepayments and accrued income of £252,000.
2. This excludes contract liabilities but includes accruals and deferred income of £595,000.

2025	£000's	£000's	£000's
Trade and other receivables[1]	1,664	–	1,664
Cash and cash equivalents	1,515	–	1,515
Trade and other payables[2]	–	(673)	(673)
Amounts due under leases	–	(17)	(17)
Borrowings	–	–	–
Amounts due from group undertakings	48,937	–	48,937

1. This includes prepayments and accrued income of £271,000.
2. This excludes contract liabilities but includes accruals and deferred income of £383,000.

All financial assets and liabilities in the Group's and Company's statements of financial position are classified as held at amortised cost for both the current and previous year.

Appendix 1: SECR Report

Metric	2025	2024
Total emissions (tCO_2e)		
Total Scopes 1 (tCO_2e)	**6.5**	7.5
Total Scopes 2 (tCO_2e)	**0.0**	2.0
Total Scopes 3 (tCO_2e)	**3.8**	3.6
Total Scopes 1, 2 and 3 (tCO_2e)	**10.3**	13.1
Total Energy Consumption (kWh)		
Total Scopes 1 (kWh)	**13,023.4**	16,684.8
Total Scopes 2 (kWh)	**31,002.4**	26,905.4
Scopes 2 (location-based) (kWh)	**92.5**	9,582.5
Scopes 2 (market-based) (kWh)	**30,909.9**	17,322.8
Total Scopes 3 (kWh)	**0.0**	0.0
Total Scopes 1, 2 and 3 (kWh)	**44,025.8**	43,590.2

Scope Breakdown		2025	2024
Carbon Footprint (tCO_2e)			
Scopes 1	Company vehicle business travel	**6.5**	7.3
	Natural Gas	**0.0**	0.2
Scopes 2	Company vehicle business travel (electric vehicles)	**0.0**	0.1
	Electricity	**0.0**	1.8
Scopes 3	Well-to-tank	**3.2**	3.1
	Transmission and distribution	**0.6**	0.5
Total		**10.3**	13.1
Energy Consumption (kWh)			
Scopes 1	Company vehicle business travel	**13,023.4**	15,585.8
	Natural gas	**0.0**	1,099.0
Scopes 2	Company vehicle business travel (electric vehicles)	**92.5**	673.5
	Electricity	**30,909.9**	26,231.8
Total		**44,025.8**	43,590.2

Intensity Ratio	2025	2024
Total $kgCO_2e$/Sqft	**0.5**	0.6

Methodology: Prepared in accordance with the UK Streamlined Energy and Carbon Reporting (SECR) framework, following the Environmental Reporting Guidelines (including SECR guidance) and the latest UK Government GHG Conversion Factors for Company Reporting.

Estimations: None.

Notes: UK business travel emissions combine company-owned vehicles and employee-owned vehicles used for business (grey fleet) as a single figure this period. From 2026, the Group intends to report company vehicle emissions (Scope 1) and grey fleet emissions (Scope 3) separately, improving transparency and aligning with GHG Protocol classification.

Directors and Advisers

Directors	Joachim Hasenmaier	Non-Executive Chairman
	David Hallas	Chief Executive Officer
	Christopher Wilks	Chief Financial Officer
	Frank Armstrong	Non-Executive Director
	Tracey James	Non-Executive Director
Secretary	Christopher Wilks	
Company Number	1818170	
Registered Office	The Grange 100 High Street London N14 6BN	
Registered Auditors	HaysMac LLP 10 Queen Street Place London EC4R 1AG	
Registrars	Share Registrars Limited 3 The Millennium Centre Crosby Way Farnham Surrey GU9 7XX	
Lawyers	Mills & Reeve LLP 24 King William Street London EC4R 9AT	

Bankers	NatWest plc Tooting Branch 30 High Street London SW17 0RG
Nominated Adviser and Broker	Singer Capital Markets One Bartholomew Lane London EC2N 2AX
Joint Broker	Panmure Liberum 25 Ropemaker Street London EC2Y 9LY
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Printed by:

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Designed and produced
by carrkamasa.co.uk

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