



CASTINGS P.L.C.

ANNUAL REPORT

for the year ended
31 March 2026

Stock Code: CGS



An Introduction to **Castings P.L.C.**

Castings P.L.C. is a market-leading iron casting and machining group based in the UK supplying both the domestic and export markets.

Our continued strength is largely as a result of our investment in the latest technologies and manufacturing processes. Maintaining an ungeared balance sheet provides investment flexibility, enabling us to fully capitalise on commercial opportunities to generate strong returns for the benefit of shareholders, customers and employees alike.

Contents

Strategic Report

Financial Highlights	02
Chairman's Statement	03
Group Overview and Strategy	04
Business Model	05
Business and Financial Review	06
Principal Risks and Uncertainties	08
Environmental, Social and Governance	12
Viability Statement	21
S172(1) Statement	22

Corporate Governance

Board of Directors	23
Directors' Report	24
Corporate Governance	27
Audit and Risk Committee Report	29
Directors' Remuneration Report	
Annual Statement	30
Remuneration Policy	31
Annual Report on Directors' Remuneration	35
Statement of Directors' Responsibilities	38
Independent Auditor's Report	39

Financial Statements

Consolidated Statement of Comprehensive Income	44
Consolidated Balance Sheet	45
Consolidated Cash Flow Statement	46
Consolidated Statement of Changes in Equity	47
Notes to the Consolidated Financial Statements	48
Five Year Financial History	66
Parent Company Balance Sheet	67
Parent Company Statement of Changes in Equity	68
Notes to the Parent Company Financial Statements	69

Company Information

Notice of Meeting	75
Directors, Officers and Advisers	78
Shareholder Information	79

Financial Highlights

Group revenue (£m)

£173m

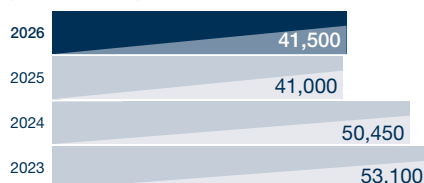
(2025: £177m)



Foundry sales volume (tonnes)

41,500

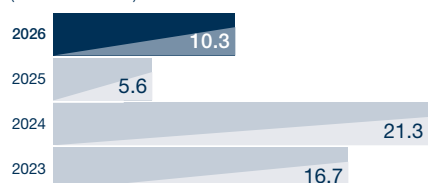
(2025: 41,000)



Profit before tax (£m)

£10.3m

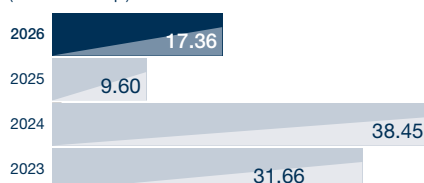
(2025: £5.6m)



EPS (basic)

17.36p

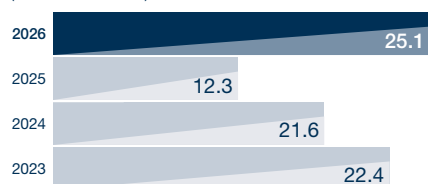
(2025: 9.60p)



Cash generated from operating activities (£m)

£25.1m

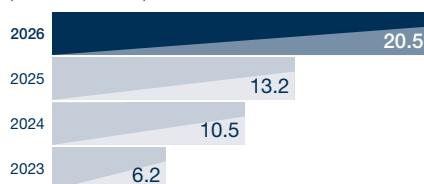
(2025: £12.3m)



Capital expenditure (£m)

£20.5m

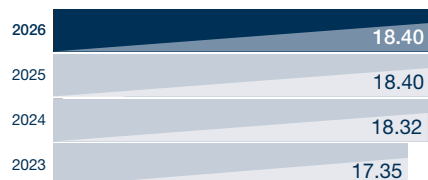
(2025: £13.2m)



Dividend per share (excluding supplementary dividend) (pence)

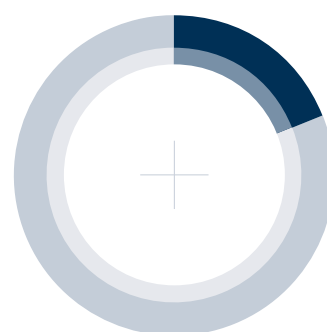
18.40p

(2025: 18.40p)



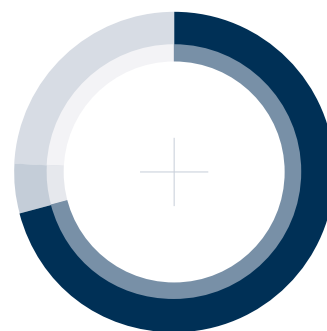
Revenue Profile

Geographical revenue split



- United Kingdom 19%
- Export 81%

Customer sector profile



- Commercial vehicle 71%
- Automotive 5%
- Other 24%

Chairman's Statement

Overview

Demand from our heavy truck customers, which make up over 70% of group revenue, continued at the reduced levels of the previous year compared to the very strong volumes seen in the year ended 31 March 2024. The Original Equipment Manufacturers ('OEMs') have suggested that European heavy truck demand was some 10% below what they would consider to be the normalised trend level. Volumes saw small fluctuations on a quarter-by-quarter basis, with Q4 being ahead of the prior year, but the overall picture is of a flat level of demand compared to the prior year.

The European market, which comprises nearly three-quarters of our revenue, whilst remaining resilient, has varied country by country. Demand from the US is still being impacted by political and economic uncertainty.

Turnover decreased by 2% compared with the previous year and profit from operations increased by 109%. The despatch weight increased by 1% compared to the prior year, albeit at a reduced average selling price reflecting lower energy surcharges during the year.

It is pleasing to report that our larger iron castings (up to 7 tonnes) business in Scunthorpe, established in June 2024, is operating profitably. This business represents an opportunity to supply products and customers that are new to the group. It also enables us to offer our existing customers a broader product range which has been in evidence during the year.

The cash generated from operations was strong. The more stable level of demand enabled us to reduce working capital.

Foundry businesses

Whilst demand marginally increased on a sales weight basis in the year, the more consistent level of production requirements enabled the foundry operation to drive production efficiencies in the year.

The new foundry production line at our William Lee site was commissioned towards the end of the 2025 calendar year and production commenced in the final quarter of the financial year. There were some expected early-stage production inefficiencies, but the new line adds up to 12,000 tonnes of additional gross foundry capacity which represents a 15% increase on the group's current capacity. It also enables us to produce larger castings compared to the existing production capabilities.

CNC Speedwell

It is pleasing to report another solid performance in the machining business against the backdrop of the continuing lower demand levels.

Investment has been focussed on replacing older equipment with more efficient machines in line with our on-going programme.

Outlook

The forward schedules from our customers currently suggest an increase of 5% - 10% which includes new work from our wind energy customers. The heavy-truck element of these increases is supported by reports from some of the OEMs of increases to their European truck forecasts for 2026. The impact of these increases in schedules has been offset in the first two months of the current financial year by a restriction of around 50% in the power supplied by Northern Powergrid to the William Lee site. The transformer concerned has been repaired and full power was restored on 24 May 2026.

The new foundry line can produce parts with slightly larger dimensions, thus providing the opportunity to quote for work that would have previously been outside of our scope. The facility in Scunthorpe is allowing the group to supply significantly larger castings to existing and new customers.

We will continue to develop opportunities with existing customers in areas such as the electrification of lighter trucks and build relationships in other markets such as wind energy and agriculture. We remain well positioned to take advantage of any increases in the US market as and when they come through.

Dividend

The directors are recommending the payment of a final dividend of 14.19 pence per share to be paid on 25 August 2026 to shareholders on the register on 24 July 2026. This, together with the interim dividend, maintains the total dividend for the year at 18.40 pence per share.

Directors

I would like to thank the directors, senior management and all of our employees for their hard work and commitment during the year.

A. N. Jones
Chairman

17 June 2026

Group Overview and Strategy

Group overview

Castings P.L.C. is a market leading iron casting and machining group based in the UK, supplying both the domestic and export markets.

The original foundry operation dates back to 1835 and today the group comprises four trading businesses, employing approximately 1,000 people in the UK.

The group operates three iron foundries – Castings P.L.C. (Brownhills, West Midlands), William Lee Limited (Dronfield, Derbyshire) and Ductile Castings Limited (Scunthorpe, North Lincolnshire) – together with the CNC Speedwell Limited machining operation which is also based in Brownhills.

The group produces SG iron, Austempered ductile iron ('ADI'), SiMo and Ni-resist castings up to 7,000kg in weight. Our three Disamatic moulding machines and four horizontal green sand moulding machines provide a foundry production capacity of over 82,000 tonnes per annum (equates to sales capacity of approximately 74,000 tonnes per annum after machining weight is removed).

Our machining operation is invested to support the capacity requirements of the foundry customer base.

Strategy

Our continued strength is largely as a result of our investment in the latest technologies and manufacturing processes. Utilising high volume equipment in a small and medium batch environment, we are perfectly positioned to supply our commercial vehicle focussed customer base in Europe and beyond.

The management team is committed to developing the business for the benefit of shareholders, employees and customers.

Our focus is to deliver long-term sustainable revenues and higher than average margins through the following strategic priorities:

Reinvestment for innovation and efficiency

We invest in the latest technologies to provide our customers with innovative design and production offerings and to ensure we maximise production process efficiencies.

We seek to strike a balance in the allocation of strong cash flows between reinvestment and providing attractive returns for shareholders.

Increase Original Equipment Manufacturer ('OEM') market share

By continuing to work collaboratively with customers to develop innovative, cost-effective solutions, we strive to increase our market share within our existing core commercial vehicle customer base.

With our investment in warehousing and logistics systems, we are well placed to take advantage of opportunities to bring additional products to our current OEM customers.

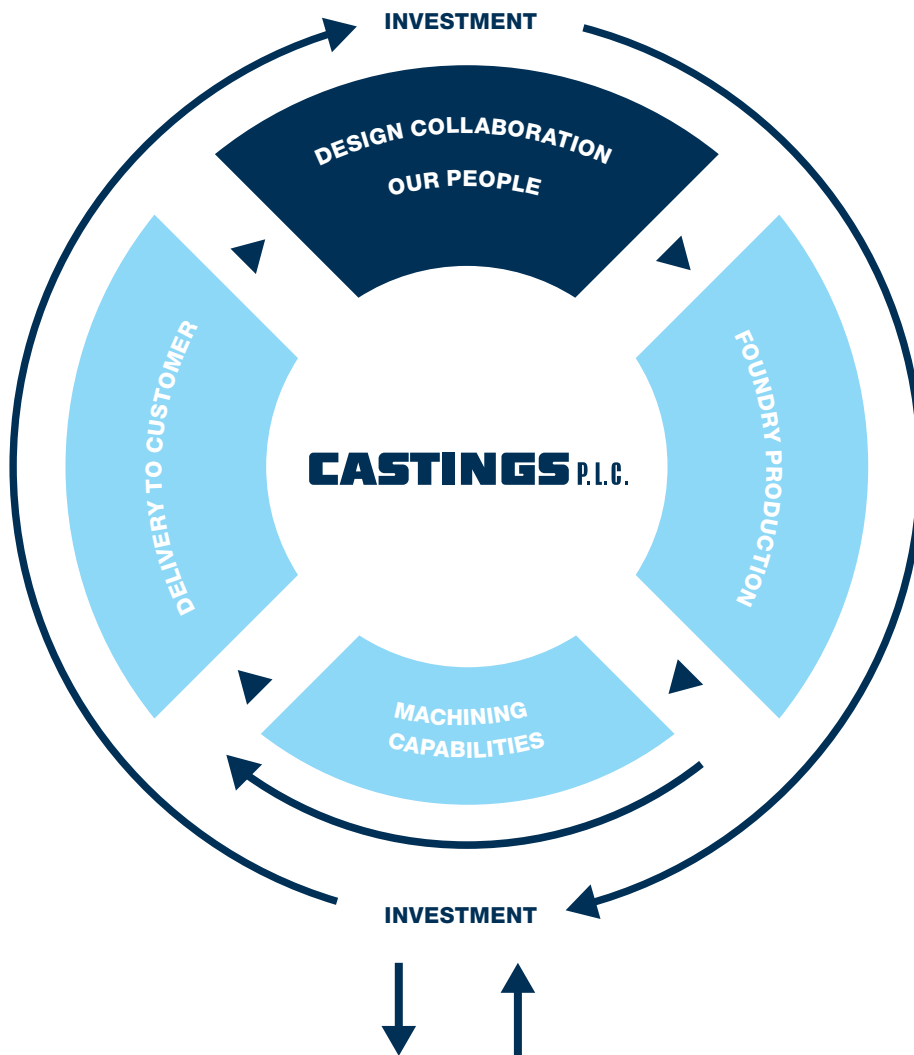
Strength of balance sheet

The group balance sheet is managed to ensure long-term financial stability and the ability to make efficient investment decisions to support our strategic objectives.

Investment in our people

With approximately 1,000 employees in the UK, our workforce is a critical element to the continued success of the group. We are committed to developing our people through targeted and balanced training across all levels, whilst maintaining an eye on the future with apprenticeship programmes in all companies in the group.

Business Model



VALUE FOR STAKEHOLDERS

Customers

Flexible, agile and cost-effective supply of high-quality and diverse product range.
Long-term security of supply.

Employees

Training and investment allowing our employees to develop in a challenging and ambitious environment.

Shareholders

Maintaining competitive position affords us growth opportunities to increase returns to our shareholders.
Strong cash generation and a progressive dividend policy.

Communities and environment

We aim to contribute positively to the communities and environment in which we operate.
A recycler of steel scrap metal produced in the UK.

Design collaboration

Work closely with customers to develop cost-effective solutions to meet their needs.

Use of 3D design simulation and rapid prototyping.

Our people

Committed, experienced workforce with a high degree of technical knowledge.

Foundry production

High-volume moulding equipment used in a flexible manner (zero time changeovers) to allow production of small and medium volume batches.

Ability to produce a diverse range of parts.

Technical expertise, investment in flexible automation and efficient working practices ensure cost of production is kept low, whilst quality of output is very high.

Machining capability

Highly invested machine shop focussed on the prismatic machining of castings primarily for the group customer base.

Robotic feeding of machines being rolled out to aid efficiencies and quality standards.

Vertical integration of assembly processes available.

Delivery to customer

Investment in logistics systems ensures a diverse product range is managed effectively, meeting strict customer delivery deadlines.

Experience in managing logistics both domestically and for the export market.

Business and Financial Review

General overview

The underlying demand from our commercial vehicle customers (approximately 70% of group revenue) was up 1.2% when compared to the previous year based on sales weight.

As previously reported at the half-year, demand for heavy trucks had remained at lower levels during the year with the OEMs suggesting that European heavy-truck demand was 10% below the normalised trend level.

Demand levels remained relatively flat during the second half of the year, albeit with a slight improvement in the final quarter, particularly in Europe.

The US market continues to be impacted by tariff uncertainty, which has reduced activity in that region.

Profitability has improved as the businesses have right sized to operate at the lower levels of demand in the year.

The Ductile Castings business in Scunthorpe, has continued to benefit from the engineering investment made and some consolidation in the UK larger casting market. It is very pleasing to report a profitable second half to the year for this business, benefiting from an improved short-term order book from a growing customer base.

The commissioning of the new foundry production line at our Dronfield site was completed in the second half of the year with production commencing in Q4. Whilst there have been some early-stage inefficiencies, the additional capacity and enhanced casting dimensional capability, means the group is well positioned for future growth.

Overview of business segment performance

The segmental revenue and results for the current and previous years are set out in note 2 on page 52. An overview of the performance, position and future prospects of each segment, and the relevant KPIs, are set out below.

Key Performance Indicators

The key performance indicators considered by the group are:

- Segmental revenue;
- Segmental result (profit from operations before pension cost);
- EPS;
- Cash; and
- Dividends per share.

Foundry operations

As set out previously, customer demand has continued at the generally lower levels seen last year. That said, the foundry businesses experienced a modest increase in sales output of 1.2% to 41,500 tonnes. After taking into account the reduction in weight from machining, this equates to approximately 46,000 tonnes of production.

On a like-for-like basis, excluding Ductile Castings, the sales volumes were flat at just under 40,000 tonnes.

External sales revenue reduced by 2.1% to £171.8 million. Of the total output weight for the year, excluding Ductile Castings, 66.9% related to machined castings compared to 67.3% in the previous year. This, along with lower surcharges, contributed to the fall in sales revenue despite the slight volume increase.

The segmental profit of £6.4 million was up £3.5 million on the prior year. The prior year result included £1.5 million of one-off additional electricity costs and a loss of £1.3 million at Ductile Castings.

The result represents a profit margin of 3.3% on total segmental sales (2025 – 1.5%).

Capital additions of £19.3 million have been recognised in the foundry businesses during the year. The net cash figure, excluding amounts transferred from prepayments, is £12.6 million, the most significant element of which was £8.3 million on the new production line at our William Lee site. In addition, we have invested in building improvements and in other non-foundry equipment capacity and efficiency initiatives.

Machining

The machining business generated total sales of £30.6 million in the year compared to £32.1 million in the previous year, a reduction of 4.7%. Of the total revenue, 4.8% was generated from external customers compared

to 4.6% in 2025.

The segmental result for the year was a profit of £2.4 million (2025 – £2.0 million).

We have invested £1.2m million during the year, which included £0.5 million on more efficient machining capacity in line with our machine replacement programme and down payments on the group's second solar panel installation.

Business review and performance

Revenue

Group revenues decreased by 2.1% to £173.2 million compared to £177.0 million reported in 2025, of which 81% was exported (2025 – 84%).

Revenue from the foundry operations to external customers decreased by 2.1% to £171.8 million (2025 – £175.5 million) with the despatch weight of castings to third-party customers increasing by 1.2% to 41,500 tonnes (2025 – 41,000 tonnes).

Revenue from the machining operation to external customers remained consistent at £1.5 million.

Operating profit and segmental result

The group operating profit for the year was £10.0 million compared to £4.8 million reported in 2025, which represents a return on sales of 5.8% (2025 – 2.7%).

Other operating income

Other operating income of £1.2 million represents research and development tax credits. The claims made in the year relate to both the current period and the two previous financial years; £0.4 million being attributable to the current year.

Finance income

The level of finance income decreased to £0.5 million compared to £0.96 million in 2025, reflecting the lower interest rates available on deposits during the financial year and the reduced sums on deposit.

Profit before tax

Profit before tax has increased to £10.3 million from £5.6 million in the prior year.

Taxation

The tax charge of £2.75 million (2025 – £1.45 million) is made up of a current tax credit of £0.60 million (2025 – charge of £0.47 million) and a deferred tax charge of £3.35 million (2025 – £0.98 million).

The current tax credit reflects additional capital allowances that have been claimed this year in respect of capital investment in the prior year, reducing this year's current tax charge but increasing the deferred tax charge. The deferred tax charge also includes the effect of the significant level of full-expensing (100%) capital allowance deductions claimed in the current year.

The effective rate of tax of 26.7% (2025 – 25.8%) is marginally higher than the main rate of corporation tax of 25% (2025 – 25%).

Earnings per share

Basic earnings per share increased 80.8% to 17.36 pence (2025 – 9.60 pence), reflecting the 83.0% increase in profit before tax.

Options over 111,005 shares were granted during the year (2025 – options over 66,787 shares), as set out in note 19. The company did not purchase any shares during the year (2025 – nil). The diluted weighted average number of shares has increased to 43,758,140 resulting in a diluted earnings per share of 17.25 pence per share (2025 – 9.56 pence per share).

Dividends

The directors are recommending a final dividend of 14.19 pence per share (2025 – 14.19 pence per share) to be paid on 25 August 2026 to shareholders on the register on 24 July 2026. This would give a total ordinary distribution for the year of 18.40 pence per share (2025 – 18.40 pence per share).

Cash flow

The cash position at 31 March 2026 was £17.4 million compared to £15.6 million in the previous year.

The group generated cash from operating activities of £25.1 million compared to £12.3 million in 2025. When compared to 2025, the variance is mainly due to the significant increase in profit of £4.7 million and a net working capital inflow.

In the year to 31 March 2026, the most significant decrease to working capital relates

to a planned inventory reduction of £9.3 million compared to the start of the year.

Corporation tax payments during the year totalled £1.5 million (2025 – £1.0 million) and included additional payments in respect of a previous year. As noted previously, there has been a change in the approach to claiming capital allowances which will result in repayments in the current financial year.

Capital expenditure during the year amounted to £20.5 million (2025 – £13.2 million), including £6.7 million of advanced deposit payments reclassified from prepayments. The charge for depreciation was £8.3 million (2025 – £8.9 million).

The company pays pensions on behalf of the two final salary pension schemes and then reclaims these advances from the schemes (as set out in note 5). During the year repayments of £3.3 million (2025 – £4.0 million) were received from the schemes and advances were paid on behalf of the schemes of £3.5 million (2025 – £2.3 million). The outstanding amount of these advances of £0.7 million will be repaid to the company during the current financial year.

Dividends paid to shareholders were £8.0 million in the year (2025 – £11.0 million).

The net cash and cash equivalents movement for the year was an increase of £1.8 million (2025 – decrease of £17.0 million).

At 31 March 2026, the total cash and deposits position was £17.4 million (2025 – £15.7 million).

Pensions

The pension valuation showed a slight reduction in the surplus, on an IAS 19 basis, to £12.0 million compared to £12.2 million in the previous year.

The majority of the liabilities of the schemes are covered by an insurance asset that fully matches, subject to final adjustment of the bulk annuity pricing, the remaining pension liabilities of the schemes.

However, there remains the uninsured element relating to the GMP equalisation liability (further detail is set out in note 5).

The pension surplus continues not to be shown on the balance sheet as the company does not have an unconditional right to receive returns of contributions or refunds.

Balance sheet

Net assets at 31 March 2026 were £127.3 million (2025 – £127.4 million). Other than the total comprehensive income for the year of £7.5 million (2025 – £4.3 million), the only movements relate to the dividend payment of £8.0 million (2025 – £11.0 million), a share-based payment charge of £0.19 million (2025 – £0.14 million) and a net £0.04 million in respect of share options exercised during the year (2025 – nil).

Non-current assets have increased to £80.4 million (2025 – £68.2 million). Property, plant and equipment has increased by £12.3 million with investment during the year of £20.5 million being at a higher level than the depreciation charge of £8.3 million. The group continues to recognise a right-of-use asset in respect of the operating lease negotiated at the time of the Ductile Castings asset purchase in June 2024, the year end balance being £1.97 million (2025 – £2.06 million).

Current assets have decreased to £84.6 million (2025 – £100.1 million) reflecting the inventory reduction and the reduced prepayment balances. There is also a current tax debtor of £2.0 million as set-out previously.

Total liabilities have decreased to £37.7 million (2025 – £40.8 million), with the reduction in trade payables of £4.9 million being partially offset by the £3.4 million increase in the deferred tax liability.

Principal Risks and Uncertainties

In common with all trading businesses, the group is exposed to a variety of risks in the conduct of its normal business operations.

The directors regularly assess the principal risks facing the entity. Whilst it is difficult to completely quantify every material risk that the group faces, below is a summary of those risks that the directors believe are most significant to the group's business and could have a material impact on future performance, causing it to differ materially from expected or historic achieved results.

Information is also provided as to how the risks are, where possible, being managed or mitigated.

The group does not operate a formal internal audit function; however, risk management is overseen by senior management and group risk registers are maintained and regularly reviewed, alongside factors which may result in changes to risk assessments or require additional mitigation measures to be implemented.

External consultants are used to assess the design and effectiveness of controls relating to IT security to provide specialist support to management in this area.

Key risks arising or increasing in impact are reviewed at both group and subsidiary board meetings.

The impact of each risk set out below has been described as increased, stable or decreased dependent upon whether the business environment and group activity has resulted in a change to the potential impact of that risk.

Risk description	Impact	Mitigation and control
Markets and competition		
<p>The group's revenues are dominated by the commercial vehicle sector which is a cyclical market exposed to macroeconomic trends.</p> <p>Global conflicts in the year have resulted in inflation and interest rates remaining elevated. These factors are impacting both the underlying demand for heavy goods vehicles and the affordability and timing of investment decisions by fleet operators.</p> <p>A high level of competition could lead to deflation in prices. Global sourcing models could also result in the resourcing of work to low-cost economies.</p> <p>A number of customers are now sourcing parts for common base engines and modular chassis; therefore there is pressure to ensure this business is generated by the group against global competition.</p> <p>Tariff regimes, notably in the USA, have impacted sourcing decisions and the associated uncertainty is impacting buyers' decisions.</p>	<p>Increased</p> <p>The operational and commercial activity of the business is driven by customer demand. Demand has the potential to change rapidly dependent upon the significant variable factors in the macroeconomic environment such as inflation, interest rate changes or changing regulatory positions.</p> <p>Erosion of market share could result in loss of revenue and profit.</p> <p>Tariff regimes have increased the risk of dealing in US markets during the year.</p>	<p>The group's operations are set up in such a way as to ensure that variation in demand can be accommodated and rapidly responded to.</p> <p>Demand is closely reviewed by senior management on a constant basis.</p> <p>Whilst there can be no guarantee that business will not be lost on price, we are confident that we can remain competitive.</p> <p>The group continues to mitigate this risk through investment in productivity, with a strong focus on cost and customer value.</p> <p>The group is actively developing its ability to understand, respond to and mitigate tariff impacts where possible, supported by external advisers.</p>
Customer concentration and relationships		
<p>The group has relationships with key customers in the commercial vehicle market which forms the majority of the customer base.</p>	<p>Stable</p> <p>The loss of, or deterioration in, any major customer relationship could have a material impact on the group's results.</p>	<p>We build strong relationships with our customers to develop products to meet their specific needs. The ability to supply larger castings (up to 7 tonnes) through Ductile Castings provides an opportunity to reduce customer concentration.</p>
Product quality and liability		
<p>The group's businesses expose it to certain product liability risks which, in the event of failure, could give rise to material financial liabilities.</p>	<p>Stable</p> <p>Fines or penalties could result in a loss of revenue, additional costs and reduced profits.</p>	<p>Whilst it is a policy of the group to endeavour to limit its financial liability by contract in all long-term agreements ('LTAs'), it is not always possible to secure such limitations.</p> <p>The group's customers do require the maintenance of demanding quality systems to safeguard against quality-related risks and the group maintains appropriate external quality accreditations. The group maintains insurance for public liability-related claims but does not insure against the risk of product warranty or recall.</p>

Risk description	Impact	Mitigation and control
Technological change		
<p>Sustainability and climate change mean that customers continue to invest in the development of synthetic fuels, electric and hydrogen powered vehicles to reduce the emissions produced by the heavy-duty truck sector.</p> <p>The initial phase of this is focussed on passenger cars and smaller, short-range trucks which are not key markets for the group. However, the continued development of new technology does present a medium-term risk to the group as c. 30% of group revenue arises from the supply of cast iron powertrain components.</p> <p>It is important to note that such a change also presents an opportunity for the group to evolve its product offering, as has always been the case over the years.</p> <p>During the year changing attitudes and regulatory positions in the USA and EU have deferred emissions targets and supported extensions to the lifecycle of diesel engines for heavy duty commercial vehicles.</p>	<p>Stable</p> <p>The group continues to work with key customers producing the next generation of internal combustion engine ("ICE") commercial vehicles, whilst monitoring opportunities for the future.</p>	<p>The strategic focus of the group is a matter addressed through group board meetings.</p> <p>Consideration is given to what opportunities might be available within alternative light-weight metals such as aluminium, value added opportunities and also investigating the potential within hydrogen fuel cells (considered to be the most likely replacement technology for heavy-duty trucks).</p> <p>Customers continue to invest in green iron solutions, the conditions for which the group already satisfies, and demonstrate a commitment to transition to a green iron supply chain by 2030.</p> <p>Electricity contracts have been fully REGO backed since October 2022 and from October 2023 our gas is purchased alongside contractual carbon offsets. This provides a platform to support customers' green iron aspirations.</p>
Foreign exchange		
<p>The group is exposed to foreign exchange risk on both sales and purchases denominated in currencies other than sterling, being primarily the euro and US dollar.</p>	<p>Stable</p> <p>The group is exposed to gains or losses that could be material to the group's financial results and can increase or decrease how competitive the group's pricing is to overseas markets.</p>	<p>The group's foreign exchange risk is well-mitigated through commercial arrangements with key customers.</p> <p>Foreign exchange rate risk is sometimes partially mitigated by using forward foreign exchange contracts. Such contracts are short term in nature, matched to contractual cash flows and non-speculative.</p>
Equipment		
<p>The group operates a number of specialist pieces of equipment, including foundry furnaces, moulding lines and CNC milling machines which, due to manufacturing lead times, would be difficult to replace sufficiently quickly to prevent major interruption and possible loss of business in the event of unforeseen failure.</p>	<p>Reduced</p> <p>A large incident could disrupt business at the site affected and result in significant rectification costs or material asset impairments.</p>	<p>Whilst this risk cannot be entirely mitigated without the uneconomic duplication of all key equipment, the plant is maintained to a high standard and inventories of strategic equipment spares are maintained.</p> <p>The foundry facilities at Brownhills and Dronfield have similar equipment and work can be transferred from one location to another very quickly.</p> <p>Additional flexibility and resilience has been provided through the investments in a new foundry based in Dronfield and the ongoing gradual machine replacement programme at CNC Speedwell.</p>

Principal Risks and Uncertainties

continued

Risk description	Impact	Mitigation and control
Suppliers		
<p>The group holds long-standing relationships with key suppliers and there is a risk that a business which the group is critically dependent upon for goods or services could be subject to significant disruption and that this could materially impact the operations of the group.</p> <p>There are specifically high risks of supply disruption as a result of current geopolitical instability.</p>	<p>Stable</p> <p>The risk of a supplier's business interruption remains very high due to the current global business environment.</p>	<p>Although the group takes care to ensure alternative sources of supply remain available for materials or services on which the group's businesses are critically dependent, this is not always possible to guarantee without risk of short-term business disruption, additional costs and potential damage to relationships with key customers.</p> <p>The group continues to maintain productive dialogue with key suppliers, working together to adjust to changes to the business environment.</p>
Commodity and energy pricing		
<p>The group is exposed to the risk of price inflation on raw materials and energy contracts.</p> <p>The principal metal raw materials used by the group's businesses are steel scrap and various alloys. The most important alloy raw material inputs are premium graphite, magnesium ferro-silicon, copper, nickel and molybdenum.</p> <p>The availability, and therefore price, of steel scrap has the potential to be a risk to the group as a result of steel producers transitioning from blast furnaces to electric arc furnaces.</p>	<p>Increased</p> <p>Changes to the pricing of the group's commodity and energy purchases could materially impact the financial performance of the group if no mitigating actions were taken.</p> <p>Conflicts in the Middle East and Ukraine have resulted in additional risk being priced in to gas and power markets, with prices becoming more volatile than we have seen for the past two years.</p>	<p>Wherever possible, prices and quantities (except steel) are secured through long-term agreements with suppliers. In general, the risk of price inflation of these materials resides with the group's customers through price adjustment clauses.</p> <p>The group has operated flexible power contracts, purchasing a proportion of its estimated electricity and gas requirements up to three years ahead of expected consumption. We continue to review the most appropriate arrangements moving forwards.</p>
Information technology, cybersecurity and systems reliability		
<p>The group is dependent on its information technology ('IT') systems to operate its business efficiently, without failure or interruption.</p> <p>The group continues to invest in IT systems to aid in the operational performance of the group and its reporting capabilities.</p> <p>There are increasing global threats faced by these systems as a result of sophisticated cyberattacks.</p>	<p>Stable</p> <p>Significant failures to the IT systems of the group as a result of external factors could result in operational disruption and a negative impact on customer delivery and reporting capabilities.</p>	<p>We continuously update our systems to mitigate current threats and align with good industry practice, including regular back-up schedules and, where appropriate, hardware duplication.</p> <p>We regularly discuss these risks at board level to ensure it remains a key focus area.</p> <p>Security awareness training is conducted for all relevant employees, including phishing simulation exercises. We also conduct external penetration testing and continue to evaluate additional security solutions.</p>

Risk description	Impact	Mitigation and control
Regulatory and legislative compliance		
<p>The group must comply with a wide range of legislative and regulatory requirements including modern slavery, anti-bribery and anti-competition legislation, taxation legislation, employment law and import and export controls.</p>	<p>Stable Failure to comply with legislation could lead to substantial financial penalties, business disruption, diversion of management time, personal and corporate liability and loss of reputation.</p>	<p>The group maintains a comprehensive range of policies, procedures and training programmes in order to ensure that both management and relevant employees are informed of legislative changes and it is clear how the group's business is expected to be carried out.</p> <p>Whistleblowing procedures and an open-door management style are in place to enable concerns to be raised and addressed.</p> <p>Specialist advice is made available to management when required to ensure that the group is up to date with changes in regulation and legislation.</p>
Climate change		
<p>The group's operations are energy intensive by their nature and therefore result in greenhouse gas emissions being produced, which either require reducing or offsetting.</p> <p>Whilst the group considers that its businesses provide fundamental components and services that will prove resilient in a transition towards a net zero economy, it also recognises policy targets have been set which may result in changes to the wider economy and societal attitudes towards industry.</p> <p>A fall in investor demand in the industrial sector could negatively impact share values; it is important to ensure that the group's sustainability strategy is communicated appropriately to ensure that stakeholders are aware of the group's progressive net zero position for scope 1 and 2 emissions, alongside the fact that the group is already well invested with plant that can support our customers' green iron aspirations (such as electric induction furnaces).</p> <p>The risk of business disruption due to extreme weather events may also increase if policy targets are not met.</p>	<p>Stable It is expected that green taxes on energy and the compliance cost of meeting developing reporting obligations for our stakeholders will result in increased energy prices and administrative expenses.</p> <p>Opportunities may present themselves as a result of the group's early adoption of green iron principles and strong sustainability credentials.</p>	<p>The group continues to develop its ESG strategy, reporting and practices and has appointed a Head of Sustainability to support this.</p> <p>The ESG working group continues to monitor ESG strategy, risks, opportunities and developments.</p> <p>The group is evolving its ESG reporting to communicate the positive story we have to tell, including our early adherence to green iron standard which is based on the fundamentals of electric furnaces, renewable energy and the use of scrap steel.</p> <p>The group is now powered by 100% renewable power and carbon offset gas, with a number of on-site renewables projects either under way or under application.</p> <p>The group operates in locations where the physical risks of climate change are relatively low but will continue to engage with and understand the needs of its stakeholders in this area.</p> <p>Insurance policies are maintained in relation to the group's property, plant and equipment.</p>
People risk		
<p>The group's operations depend upon the availability of both skilled and unskilled labour to operate manual equipment and fulfil our strategic goals.</p> <p>The nature of our activities and the equipment operated presents inherent health and safety risks. Our operations, if not properly managed, could have a significant impact on individual employees. Furthermore, poor safety and health practices could lead to disruption of business, financial penalties and loss of reputation.</p>	<p>Stable The inability to attract and retain talent could result in either a shortage of staff or a reduction in operating margins.</p>	<p>The group looks to provide safe, stable and long-term employment at competitive rates of pay.</p> <p>We invest in people development, including a structured apprenticeship programme, and utilise technology and productivity gains to ensure that our products remain competitively priced.</p> <p>We have clearly defined health and safety policies and practices which we regularly review and modify as circumstances and experiences dictate.</p>

Environmental, Social and Governance

Our strategy

Our approach to ESG and sustainability activities continues to focus on providing safe, long-term employment for the local economy whilst generating sustainable value for stakeholders (set out on page 5) in a manner that is consistent with our governance obligations.

The group presents this ESG Report for the year to 31 March 2026 taking note of relevant industrial data points suggested in the London Stock Exchange guidance on ESG reporting. These metrics are used both in the context of wider ESG reporting and to support our Task Force on Climate-related Financial Disclosures ('TCFD') metric reporting. The group's Sustainability Report is available on our website.

At a glance

Completed initiatives (in last three years)	Ongoing initiatives
<ul style="list-style-type: none"> Two solar PV systems installed at Brownhills; approval for a third. 100% REGO-backed electricity powering the group's plant and 100% carbon offset gas. Energy efficient plant upgrades, including compressors and chillers, including an investment in energy efficient cooling plant in collaboration with the BEIS Industrial Energy Transformation Fund. Appointment of Head of Sustainability, formation of sustainability working group and publication of first Sustainability Report. Supported our customers with the implementation of the EU carbon border adjustment mechanism ('CBAM'). 	<ul style="list-style-type: none"> Technical appraisal of sand reclamation equipment to enable foundry sand to be re-used. Continuous review of on and off-site renewables opportunities Implementing our approach to the UK carbon border adjustment mechanism. Understanding the impact of IFRS S1 and S2 implementation. Development of approach to measuring scope 3 emissions. Working with customers and suppliers to report product carbon footprints.

Environmental

As an energy-intensive industry, we understand that we must evolve in order to meet the needs of our stakeholders. The group continues to improve its environmental credentials in a commercially viable manner, with numerous success stories to date. We are taking proactive steps to build on this further, working in collaboration with customers, suppliers, industry bodies and research organisations as set out in our report under the TCFD framework on pages 16 to 20. The data set out in this section corroborates the strong environmental credentials of the group.

Carbon emissions

We have calculated our carbon footprint according to the World Resources Institute ('WRI') and World Business Council for Sustainable Development ('WBCSD') GHG Protocol, which is the internationally recognised standard for corporate carbon reporting. The group's total CO₂ emission data is based on scope 1 and scope 2. Scope 1 emissions are direct emissions resulting from fuel usage and operation of facilities. Scope 2 emissions are indirect energy emissions resulting from purchased electricity and other power for own use.

The group collects monthly consumption information from each facility and converts to tonnes of CO₂e ('tCO₂e') produced using the DEFRA published national carbon conversion factors.

Energy consumption and intensity

Energy efficiency is a key priority for the group, thus reducing our carbon footprint and creating value for our stakeholders. The increase in MWh of energy consumption as a proportion of revenue generated is largely due to the reduction in revenue from lower surcharges.

	2026	2025	2024
Scope 1	17,047	15,778	18,240
Scope 2	119,222	118,589	140,898
Total energy consumption (MWh)	136,269	134,367	159,138
Total energy intensity (MWh per £000 revenue)	0.787	0.759	0.709

Greenhouse Gas ('GHG') emissions (tCO₂e)

GHG emissions are set out below under both location and market-based methods. The location-based method reflects the average emissions intensity of the grids on which energy consumption occurs (using mostly grid-average emission factor data), namely the UK grid for the group.

The market-based method reflects emissions from electricity that companies have specifically chosen. It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation. Market-based emissions are therefore shown net of electricity supplied to the group under OFGEM-certified renewable contracts and gas supplied on contracts with offset arrangements.

Location-based	2026	2025	2024
Scope 1	3,119	2,886	3,283
Scope 2	20,851	24,303	28,878
Total location-based emissions	23,970	27,189	32,161

Market-based	2026	2025	2024
Scope 1	—	—	1,687
Scope 2	—	—	—
Total market-based emissions	—	—	1,687
GHG intensity (location-based)	2026	2025	2024
Revenue intensity (tCO ₂ e per £000 revenue)			
Foundry operations (gross revenue)	0.119	0.129	0.120
Machining operations (gross revenue)	0.044	0.050	0.052
Group total (net revenue)	0.138	0.153	0.143
Production intensity (tCO ₂ e per production tonne)			
Foundry operations	0.490	0.536	0.523
Group total	0.520	0.570	0.557

All operations in the group and therefore all energy consumption is UK only.

For the foundry businesses, the most appropriate metric to measure the intensity of GHG emissions is by production tonne; this has decreased to 0.490 (2025 – 0.536) tCO₂e per production tonne. We actively seek to minimise energy use in the group, however the decrease in emission intensity in 2026 is primarily due to an improvement in the UK Government GHG conversion factor applied to our electricity consumption. Consumption monitoring and reduction projects started in 2025 are now complete and have supported a number of investments in new compressors and improvements to working practices.

The machining operation does not have a production weight, therefore, the relevant intensity metric used is emissions per thousand pounds of machining revenue; emissions have decreased to 0.044 (2025 – 0.050) tCO₂e per £000. This reflects investments in solar generation, energy-efficient cooling systems and new compressors made in recent years.

Whilst many foundry competitors still utilise fossil fuels to power furnaces, generating direct emissions, the group's operations utilise furnaces and CNC machines which are powered by purchased electricity. This allows the plant and equipment to be fuelled by power purchased from commercial energy providers supplying power from OFGEM-certified renewable sources.

Waste, water and recycling

The group has made significant investments in scrap metal, plastic and cardboard recycling in recent years. The table below sets out the group's waste classifications and water use:

	2026	2025	2024
Recycled waste (tonnes)	44	68	76
Non-recycled waste (tonnes)	30,505	28,597	36,355
Hazardous waste (tonnes)	809	867	1,500
Water use (m ³)	64,938	68,159	71,232
Intensity			
Recycled waste (tonnes per thousand tonnes produced)	0.95	1.42	1.32
Non-recycled waste (tonnes per thousand tonnes produced)	661.66	599.26	629.48
Hazardous waste (tonnes per thousand tonnes produced)	17.55	18.16	25.99
Water use (m ³ per tonne produced)	1.409	1.428	1.234

The group has compacted and sold waste bales of plastic and cardboard for several years and continues to seek ways of increasing the recycling profile. The level of recycled waste per tonne produced has reduced in the year which is disappointing and will continue to be worked on.

The vast majority of the non-recycled waste relates to sand. The group is seeking viable technical solutions to enable sand re-use in the production process and the commercial re-use of sand by-products.

Hazardous waste decreased due to an increase in the use of the coolant evaporation plant. Additional coolant recycling facilities were installed in 2025 with a view to further reducing hazardous waste further.

The majority of the water consumed by the group is within the foundry production process, particularly within the sand mills. As a result, it is not anticipated that the volume of water consumed will reduce significantly other than with variations in production volumes.

There have been no environmental fines in the past three years and NOx, SOx and VOC emissions are not material.

The group's facilities are ISO 14001 accredited, and our practices and procedures are subject to regular environmental audits by external consultants.

Environmental, Social and Governance

continued

The group demands that all activities and services comply with applicable laws and regulations.

Social

The foundation of the group's strength is its people. We strive to support our employees' health and well-being whilst driving a performance culture of business understanding and shared values. The group's policy is to employ people who embody its core values of commitment and excellence. These values apply to all employees regardless of seniority or position, including directors.

	2026	2025	2024
Proportion of workforce joining on temporary (agency) or short-term contracts	61.8%	23.8%	10.2%
Number of apprentices recruited	9	9	10
Staff turnover*	19.5%	18.5%	15.8%

* Staff turnover is calculated by reference to the number of people who have left employment (having worked for at least a three-month period) as a proportion of the average number of employees for the year.

The group takes pride in being a significant employer in each of the locations in which it operates and has traditionally enjoyed high staff retention levels and a dedicated, long-term, focussed workforce.

In 2024, one part of the group started using an agency to support the hiring and onboarding process of new employees, which had been an area of high employee turnover. As a result, the proportion of employees joining on temporary contracts has increased in recent years. In 2026, all group entities began utilising agency labour to support the on-boarding process for certain roles.

Staff turnover has increased slightly during the year, which is partly driven by lower volumes and, unfortunately, in some cases, a reduction in the number of employees to reflect a reduced workload. The group continues to invest in employee facilities and our people with a view to offering career development and improving employee retention levels, supplemented by the use of agency workers where required.

In addition to the structured apprenticeship training, the group provides internal, external and continuous on-the-job training for all staff as required. As a result of the nature of the training carried out, the group does not collate data concerning the number of hours of training conducted each year.

The group seeks to communicate with its employees in a structured, open manner, including regular briefings and dissemination of relevant information on the group and business unit. Employees are informed weekly of production levels and the relative production performance. Similarly, they are kept informed of any factor affecting the group and the industry generally.

Their involvement in the group's performance is encouraged by means of a production bonus and at the time of annual wages and salaries review they are made aware of all economic factors affecting the previous year's performance and the outlook for the ensuing year.

Equality, diversity and inclusion

Recognising the demands of our customers and our strategy, the group's diversity and recruitment policy is to recruit the best available people and to invest in their training and development to enable a high level of retention. We are committed to diversity and equality, judging applications for employment neither by race, nationality, gender, age, disability, sexual orientation nor political bias. We have made a commitment to consider applicants from a wide range of educational backgrounds and have an active apprenticeship programme.

The group gives full consideration to employment applications by disabled persons where they can adequately fulfil the requirements of the position. If necessary, we endeavour to retrain any employee who becomes disabled during their period of employment with the group.

The gender of our staff at 31 March 2026 was as follows:

	Male	Female
Non-executive directors	3	—
Executive directors	2	—
Senior managers	35	4
Other employees	922	75
	962	79

Human rights

The group's operations are all based in the United Kingdom. Each of the group's businesses has a core of long-standing, local suppliers and several key partners based in the European Union. The group has minimal activity with suppliers outside of these areas, therefore due to the existing regulatory controls in our core areas of geographical activity, human rights is not considered to be a material issue.

Management has a high level of involvement in the day-to-day activities of the business and its suppliers and is trained to identify areas of concern which may not align with the standards the group demands. The board receives regular updates on corporate responsibility issues including the UK Modern Slavery Act. We have a Code of Conduct that sets out our policy on compliance with legislation, child labour, anti-slavery and human trafficking and conditions of employment.

Health and safety

The board regards the promotion of health and safety measures as a mutual objective for management and employees at all levels. It is our policy to do all that is practicable to prevent personal injury and damage to property and to protect everyone from foreseeable hazards, including third parties in so far as they come into contact with the group's activities.

The group has clearly defined health and safety policies and we operate a system of strict reporting. Regular audits of health and safety at the group's manufacturing operations are carried out using independent agencies who make recommendations for improvements to achieve best practice wherever appropriate.

The group's health and safety policy is regularly reviewed and modified as circumstances and experiences dictate. The group encourages the maintenance of consistently high standards and each site is required to develop a safety management system. Health and safety training is a continual process at each site and therefore is completed on a regular basis and covers all levels within the group.

Lost time incidents	2026	2025	2024
Accidents	137	148	203
Reportable accidents	11	10	8
Near misses	591	429	172
Intensity (per million hours worked)			
Accidents	66.6	70.0	81.9
Reportable accidents	5.3	4.7	3.2
Near misses	287.2	203.0	107.2

We have seen a reduction in the total number of accidents and the intensity of accidents, but a small increase in reportable accidents (defined as injuries to workers which result in them being incapacitated for more than seven consecutive days immediately following the day of the accident) during the year. As we continue to promote a health and safety focussed agenda across the group, the volume of near misses properly reported has again increased significantly. A near miss is an incident where an unplanned event occurred, posing a potential threat of injury, damage or loss, but no harm actually resulted. The increase is partly driven by the inclusion of the machining business and Ductile Castings within near miss data in 2026, meaning all group companies are now included. Increased reporting allows improvements to be made to prevent accidents moving forwards and management continues to invest in areas where the accident risks are the greatest.

Governance

Strong and straightforward corporate governance underpins all our business activities. The group's arrangements are set out in the Corporate Governance section on pages 27 and 28. There have been no political contributions made in the past three years.

Board diversity

Gender identity	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	5	100%	4	2	100%
Women	—	—	—	—	—
Prefer not to say	—	—	—	—	—

Ethnic background

White British or other White (including minority-white groups)	5	100%	4	2	100%
Mixed/Multiple Ethnic Groups	—	—	—	—	—
Asian/Asian British	—	—	—	—	—
Black/African/Caribbean/Black British	—	—	—	—	—
Other ethnic group including Arab	—	—	—	—	—
Not specified/prefer not to say	—	—	—	—	—

The data in the above table is based on pre-existing internal records.

The executive management are the CEO and CFO who also sit on the board.

All five members of the board are white British males and therefore the targets under UKLR 6.6.6R (9) of 40% of the board being female and at least one of the four senior positions on the board being occupied by a female and having one board member of minority ethnic origin have not been met. This reflects an industry-wide issue and is an area that remains under review by the nomination committee.

Environmental, Social and Governance

continued

Responsible business

We are committed to conducting business with the utmost integrity and in accordance with the Bribery Act 2010 and have a clear anti-bribery and corruption policy in place, which is available on the group website. We communicate our expectations to all employees and have a zero tolerance policy in respect of improper or criminal behaviours; all directors and employees are encouraged to report any suspicions of bribery.

Non-financial and sustainability information statement

We comply with the non-financial reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006. Information regarding our business model is set out on page 5; environmental matters on pages 12 to 14; employees, social matters and human rights on pages 14 and 15; and anti-corruption and anti-bribery matters are set out above.

Task Force on Climate-related Financial Disclosures ('TCFD')

The group has prepared disclosures based on TCFD recommendations in accordance with UK Listing Rules 6.6.6R(8) as set out below.

Each section of our TCFD report includes a reference to the relevant recommended TCFD disclosure as follows:

	Recommendation a)	Page	Recommendation b)	Page	Recommendation c)	Page
Governance	GA	16	GB	16	-	-
Strategy	SA	18	SB	18	SC	19
Risk Management	RA	16	RB	17	RC	17
Metrics and targets	MA	20	MB	20	MC	20

Governance

GA) Board oversight:

The Board of Directors has ultimate responsibility for climate-related risks and opportunities. A Sustainability Working Group ('SWG') formed of the CEO, CFO, HSE director and Head of Sustainability has been established and meets quarterly, with any material updates reported through the bi-annual audit and risk committee report and then, if necessary, escalated to the Castings PLC board.

GB) Management roles:

The CEO holds responsibility for embedding climate strategy and a Head of Sustainability leads day-to-day work. Functional heads each have responsibility for the implementation of emissions reductions, energy use and resilience to physical and transition risks.

During the year several SWG agenda items that are relevant to climate-related risks and opportunities, mainly with regards to how the business will allocate capital resources, were escalated and assessed at both audit and risk committee and Castings PLC board level.

- Publication of a group sustainability report for the year to 31 March 2025
- Energy contracts, costs, reliefs and non-commodity charge updates
- Solar PV installations – impact of investment in 1 MW system at CNC Speedwell and future opportunities
- The construction of a new, more energy-efficient foundry in Dronfield
- Evaluation of commercial opportunities in the renewables sector
- Evaluation of commercial opportunities in lightweight materials suitable for electric vehicles

Risk Management

Climate-related risks and opportunities are integrated into the group risk framework. Scenario planning, physical risk assessments, regulatory horizon scanning and supply-chain mapping are part of risk identification.

RA) Identification and assessment:

Climate risks are identified via periodic risk reviews, through consultation with industry bodies, external expert advice, supply chain mapping and site climate exposure assessments. Each risk is scored on likelihood, impact (financial and operational), and time horizon. Time horizons assessed are as follows:

- Short term: 1 to 3 years
- Medium term: 3 to 5 years
- Long term: greater than 5 years

Scenario stress tests are performed where relevant.

The group has a flat management structure and executive management are heavily involved in the day to day climate related events, decisions and activities ongoing across the group. This enables fast and effective identification, assessment of and responses to risks as and when they arise.

Management are also active participants in industry bodies and net zero forums, which provide valuable updates on topics that are likely to impact our industry and give rise to business risks and opportunities.

RB) Mitigation and adaptation:

Climate related risks are managed by the SWG. It is not considered likely that climate related risk will have a material financial impact on the businesses cash flows or profitability based upon current reasonably foreseeable scenarios and mitigation strategies that are in place, which include:

- A green iron strategy, providing our customers with a market leading sustainable product
- Investment in REGO backed power and carbon offset gas
- Investments in on site renewables
- Fixing our power prices for future periods using a flexible power contract
- Price escalators in place with our customers for raw materials and power costs
- Use of recycled steel and circular resource flows embedded within the group
- Continuous investment in more energy efficient technologies
- Diversification of the markets we serve, including investing in Ductile Castings to support growth
- Maintaining a flexible local core supply chain in the UK to support resilience
- Insurance coverage and business continuity planning to cover extreme events

RC) Integration into risk management:

Identification

Climate related risks are identified through horizon scanning, scenario analysis, and monitoring of regulatory developments, including UK Climate related Financial Disclosure requirements.

Physical risks such as flooding, extreme heat, and supply chain disruption are systematically captured within the corporate risk register.

Oversight of risk identification is exercised at Board level, ensuring climate risks are considered alongside financial, operational, and compliance risks.

Assessment

Transition risks (e.g., emissions regulation, energy market volatility) are evaluated for potential impact on production costs and profitability.

Physical risks are assessed through site specific vulnerability studies and stress testing.

Climate risk assessment is embedded into capital allocation decisions, ensuring investments are evaluated for both financial return and resilience under different climate scenarios.

Management

Mitigation measures include energy efficiency programmes, adoption of low carbon technologies, and diversification of supply chains.

Governance structures assign accountability for climate risk management to the SWG, with bi-annual reporting to the audit and risk committee. Reporting to the Castings PLC board takes place when agenda items are considered of an appropriate level of materiality on a quantitative or qualitative basis by the SWG and audit and risk committee.

Embedding climate related risks into overall risk management demonstrates the group's commitment to long term value creation and regulatory compliance.

Strategic risks & opportunities under different scenarios

The group can provide casting, machining, assembly and ancillary services with a low level of transport (and therefore GHG emissions emitted) between group sites and with manufacturing powered by electricity generated from renewable sources and carbon offset gas. Management believes this places the business in a strong position to support its customers' and stakeholders' environmental aspirations, particularly when compared to coal-powered or geographically disparate competitors.

Recycling, energy-efficient plant solutions and waste management continue to be areas of focus with regard to reducing the group's carbon footprint and landfill waste. Through its participation in industry bodies the group supports several research projects to find commercial uses for remaining waste materials, such as sand.

Environmental, Social and Governance

continued

The group operates all production facilities using REGO-backed power and carbon offset gas contracts, which alongside our use of electric induction furnaces and 100% scrap steel makes us a strong supplier to those customers seeking a green iron-based strategy.

There is an opportunity for the group to utilise its considerable production experience, financial resource and relationships as a supplier to the established commercial vehicle markets to enter new or additional product categories as they develop at scale. In the nearer term, this means supplying parts to the most fuel-efficient combustion engines ever produced by OEMs for HGVs as well as expanding our supply of parts to offshore power-generation customers.

Further opportunities are expected to arise for supply into the smaller end of the truck sector which is naturally more suited to the battery electric vehicle ('BEV') technology. This is not a market that the group has served to any great extent previously.

As BEV and hydrogen fuel cell powertrain technologies evolve, there is a risk that the market for the group's cast iron internal combustion engine ('ICE') products could reduce, albeit the application of such technologies to the group's core heavy truck market is expected to be longer term. This would directly impact approximately one-third of group revenue, but opportunities will exist for the group within the new product ranges.

Climate scenarios used

We have assessed three scenarios:

Scenario A: Below 2 °C / Net Zero Transition ("Paris Aligned") – strong regulatory action, carbon pricing increasing, energy supply decarbonised, technology shifts, customer demand heavily towards lower carbon solutions.

Scenario B: 2 - 3 °C Pathway ("Moderate Transition / Delayed Action") – slower regulatory progress, some carbon pricing, incremental technology uptake; physical risks moderate.

Scenario C: >3 °C / Hot House World – minimal transition; high physical risks (extreme weather, supply chain disruptions, heat stress), regulatory action is weak or delayed.

SA and B) Climate related risks and opportunities impacting our strategy

Transition risks	Description	Risks and opportunities	Financial impact	Scenario	Time horizon
Policy and legal risk	Potential for changes to environmental standards / carbon tax	There is a risk international HGV manufacturers will cease to manufacture in the UK / EU due to the level and cost of regulation and energy taxes. The group is well placed to provide a green iron product, which offers customers a low carbon cost compared to the global market under the EU CBAM regulation.	High	A	All
Technology risk	EV transition in the HGV market	The heavy goods sector could cease to operate using diesel powertrains if suitable alternative technology emerges. Opportunities exist in alternative products and materials for the group to expand its product portfolio	High	A, B	Medium to long
Market risk	Change in demand for our product	Gross margin could reduce if demand for certain products (eg powertrain parts) reduced or increase if demand for products (e.g. components for renewable energy generation) increased.	High	A, B	All
Reputation risk	How our response can impact perception of the business	Stakeholders could either engage further or seek to avoid working with the group depending on the response to climate-related issues.	Medium	A, B, C	Short

Physical risks	Description	Risks and opportunities	Financial impact, scenario and time horizon
Acute risk	Event-driven risks, such as flooding, heatwave, droughts or storms.	The main physical risk to the group's operations is considered to be flooding, which could result in lost production and increases to insurance premiums.	It is not considered that acute or chronic physical risks are likely to materially affect the group under the considered scenarios and time horizons.
Chronic risk	Risk of long term shifts in climate patterns	<p>The UK government flood risk assessment tool categorises all sites as low or very low risk for all types of flooding (being surface water, rivers and sea, groundwater and reservoirs) under all available timescales extending as far as 2069.</p> <p>Heatwaves could result in unpleasant or unsafe working conditions, particularly within the plant. Investments have been made in cooling equipment to reduce the ambient temperatures and there is potential for further investment to be made to ensure working conditions remain safe going forwards.</p> <p>The availability of a water supply is fundamental to both workplace attendance and the manufacturing process. A lack of water supply during drought conditions would result in business disruption. The location of our sites in the UK is an advantage here and reduces the risk of water outages.</p> <p>It is expected that under all scenarios storms, flooding and heatwaves will result in a degree of disruption, maintenance costs and capital investment being incurred. However, based upon the relatively moderate climate in the UK the financial impact is not expected to be material to the business financially or operationally.</p> <p>A hot house world scenario would have the largest impact on the physical risks affecting the group and insurance premiums would be likely to increase.</p>	

The financial impact of climate related risks and opportunities is currently assessed on a qualitative basis, relying upon the judgement of management. Detailed quantitative scenario analysis has not been performed due to the cost and complexity of completing such analysis, which management consider would be likely to result in materially the same risk response as is currently in operation.

SC) Resilience of the company's strategy, taking into consideration different climate-related scenarios

The physical risks of scenario A, B or C are not considered material at this point. The most significant influencing factors upon the group strategy are the regulatory environment and pace of technological development regarding electrification of the heavy truck industry.

Approximately one-third of the group's turnover arises from the sale of parts which are used by our customers to produce ICEs for heavy trucks. This revenue would be at risk in the event of a sudden technological or regulatory development which rendered the ICE obsolete. This risk is short, medium and long term with the financial implication being higher over the long term if no product diversification took place within our revenue streams ahead of any technological change.

This scenario is considered unlikely to develop quickly given the reliance of the human population on a well-functioning transport and logistics infrastructure to transport essential items such as food. In addition, any technology break-through would need significant infrastructure changes to support the charging or re-fuelling of an alternative powertrain for heavy trucks. At present the group is working with OEMs on a variety of project opportunities, whilst research into the technical direction of the market (in response to climate-related scenarios) continues, including:

- Supplying parts which make current large diesel engines significantly more efficient.
- Providing additional on-site ancillary services to reduce unnecessary transportation of parts.
- Making our own product using renewable energy.
- Collaborating to supply parts and potential capacity for the manufacture of electric trucks.
- Investing in our capacity to make larger parts in diverse markets

Environmental, Social and Governance

continued

Whilst we are working with our key customers to facilitate movement away from ICEs and are active commercially in this area, our key customers continue to invest significantly in new, more efficient diesel engine production facilities and therefore we continue to see the phase out of diesel engines in the heavy truck market as a long term issue in our scenario planning.

In June 2024 the group acquired certain assets to form Ductile Castings, diversifying the groups customer base and product offering outside of the commercial vehicle market, mainly in power generation and infrastructure.

At present, we continue to focus on the short to medium term opportunities the transition to a zero-emission market can provide, whilst utilising our engineering expertise and customer relationships to develop our long term strategy alongside our customer base.

The Group has not published a formal net zero transition plan. The Group currently reports a net zero, market based position for Scope 1 and Scope 2 emissions, achieved through 100% renewable electricity consumption and the offsetting of gas usage. As a result, there is limited scope for further material reductions in Scope 1 and Scope 2 emissions through operational measures at this time.

Given this position, the Group does not consider that publishing a traditional transition plan focused on Scope 1 and Scope 2 emissions would be meaningful at present. The Group's focus is on maintaining this position and on improving the measurement of Scope 3 emissions, which will inform any future target setting or transition planning as data quality and coverage improve.

This initial consideration of resilience has been set out by the group and consideration is being given to more detailed scenario analysis.

Impact on the group's strategy and financial planning

It is expected that this transition away from ICEs will be a medium to long-term, gradual strategic issue and therefore investment will be appropriately managed to avoid redundant undepreciated plant that may become subject to impairment. Structural parts to heavy goods vehicles will potentially continue to be made from cast iron due to the material's favourable characteristics.

The group's plant is depreciated over a maximum life of 15 years and is not considered at risk of impairment because of a reduction in cast iron business under currently reasonably foreseeable circumstances.

MA, B and C) Metrics and targets

Metrics have been reported within the relevant sections of the group ESG Report on pages 12 to 14.

The group reported nil scope 1 and 2 emissions on a market basis for the first time in 2025. Reaching this goal was a target for the group and sets a high bar to maintain.

It is a target of the group to continue to operate on this basis moving forwards, utilising a combination of operational efficiency improvements, on site renewables, REGOs and carbon offsets.

The group is giving consideration to both measurement of and targets related to our scope 3 emissions; but has not yet set targets in this regard. This is because we consider it prudent to have fully measured and understood our scope 3 emissions before setting realistic targets to reduce them.

Following the success of our first investment in solar PV in 2024, the group is targeting additional capacity investments in the short to medium term subject to receiving approvals for grid connection requests.

Consideration is being given to additional targets that might be used by the group to manage climate-related risks and opportunities and performance against those targets.

Viability Statement

In conducting the review of the group's long-term prospects, the directors considered economic and market conditions in conjunction with the strategy and the principal risks facing the group (as set out in the Strategic Report on pages 2 to 22). This assessment considered the impact of the principal risks on the business model and on future performance, liquidity and solvency and was mindful of the limited forward visibility that the group has in respect of its major market of commercial vehicles.

In preparing this statement of viability, the directors have considered the prospects of the group over the three year period immediately following the financial year ended 31 March 2026. This longer-term assessment process supports the board's statements on both viability, as set out below, and going concern (on page 28).

A three year period was determined as the most appropriate for the purpose of concluding on longer-term viability, given the limited forward visibility of the group.

The directors' viability assessment included a review of three year profit and cash flow estimates, alongside the group's current position, and a review of the sensitivity analysis performed on the three year estimate whereby the principal risks, particularly those related to markets and customers, were applied to the plan. The assessment was based on current demand schedules from customers and assumed that these levels, along with average selling prices and costs, remain consistent. The group's recent record of cash conversion was used to estimate the cash generation in the period under review.

A severe but plausible downside scenario was also prepared and assumed a 30% reduction in demand which would cover the loss of the group's most significant customer. Furthermore, such a reduction is also in line with the approximate revenue loss in the event that environmental legislation changes or a technological breakthrough rendered the internal combustion engine obsolete.

In making this viability statement, the directors considered the mitigating actions that would be taken by the group in the event that the principal risks of the company become realised. The directors also took into consideration the group's strong financial position at 31 March 2026, with freehold land and buildings, cash and deposits of £17.4 million, no debt and a history of strong cash generation.

The directors have assessed the viability of the group and, based on the procedures outlined above in addition to activities undertaken by the board in its normal course of business, confirm that they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities as they fall due over the period to 31 March 2029.

S172(1) Statement

The following disclosures describe how the directors have had regard to the matters set out in section 172(1)(a) to (f), relating to the directors' duty to promote the success of the company, and forms the directors' statement required under section 414CZA(1) of the Companies Act 2006.

Stakeholder engagement

Our success depends on the relationships we have with the people, communities and organisations that have an interest in our business and may be impacted by the decisions we take. The key stakeholders are set out in the business model on page 5 and the manner of our engagement with them is described below.

Customers

Dedicated sales, technical and production teams engage with customers to foster a collaborative working relationship for the long term. Investment in the latest production technologies ensures we provide the quality, efficiency and on-time delivery they require.

Employees

An important part of the culture of the group is our open-door style of management. All senior personnel are visible throughout the business on a daily basis engaging with the workforce across all levels; it is important to both the company and our employees that they have that chance to share their opinions. In addition, regular function-specific committee meetings take place as well as regular information sharing to the whole workforce.

Shareholders

We engage with our shareholders through a number of channels which include the Annual Report, AGM, investor site visits, one-to-one meetings and telephone conversations. They are interested in the strategy and its execution, generating strong returns and maintaining financial discipline. We report and discuss these areas on a regular basis.

Communities and environment

As a significant employer for each area where we are based, we support local employment and apprenticeship schemes. We seek to engage and collaborate with local educational institutes where possible and increase the overall visibility of the group. The local communities are keen to ensure we are supporting and investing in local jobs, operating safely and ethically as well as reducing our environmental impact. We provide direct employment to approximately 1,000 people, invest in our facilities to provide a safe workplace and consider opportunities to ensure a more sustainable strategy.

Suppliers

We seek to improve our business relationships with our key suppliers to protect the operations of the company. We engage with suppliers to ensure they comply with our code of conduct to maintain high standards of supply.

Principal decisions taken during the year

Formation of Sustainability Working Group

As part of an assessment of ESG activities in the group, the board decided to establish a Sustainability Working Group ('SWG') to oversee the group's ESG priorities.

The Strategic Report was approved by the board and signed on its behalf by

A. Vicary

Chief Executive Officer

17 June 2026

Board of Directors

Executive directors

Adam Vicary

Chief Executive Officer

Having obtained a degree in metallurgy and a business masters, Adam has worked in the foundry industry for all of his career and joined the company in September 2010 as joint managing director. He was appointed to the main board in April 2012, becoming chief executive on 31 March 2017.

Steve Mant

Finance Director

Steve is a fellow of the ICAEW and joined the company in June 2010. He was appointed company secretary and finance director on 1 November 2010. Prior to joining the company he had been working for BDO specialising in manufacturing, international and listed companies.

Non-executive directors

Alec Jones

Independent Non-executive Chairman

Alec was appointed a director in April 2012, becoming chairman on 1 January 2023, and is an independent director. He was a partner in PricewaterhouseCoopers for 27 years until his retirement in 2010.

Mark Smith

Senior Independent Non-executive Director

Mark was appointed a director on 16 November 2022 and is an independent director. He was a partner in PricewaterhouseCoopers for 24 years until his retirement in 2021. Mark is a director of the Birmingham Repertory Theatre Limited and is a member of the finance, audit and risk committee. He was High Sheriff of the County of West Midlands for the year ended 31 March 2026. Mark is chairman of the audit and risk committee and is also a member of the remuneration and nomination committees.

Stephen Harrison

Independent Non-executive Director

Stephen was appointed a director on 26 September 2024 and is an independent director. Stephen is currently chairman of Tungsten West plc, the AIM listed mining company. He was chairman of Epwin Group plc, the AIM-listed manufacturer of energy efficient and low maintenance building products until October 2025. He was also chief executive officer at Forterra plc, a London Stock Exchange Main Market listed supplier of building materials to the UK's construction sector until May 2023. Stephen has over 20 years' experience in the construction materials sector. Stephen is chairman of the remuneration and nomination committees and is a member of the audit and risk committee.

Directors' Report

The directors submit the Annual Report and audited consolidated financial statements of Castings P.L.C. for the year ended 31 March 2026.

Strategic Report

The Strategic Report, which contains a review of the group's business, a description of the principal risks and uncertainties facing the group and commentary on the likely future developments, is set out on pages 2 to 22.

Financial results and dividend

The profit for the year after taxation was £7,547,000 (2025 – £4,173,000), full details of which are set out in the consolidated statement of comprehensive income on page 44.

An interim dividend of 4.21 pence per share was paid in January 2026 in respect of the year ended 31 March 2026.

The directors recommend a final dividend of 14.19 pence per share payable on 25 August 2026 to shareholders on the register on 24 July 2026, making a total ordinary distribution of 18.40 pence for the year.

Share capital

The company's capital consists of 43,632,068 (2025 – 43,632,068) ordinary shares of 10 pence each with voting rights. There are no restrictions on voting rights.

There are no restrictions on the transfer of shares in the company and in particular there are no limitations on the holding of shares and no requirements to obtain the approval of the company, or of other shareholders, for a transfer of shares.

Beneficial owners of shares who have been nominated by the registered holder of those shares to receive information rights under Section 146 of the Companies Act 2006 are required to direct all communications to the registered holder of their shares rather than to the company's registrar, MUFG Corporate Markets (UK) Limited, or to the company directly.

Subject to legislation and to any resolution of the company in general meeting, all unissued shares are at the disposal of the board who may allot, grant options over or otherwise dispose of them to such persons, on such terms and at such times as it may think fit.

The company is authorised to purchase its own shares; no shares were purchased during the year (2025 – nil).

Directors

The directors of the company are listed on page 23 and their interests in the ordinary share capital at the beginning and end of the year is set out on page 34.

In accordance with Provision 18 of the UK Corporate Governance Code, all directors are subject to annual re-election. The board considers that the performance of those directors proposed for re-election continues to be effective, that they remain independent in judgement and that they demonstrate a strong commitment to their role.

The unexpired period of the contracts of service for A. Vicary and S. J. Mant is one year. A. N. Jones, M. L. Smith and S. R. Harrison do not have contracts of service.

The company has made qualifying third-party indemnity provisions for the benefit of its directors which were in force during the year and exist at the date of this report.

There are no agreements between the company and its directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid.

The number of directors is not subject to any maximum but shall not be less than two. The company may by ordinary resolution elect any person to be a director and the board has the power to appoint any person to be a director, but any director so appointed will be subject to election at the next Annual General Meeting.

The business of the company is managed by the board, who may exercise all such powers of the company as are not by legislation or by the company's Articles required to be exercised in general meeting. The board may make such arrangements as it thinks fit for the management and transaction of the company's affairs and may for that purpose appoint local boards, managers and agents and delegate to them any of the powers of the board (other than the power to borrow and make calls on shares) with power to sub-delegate.

Other than the directors' service contracts, the directors have no interests in any contract of the business.

Substantial shareholdings

As at 17 June 2026, the company had been notified, in accordance with DTR Rule 5, of the following disclosable interests, including directors, in its voting rights:

	Number	%
Threadneedle Asset Management Limited	7,409,030	17.0
Aberforth Partners' Clients	6,656,628	15.3
Ruffer LLP	3,870,330	8.9
Janus Henderson Group PLC	2,887,757	6.6
B. J. Cooke	2,044,158	4.7
NR Holdings Limited	1,800,000	4.1

Special business

There will be the following items of special business at the Annual General Meeting.

Directors' authority to allot shares

Approval will be sought to renew the authority given to the directors to allot shares in the company in accordance with section 551 of the Companies Act 2006. The present authority was granted on 21 August 2025 and under the Companies Act must be renewed at least every five years. The authority to be renewed on 20 August 2026 would therefore expire on 21 August 2031, but will be put to annual shareholder approval.

Authority will also be sought from shareholders to allow the directors to allot equity securities for cash as if section 561 of the Act (which gives shareholders certain pre-emption rights on the issue of shares) did not apply. Such allotments being up to a maximum nominal amount of £218,160, being approximately 5% of the current issued share capital. The renewed authority would expire on 20 August 2026.

In any three year period no more than 7.5% of the issued share capital will be issued on a pre-emptive basis.

The proposed resolutions are set out as items 11 and 12 in the Notice of Meeting.

Authority to purchase own shares

At the Annual General Meeting in 2025, the board was given authority to purchase and cancel up to 4,358,844 of its own shares, representing 9.99% of the company's existing shares, through market purchases on The London Stock Exchange. The maximum price to be paid on any exercise of the authority was restricted to 105% of the average of the middle market quotation for the shares for the five dealing days immediately preceding the day of a purchase. The minimum price which may be paid for each share is 10 pence.

The current authority to make market purchases expires at the forthcoming Annual General Meeting. The directors are now seeking the approval of shareholders for the renewal of this authority upon the same terms, namely to allow the company to purchase and cancel up to 4,358,844 of its own shares, representing 9.99% of its issued share capital at 31 March 2026.

The authority is sought by way of a special resolution, details of which are also included in the Notice of Meeting as item 13.

This authority will only be exercised if the directors, in the light of market conditions prevailing at the time, expect it to result in an increase in future earnings per share, and if it is in the best interests of shareholders generally.

Stakeholder engagement

The key stakeholders are set out in the Business Model on page 5. The engagement and decisions taken during the year are set out in the Section 172(1) statement on page 22.

Employee involvement

Employees are informed weekly of production levels and the relative production performance. Similarly, they are kept informed of any factor affecting the group and the industry generally.

Their involvement in the group's performance is encouraged by means of a production bonus and at the time of annual wages and salaries review, they are made aware of all economic factors affecting the previous year's performance and the outlook for the ensuing year.

Further details of employee involvement and the group's policy on the employment of disabled persons are given under the Environmental, Social and Governance section on pages 12 to 20 and the S172(1) statement on page 22.

Health and safety

As required by legislation, the group's policy for securing the health, safety and welfare at work of all employees has been brought to their notice. In addition, safety committees hold regular meetings. Further details of health and safety are given under the Environmental, Social and Governance section on pages 12 to 20.

Financial instruments

Details of the use of financial instruments by the group are contained in note 22 in the notes to the consolidated financial statements.

Research and development

The group continues to invest significantly in future technologies and to improve and enhance production processes. Activities and likely future developments for the business are described in the Strategic Report on pages 2 to 22.

Articles of Association

Any amendments to the Articles of Association have to be adopted by the members by a special resolution in general meeting. The current articles were adopted in August 2011.

Post balance sheet events

There were no reportable subsequent events following the balance sheet date.

Independent auditor

The auditor, Forvis Mazars LLP, have indicated their willingness to continue in office. A resolution proposing their reappointment as auditor of the company and authorising the directors to determine their remuneration will be submitted at the Annual General Meeting.

Each of the persons who are directors at the date when this report was approved confirms that so far as each of the directors is aware, there is no relevant audit information of which the group's auditor is unaware, and each of the directors has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Significant agreements

There are no significant agreements to which the company is party that take effect, alter or terminate upon a change of control of the company following a takeover bid.

Corporate governance

Details of the group's corporate governance policies are dealt with on pages 27 and 28.

Greenhouse gas emissions

Details of the group's greenhouse gas emissions are set out on pages 12 and 13.

Directors' Report

continued

Cautionary statement

Under the Companies Act, a company's Strategic Report and Directors' Report are required, among other matters, to contain a fair review by the directors of the group's business through a balanced and comprehensive analysis of the development and performance of the business of the group and the position of the group at the year end, consistent with the size and complexity of the business.

The Directors' Report set out above, including the Chairman's Statement, the Principal Risks and Uncertainties and Environmental, Social and Governance section incorporated into it by reference (together, the Directors' Report), has been prepared solely to provide additional information to shareholders to assess the company's strategies and the potential for those strategies to succeed. The Directors' Report should not be relied upon by any other party or for any other purpose.

The Directors' Report (as defined) contains certain forward-looking statements. These statements are made by the directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

Approval of Directors' Report and Responsibility Statement

Each of the persons who is a director at the date of approval of this report confirms that to the best of his knowledge:

- a. each of the group and parent company financial statements, prepared in accordance with International Financial Reporting Standards in accordance with the Companies Act 2006 and UK Financial Reporting Standards respectively, gives a true and fair view of the assets, liabilities, financial position and the profit or loss of the issuer and the undertakings included in the consolidation taken as a whole; and
- b. the Chairman's Statement, Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

The directors consider that the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's and group's performance, business model and strategy.

On behalf of the board

A. N. Jones

Chairman

17 June 2026

Corporate Governance

General

Castings P.L.C. recognises the importance of high standards of corporate governance. The board has considered the principles and provisions of the 2024 UK Corporate Governance Code and will continue to adhere to them where it is in the interests of the business, and of the shareholders, to do so.

The manner in which the board provides leadership of the company within a framework of prudent and effective controls is set out in this section.

Board of directors

The board meets regularly to monitor the current state of business and to determine its future strategic direction.

During the financial year, the board comprised two executive directors and four non-executive directors, reducing to three on 21 August 2025. The non-executive directors are independent of executive management and none of the non-executive directors participate in share option or other executive remuneration schemes, nor do they qualify for pension benefits.

Notwithstanding the length of service (14 years as a director, of which 3 as chairman), the board considers that the chairman, A. N. Jones, remains independent and that the skill and experience he brings and his overall contribution to the board remains of significant value to the group.

The directors maintain their knowledge through a combination of technical and market bulletins and attendance at seminars. The company secretary has responsibility for bringing new regulatory developments to the attention of the board.

Board committees

The principal committees established by the directors are:

Audit and risk committee

Further details are contained within the Audit and Risk Committee Report on page 29.

Remuneration committee

Further details are set out in the Directors' Remuneration Report on page 30.

Nomination committee

The nomination committee is chaired by S. R. Harrison with M. L. Smith also being a member. The group chairman, whilst not a formal member of the committee, is also invited to attend meetings. The committee met once during the year. The committee takes an active role in considering, with the wider board, the overall culture of the company. It is also involved in ensuring the company considers equality, inclusion and diversity in senior management positions.

The terms of reference for the three committees are available on the company's website www.castings.plc.uk.

Effectiveness

The board undertakes an annual assessment of its own performance and that of its committees and the directors. The executive directors are appraised annually by the chairman and the non-executive directors. The chairman is appraised annually by the non-executive directors. The chairman considers the effectiveness of each non-executive director annually.

The results of these appraisals are considered by the remuneration committee for the determination of their remuneration recommendations.

Directors' conflicts of interest

A director has a statutory duty to avoid a situation in which he has, or can have, an interest that conflicts or possibly may conflict with the interests of the company. A director will not breach that duty if the relevant matter has been authorised in accordance with the Articles of Association by the other directors.

The board has conducted a review of actual or possible conflicts of interest in respect of each director. The board has an agreed process for identifying current conflicts, authorised conflicts that have been identified and stipulated conditions in accordance with the guiding principles and agreed a process to identify and authorise future conflicts. In practice, directors are asked to consider and disclose actual or potential conflicts as and when a matter arises. There have been no conflicts identified during the year.

Relations with shareholders

The company holds meetings from time to time with institutional shareholders to discuss the company's strategy and financial performance. The board regularly receives copies of analysts' and brokers' briefings. The chairman is available to meet major shareholders on request to discuss governance and strategy. The senior independent director and other non-executive directors are also available to meet shareholders if requested. The Annual General Meeting is used to communicate with private and institutional investors.

Attendance at meetings

Attendance at board and board committee meetings during the year is detailed in the table shown below:

Director	Board		Audit and risk committee		Remuneration committee	
	Required to attend	Attended	Required to attend	Attended	Required to attend	Attended
A. N. Jones	9	9	—	3	—	3
A. Vicary	9	9	—	3	—	3
S. J. Mant	9	9	—	3	—	3
M. L. Smith	9	9	3	3	3	3
S. R. Harrison	9	9	3	3	3	3
A. K. Eastgate (resigned 21 August 2025)	4	4	1	1	2	2

Corporate Governance

continued

Internal control

The board is ultimately responsible for the group's system of internal controls, including internal financial control, and for monitoring its effectiveness. There is a continuous process for identifying, evaluating and managing the significant risks faced by the group which is regularly reviewed and has been in place throughout the year under review and up to the date of approval of the Annual Report and financial statements. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. The review covers all controls including financial, operational, compliance and risk management.

The directors confirm they have established procedures necessary to implement the internal control guidance for directors such that they comply with the 2024 UK Corporate Governance Code for the accounting year ended on 31 March 2026.

Internal financial control

The directors are responsible for maintaining the group's systems of internal financial control. These controls are designed to both safeguard the group's assets and ensure the reliability of financial information used within the business and for publication. As with any such systems, controls can only provide reasonable and not absolute assurance against material misstatement or loss.

Internal financial control is operated within a clearly defined organisational structure with clear control responsibilities and authorities, and a practice throughout the group of regular management and board meetings to review all aspects of the group's businesses including those aspects where there is a potential risk to the group.

For each business there are regular weekly and monthly reports, reviewed by boards and management, which contain both written reports and management accounts. The accounts include income statements and balance sheets for the year under review, year to date and previous year and are compared with expected results. A variety of operational and financial ratios are also produced.

Continual monitoring of the systems of internal financial control is conducted by all management. The external auditor, who is engaged to express an opinion on the group financial statements, also considers the systems of internal financial control to the extent necessary to express that opinion. The

external auditor reports the results of their work to management, including members of the board and the audit and risk committee.

The board does not consider there is a need for an internal audit function due to the size and non-complexity of the group.

Going concern

The directors have assessed the future funding requirements of the group and the company and compared them to the level of funding available. Details of the cash position are set out in note 22 to the financial statements. The group's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities, and its exposure to credit risk and liquidity risk are also set out in notes 20 and 22 to the financial statements.

The directors' assessment of going concern, included a review of the group's financial forecasts for a period of at least 12 months from the date of approval of the financial statements. They modelled a base case, which reflects the directors' current expectations of future trading in addition to potential severe but plausible impacts on revenue, profits and cash flows in a downside scenario. The base case scenario is based on current demand schedules from customers and assumes that these levels, along with average selling prices and costs remain consistent. The group's recent record of cash conversion was used to estimate the cash generation in the period under review. The directors also considered severe but plausible downside scenarios, further details of which are set out in the viability statement on page 21 and the accounting policies in note 1.

The directors have a reasonable expectation that the company and the group have adequate resources to continue operations for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements.

Summary

The board takes its responsibilities seriously albeit there are a number of areas in which it does not comply fully with the 2024 UK Corporate Governance Code. It does not feel that the size or complexity of the group and the way in which it governs would be enhanced or strengthened by further changing the already existing high standards of corporate governance practised.

For the year ended 31 March 2026 the company complied with the 2024 UK

Corporate Governance Code other than the following points:

- Of the three non-executive directors who served during the year one, A. N. Jones, has been a member of the board for more than nine years. Notwithstanding his length of service, the board considers that A. N. Jones remains independent and that the skill and experience he brings and his overall contribution to the board remain of significant value to the group.
- The non-executive directors do not have specified term contracts.
- The finance director also performs the role of company secretary as there is no one else within the business qualified to fulfil the position. The role of company secretary is not full time.
- There is not a director appointed from the workforce, formal workforce advisory panel nor designated non-executive director for engagement with the workforce.

These are considered acceptable given the size of the company and the way in which it operates.

By order of the board

S. J. Mant

Company Secretary

17 June 2026

Audit and Risk Committee Report

Responsibilities

The main responsibilities of the audit and risk committee are:

- to monitor the integrity of the financial statements of the company and any formal announcements relating to the company's financial performance, reviewing significant financial reporting judgements contained in them;
- to provide advice on whether the company's Annual Report is fair, balanced and understandable;
- to review the company's internal financial controls and internal control and risk management systems;
- to review the need for an internal audit function;
- to make recommendations to the board, for it to put to the shareholders for their approval in general meeting, in relation to the appointment, reappointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- to develop and implement policy on the engagement of the external auditor to supply non-audit services; and
- to report to the board on how it has discharged its responsibilities.

As part of its work, and in line with its terms of reference, the committee also considers the discharge of the board's responsibilities in the areas of corporate governance, financial reporting and internal control, including the internal management of risk, as identified in the UK Corporate Governance Code.

Committee composition and meetings

The audit and risk committee is chaired by M. L. Smith with S. R. Harrison also being a member of the committee. The chairman, finance director and other directors may also attend meetings as appropriate to the business in hand but are not members of the committee.

The board considers that M. L. Smith has the

most recent and relevant financial experience as required by the code.

The committee meets at least three times a year. Meetings are also attended by representatives of the group's external auditor. At meetings attended by the external auditor, time is allowed for the committee to discuss issues with the external auditor without the executive directors being present.

The committee operates under formal terms of reference and these are reviewed annually. The committee considers that it has discharged its responsibilities as set out in its terms of reference to the extent appropriate during the year. There were no changes to the terms of reference in the year under review.

Financial reporting and accounting judgements

During the year, the committee reviewed the appropriateness of the group's half-year and full-year financial statements, taking into account the reports of the group finance director and external auditor.

The main areas of focus considered by the committee during the year were as follows:

- revenue recognition processes have been reviewed to ensure revenue has been recognised appropriately and consistency of policy applied across the group; and
- reviewed the viability statement and going concern assessment and agreed an appropriate assessment period and the reasonableness of the profit and loss and cash flow estimates, together with an evaluation of the main risks affecting the viability of the company over that time frame.

Internal control

During the year, the committee reviewed the effectiveness of the group's system of internal controls and risk management and the disclosures of the results in this Annual Report. The committee concluded the system to be effective.

The committee again concurred with the board's view that there is no requirement for an internal audit function due to the size and non-complex nature of the group.

External auditor

The committee oversees the relationship with

the external auditor and monitors all services provided by and fees payable to them, to ensure that potential conflicts of interest are considered and that an objective and professional relationship is maintained.

In particular, the committee reviews and monitors the independence and objectivity of the external auditor and the effectiveness of the audit process. At the outset of the audit process, the committee receives from the auditor a detailed audit plan, identifying their assessment of the key risks and their intended areas of focus. This is agreed with the committee to ensure coverage is appropriately focussed.

Feedback on the audit process is requested from management and for the 2026 financial year, management was satisfied that there had been appropriate focus and challenge on the primary areas of audit risk and assessed the quality of the audit process to be satisfactory. The committee concurred with the view of management.

The committee also keeps under review the nature, extent, objectivity and cost of non-audit services provided by the external auditor; there have been no such services provided during the year.

Forvis Mazars LLP has been the group's external auditor since 2020. In June 2026 the committee reviewed the external audit mandate and confirmed the continuing appointment of Forvis Mazars LLP. This was on the basis the committee was satisfied with the quality of the audit and that the Forvis Mazars LLP audit team remained objective and independent. The committee has recommended to the board that a resolution be put to shareholders for the reappointment of the auditor at the Annual General Meeting.

M. L. Smith

Chairman of the Audit and Risk Committee

17 June 2026

Directors' Remuneration Report

Annual statement

On behalf of the board, I am pleased to present the Directors' Remuneration Report for the year ended 31 March 2026.

The remuneration committee has reviewed the existing directors' remuneration policy, which was approved at the AGM held in 2023 for a period of three years, and the application of that policy in the period since then.

The conclusion of the review is that the current policy is functioning well and supports our strategy and values. Therefore, we are not proposing to make any changes to the structure of our annual bonus, Share Plan or the incentive opportunities available in the remuneration policy for 2026 to 2029. The committee also deems the bonus targets to remain appropriately stretching for the next three years of the policy.

There have been a handful of proposed changes to the policy to ensure alignment to the updated 2024 UK Corporate Governance code and general market practice. These changes includes the introduction of share ownership guidelines and other minor changes to increase flexibility in the policy. Full details of the proposals are set out in the proposed remuneration policy below.

By order of the board

S. R. Harrison

Chairman of the remuneration committee

17 June 2026

Remuneration committee

The remuneration committee is chaired by S. R. Harrison with M. L. Smith also being a member. The group chairman, whilst not a formal member of the committee, is also invited to attend meetings. The remuneration committee is responsible within the authority delegated by the board for determining the remuneration policy and for determining the specific remuneration packages for each of the executive directors and the chairman. The committee also monitors the structure of remuneration of senior management. None of the executive directors were present at meetings of the committee during consideration of their own remuneration.

The remuneration committee's terms of reference are available on the company's website www.castings.plc.uk.

Remuneration policy

The underlying policy in setting the remuneration of the executive directors is that it shall be designed to attract, retain and motivate the directors and be reasonable and fair in relation to their responsibilities.

Detailed policy

The table below sets out the directors' remuneration policy that will be proposed at the company's AGM and, if approved, will apply for three years from the date of approval.

Remuneration element	Purpose and link to strategy	Operation	Maximum potential value
Base salary	To provide competitive fixed remuneration in order to attract and retain high calibre directors to deliver growth for the business.	Reviewed with effect from 1 April each year taking into account market rates, performance of the individual and the company and the rates of salary increase across the group.	Whilst no absolute maximum is prescribed, increases will take account of other salary increases across the group. However, in certain circumstances, including changing roles and responsibilities, market levels and individual and group performance, the committee will have discretion to award larger increases.
Benefits	To provide broadly market competitive benefits as part of the total remuneration package.	Currently include the provision of car benefit, private healthcare, life assurance and income protection. Benefits are reviewed annually taking into account market practice. The committee does have discretion to alter benefits and provide any other benefits that the committee deems appropriate, and the Company may make a payment in respect of any associated tax liability where the committee considers this to be appropriate.	Whilst the committee has not set an absolute maximum on the level of benefits, these are set at a level that the committee considers appropriate against the market.
Annual bonus	To reward contribution to the performance of the group, aligned to shareholder interests.	Bonus is based on paying a proportion of salary subject to the achievement of a certain level of profits before tax and exceptional items ('PBT'). 5% of salary would be payable per £1 million of PBT between £10m and £18m, 7.5% of salary per £1 million of PBT between £18m and £21m and 10% of salary for every £1m of PBT above £21m. The committee does have discretion to pay an annual bonus (not to exceed 50% of base salary) if, in its opinion, the bonus otherwise payable does not adequately recognise the performance of the individual or the company or the committee considers that the formulaic outturn is not appropriate in the context of other factors considered by the committee to be relevant. The committee has discretion to make such changes as it thinks fit to the PBT targets, particularly having regard to any significant corporate events such as share issues. The annual bonus will be subject to malus and clawback provisions as set out below.	The annual bonus cannot exceed 125% of base salary.
Pension	To provide competitive retirement benefits as part of the overall remuneration package.	Executive directors receive 7% of base salary as contributions to personal pension plans or a cash equivalent.	7% of base salary.
Restricted Share plan ('RSP')	To provide a mechanism to enable executive directors to build a shareholding in the company with a view to providing a further incentive and alignment with the interests of shareholders.	Awards will be in the form of nil-cost options and will normally vest three years after the date of grant, subject to continued employment with the group. Awards are not subject to performance measures as the committee believes that the balance between certainty and a lower value of award achieves the objective of providing a further incentive to the executive directors and aligning them more closely with the interests of shareholders, whilst remaining straightforward and easily understood. Awards will normally be subject to a two year holding period after vesting and may be granted on the basis that the participant shall be entitled to an additional benefit (in cash or shares) in respect of dividends paid over the subsequent holding period. Awards are subject to malus and clawback provisions as set out below	Awards will normally be granted to a value of 25% of the base salary at the date of granting, though the committee has the discretion to increase this to 50% of base salary in exceptional circumstances.

Directors' Remuneration Report

continued

Share ownership guidelines

In-service guideline

During employment, shareholding guidelines require executive directors to acquire a shareholding with a value equal to 100% of base salary, with an expectation that the guideline will be achieved within 5 years of appointment. Progress towards the guideline will be reviewed regularly. Executive directors will be required to retain at least half of all shares acquired under the RSP until the shareholding guideline is met, unless in exceptional circumstances the committee exercises discretion to vary this requirement. Shares subject to RSP awards which have vested but which remain subject to a holding period count towards the guideline on a net of assumed tax basis.

Post-employment guideline

A post-employment shareholding guideline is in place such that, for one year following an executive director stepping down from the Board, they must retain such number of their "relevant shares" as have a value (at the time of stepping down) equal to the shareholding guideline that applies during service. "Relevant shares" include all shares acquired pursuant to awards granted under the Company's share plans, including shares subject to awards which have vested but not yet been released and/or been exercised (on a net of assumed tax basis). Shares which the executive director has purchased are not "relevant shares" for these purposes.

If the executive director holds less than the required number of "relevant shares" at any time, they must retain the "relevant shares" they hold. Unless the committee determines otherwise, when considering the extent to which this requirement is satisfied, an executive director or former executive director shall be deemed to have disposed of shares which are not "relevant shares" before any "relevant shares" that person holds. The committee retains discretion to vary this requirement in exceptional circumstances.

Operation of share plans

The committee may amend the terms of awards and options under its share plans in accordance with the plan rules in the event of a variation of the company's share capital or a demerger, special dividend or other similar event or otherwise in accordance with the terms of the plans. The committee will operate any such plan in accordance with its rules. Share awards granted under any such plan may be settled (in whole or in part) in cash, although the committee would only do so where the particular circumstances made it appropriate to do so – for example, where there is a regulatory restriction on the delivery of shares.

Choice of performance conditions

The annual bonus performance targets are based on profit before tax which is aligned with the company's overall strategy and is a key performance indicator for the company. The targets are reviewed in line with the Policy taking into account the Company's strategy and outlook for the next three years.

The Share Plan Awards are not subject to performance measures as the committee believes that the balance between certainty and a lower value of award achieves the objective of providing a further incentive to the executive directors and aligning them more closely with the interests of shareholders, whilst remaining straightforward and easily understood.

Reduction and recovery provisions (malus and clawback)

The annual bonus and RSP awards are subject to reduction and recovery (malus and clawback) provisions as follows:

- any bonus paid in cash may be recovered for up to two years following payment; and
- an RSP award may be cancelled (if shares have not been delivered to satisfy it) or recovered from a participant (if shares have been delivered) up to the second anniversary of vesting.

The reduction and recovery provisions may be applied in the following circumstances: (i) material misstatement of financial results; (ii) material failure of risk management, fraud or other material irregularity; (iii) serious reputational damage; (iv) misconduct; (v) material corporate failure; (vi) error in the information or assumptions based on which an Award was granted, vests or is released; or (vii) any other circumstances considered to be similar in their nature or effect to those set out above.

A recovery period of two years following payment of an annual bonus and vesting of an RSP award is considered appropriate on the basis that:

- it is reasonable to assume that an event relating to the performance / vesting period requiring clawback would be discovered within a two-year period;
- it is considered a reasonable period to support the enforceability of clawback; and
- it is aligned with market practice.

Differences between the executive directors' and general employee's remuneration policy

Performance related pay, through the annual bonus, makes up a significant proportion of total remuneration for the executive directors and other senior employees compared to employees generally reflecting the role of these individuals in managing the business to achieve the company's strategic objectives. The committee considers that the emphasis on performance related pay for executive directors and senior employees and participation in the Share Plan closely aligns the Directors' interests with those of shareholders and helps to deliver excellent long-term company performance.

Non-executive director remuneration

The fees paid to non-executive directors are set by reference to current levels in the market. Non-executive directors do not receive bonus, pension, benefits or RSP awards.

Statement of shareholding voting

The voting to approve last year's annual report on the directors' remuneration and the directors' remuneration policy at the respective AGMs are set out in the following table:

	Votes for (including discretionary) Number %	Votes against Number %	Total number of votes cast	Number of votes withheld
Annual report on remuneration – approved at AGM on 21 August 2025	27,559,912 99.95%	13,090 0.05%	27,573,002	13,330
Directors' remuneration policy – approved at AGM on 15 August 2023	27,633,050 88.47%	3,599,620 11.53%	31,232,670	2,061

Implementation in 2026/27

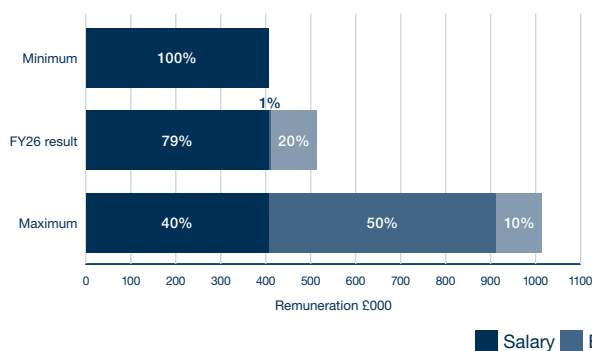
The committee has considered market rates and increases awarded to all employees in determining the base salary increases for the executive directors for 2026/27. The committee did not consult directly with the workforce. The chief executive officer and finance director will receive a base salary of £390,160 and £283,772 respectively during the year ending 31 March 2027. This represents an increase of 3.75%, which is broadly in line with the average rate of increase for employees across the group.

Scenario charts

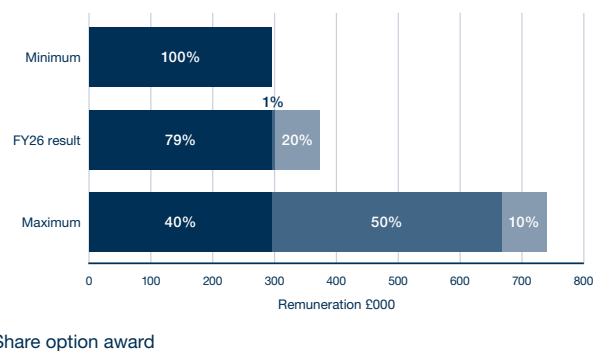
The following charts set out the potential total remuneration payments for the year ended 31 March 2027 under our remuneration policy based on the following assumptions:

- Minimum – base salary, no bonus payment and no share option award.
- Prior year – base salary, bonus based on profit as for year ended 31 March 2026 and 25% of base salary as share option award.
- Maximum – base salary, bonus of 125% of base salary and 25% of base salary as share option award.

Chief executive officer



Finance director



Directors' Remuneration Report

continued

Recruitment policy

External appointment

In the event of the recruitment of a new executive director, the remuneration package would reflect the policy set out above so far as is possible. The overall maximum level of variable remuneration which may be granted (excluding 'buyout' awards as referred to below) is 175% of salary.

The committee may make payments or awards in respect of hiring an employee to 'buyout' remuneration arrangements forfeited on leaving a previous employer, which may be awarded in addition to the remuneration structure outlined in the table above. In doing so, the committee will take account of relevant factors, including any performance conditions attached to the forfeited arrangements and the time over which they would have vested.

The committee will generally seek to structure 'buyout' awards or payments on a comparable basis to the remuneration arrangement forfeited. Any such 'buyout' awards will typically be made under the annual bonus or RSP rules, although in exceptional circumstances the committee may exercise the discretion available under Listing Rule 9.3.2 R to make awards using a different structure. Any such payments or awards are excluded from the maximum level of variable remuneration referred to above.

Other elements of remuneration may be included in appropriate circumstances, such as:

- an interim appointment being made to fill an executive director role on a short-term basis (including if exceptional circumstances require that the non-executive chair or other non-executive director takes on an executive function); or
- if an executive director is recruited at a time in the year when it would be inappropriate to provide an annual bonus or long-term incentive award for that year.

Internal promotion

In cases of appointing a new executive director by way of internal promotion, the committee and board will act consistently with the Policy for external appointees detailed above. Where an individual has contractual commitments made prior to their promotion to executive director level, the company will continue to honour these arrangements. Incentive opportunities for below Board employees are typically no higher than executive directors.

Non-executive directors

Fees payable on the appointment of a chairman or non-executive director would be in line with the fee policy in place at the time of appointment.

Directors' shareholdings (audited)

The directors' interests in the ordinary share capital of the company (including the interest of connected persons) are as follows:

	2026 Total	2025 Total
A. N. Jones	—	—
A. Vicary	55,828	40,000
S. J. Mant	27,912	20,037
M. L. Smith	—	—
S. R. Harrison	—	—

There have been no changes in the shareholdings of directors since the year end.

Directors' contracts

The executive directors entered into new service contracts on 4 June 2020. The contracts are terminable on twelve months' notice, which is considered by the committee to be appropriate, and do not contain any provision for predetermined compensation in the event of termination. Any payments for loss of office would be determined at the time taking into account all the circumstances. Non-executive directors do not have a contract of service.

Policy of payment for loss of office

The company retains the right to terminate each executive director's service agreement by making a payment in lieu of some or all of the notice period. Any such payment would consist of base salary and may also include benefits (including pension or salary supplement contributions) in respect of the unexpired notice period for termination.

Any payment to an executive director on termination in respect of annual bonus will be determined by the committee taking into account the circumstances of the termination. Unless otherwise determined by the committee, any payment will be pro-rated to reflect the proportion of the bonus year worked and subject to performance achieved. Payments will ordinarily only be made at the usual time (although the committee retains discretion to make payments early in appropriate circumstances). The committee retains discretion to pay the whole of the bonus for the year of departure and/or the previous year in cash but will only do so in exceptional circumstances.

Entitlements under the company's Share Plan will be treated in accordance with the plan rules in the event of cessation of employment.

Statement of consideration of shareholder views

The committee consults with major shareholders and their representative bodies on remuneration matters, particularly if any material changes are proposed to the remuneration policy. As there were no material changes to the proposed remuneration policy shareholders had not been consulted.

Statement of consideration of employment conditions elsewhere in the group

The committee does not directly consult with the wider workforce when determining the remuneration of the executive directors.

Professional advice

The committee received external advice during the year by way of a review of the remuneration policy to be presented to shareholders at the AGM. The advice was received from Deloitte LLP at a fee of £3,000.

Annual Report on Directors' Remuneration

Directors' remuneration during the year (audited)

The directors' remuneration for the year ended 31 March 2026 is set out in the table below.

	A. N. Jones		A. Vicary		S. J. Mant		A. K. Eastgate ¹		M. L. Smith		S. R. Harrison ²	
	2026 £000	2025 £000	2026 £000	2025 £000	2026 £000	2025 £000	2026 £000	2025 £000	2026 £000	2025 £000	2026 £000	2025 £000
Salary/fees	101	97	376	362	274	263	18	44	45	42	42	22
Benefits	—	—	6	6	16	15	—	—	—	—	—	—
Pension contributions	—	—	16	16	16	16	—	—	—	—	—	—
Total fixed remuneration	101	97	398	384	306	294	18	44	45	42	42	22
Performance-related bonus ³	—	—	8	—	6	—	—	—	—	—	—	—
Share options exercised ⁴	—	—	62	—	45	—	—	—	—	—	—	—
Total variable remuneration	—	—	70	—	51	—	—	—	—	—	—	—
Total remuneration	101	97	468	384	357	294	18	44	45	42	42	22

1. A. K. Eastgate retired as a director on 21 August 2025.

2. S. R. Harrison was appointed a director on 26 September 2024.

3. Profit before tax and exceptional items ('PBT'), for the purposes of annual bonus calculations for the year ended 31 March 2026, was measured against a pre-determined range, with zero payment below the threshold (£10 million) up to full payment at the maximum of the range (£21 million). This is in accordance with the remuneration policy approved at the 2023 AGM. The profit figure of £10.4 million comprises the profit before taxation of £10.3 million for the year plus the defined contribution pension cost that is added back. The annual bonus for the executives, agreed for payment by the remuneration committee, is 2.187% of their respective salaries. It is noted that the directors' remuneration report (approved in 2023 AGM) that relates to this performance target is 5% of salary would be payable per £1 million of profit between £10 million and £18 million, 7.5% of salary per £1 million of profit between £18 million and £21 million and 10% of salary for every £1 million of profit above £21 million.

4. The value of share options exercised includes the cash value paid for dividends declared during the two year holding period (as set out below).

Share options

Share options granted under the Castings 2020 Restricted Share Plan are nil-cost options which vest three years after the grant date and are subject to continued employment with the group. The options are also subject to a two year holding period during which the participant shall be entitled to an additional benefit (in cash or shares) in respect of dividends paid in that period. The following nil-cost options were granted during the year:

	Grant date	Number of shares	Market price at grant date ¹	Fair value at grant date
A. Vicary	9 July 2025	32,543	£2.889	£94,015
S. J. Mant	9 July 2025	23,669	£2.889	£68,379

1. The average closing share price of the five days preceding the grant date.

Directors' Remuneration Report

continued

Share options continued

In the event that the share price on vesting is 50% higher than the market price at the date of grant, the value of the options granted to A. Vicary and S. J. Mant would be higher by £47,008 and £34,190 respectively. The following nil-cost options are outstanding as at 31 March 2026:

	As at 1 April 2025	Options granted	Options exercised	As at 31 March 2026
A. Vicary	110,028	32,543	(20,432)	122,139
S. J. Mant	80,026	23,669	(14,860)	88,835

Relative importance of spend on pay

The following table shows actual expenditure of the group and change in spend between the current and previous financial years on remuneration paid to all employees compared to distributions to shareholders.

	2026 £000	2025 £000	Change £000	Change %
Remuneration of all employees	49,097	50,429	(1,332)	-2.6%
Dividends declared to shareholders	7,996	7,996	—	0.0%

Chief executive officer remuneration

The total remuneration paid to the chief executive officer for the last ten years is as follows:

	2026 £000	2025 £000	2024 £000	2023 £000	2022 £000	2021 £000	2020 £000	2019 £000	2018 £000	2017 £000
Performance-related bonus	8	—	242	70	53	—	30	57	54	61
Percentage of maximum ¹	1.7%	0.0%	56.0%	17.6%	14.2%	0.0%	n/a	n/a	n/a	n/a
Total remuneration	468	384	616	414	376	319	345	357	341	340

1. The performance-related bonus did not have a maximum level for years 2020 and earlier.

Percentage change in remuneration

The following table sets out the annual percentage change in directors' remuneration compared to the average remuneration of a Castings employee for each of the last five years.

	Salary/fees					Taxable benefits					Performance related bonus				
	2026 %	2025 %	2024 %	2023 %	2022 %	2026 %	2025 %	2024 %	2023 %	2022 %	2026 %	2025 %	2024 %	2023 %	2022 %
A. Vicary	4.0	4.5	9.1	6.4	1.4	0.0	-57.1	0.0	0.0	0.0	100.0	-100.0	245.7	32.1	n/a
S. J. Mant	4.0	4.5	9.1	6.5	1.4	6.7	0.0	7.1	0.0	0.0	100.0	-100.0	151.4	32.1	n/a
A. N. Jones ¹	4.0	4.5	82.4	30.8	0.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
A. K. Eastgate ²	4.0	4.5	13.1	2.7	0.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M. L. Smith ³	4.0	4.5	185.7	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
S. R. Harrison ⁴	90.9	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Employee average	5.8	-6.4	8.6	13.7	6.4	n/a	n/a	n/a	n/a	n/a	7.5	-26.7	1.2	21.6	42.4

1. A. N. Jones was appointed chairman on 1 January 2023.

2. A. K. Eastgate was appointed senior independent director on 1 January 2023 and retired as a director on 21 August 2025.

3. M. L. Smith was appointed as a director on 16 November 2022.

4. S. R. Harrison was appointed as a director on 26 September 2024.

Chief executive officer pay ratio

The table below shows the chief executive officer's pay ratio at 25th, median and 75th percentile of our employees for the year to 31 March 2026. The ratios have been determined using Option A of The Companies (Miscellaneous Reporting) Regulations 2018 which is considered the most accurate method for calculating the ratio.

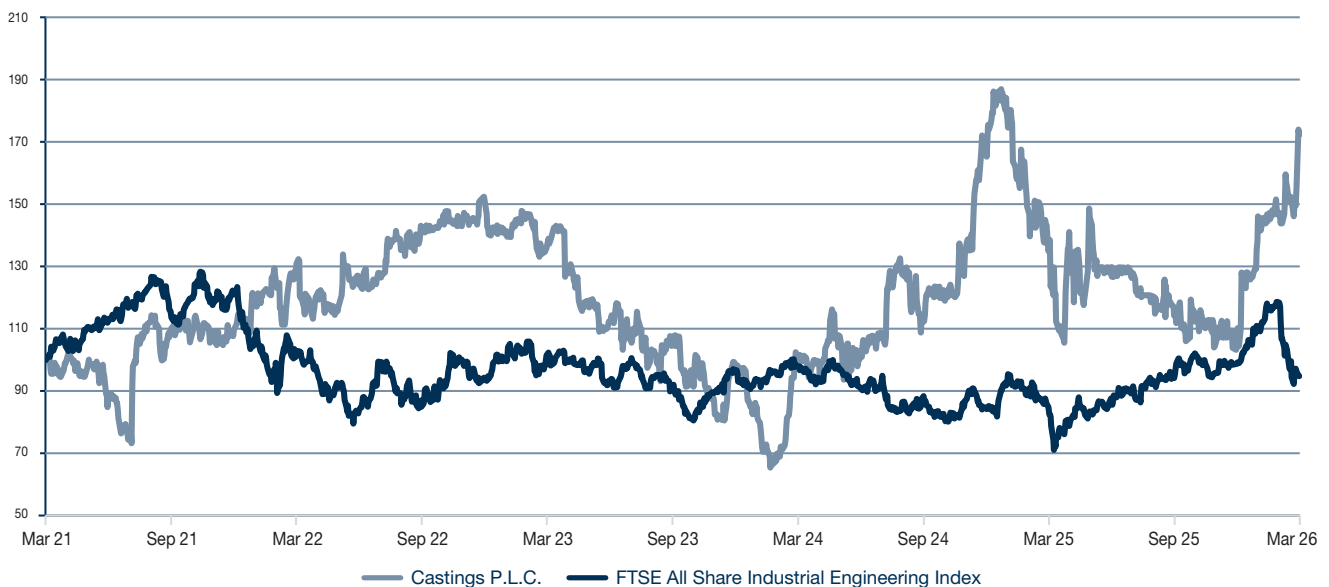
	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
Year ended 31 March 2026	13.3	10.9	8.6
Year ended 31 March 2025	14.4	12.4	10.0
Year ended 31 March 2024	14.7	12.7	10.3
Year ended 31 March 2023	14.0	11.4	9.2
Year ended 31 March 2022	14.3	11.1	9.1
Year ended 31 March 2021	13.6	9.9	8.3

There has not been a significant change in the ratios from 2025 to 2026.

Total shareholder return performance graph

The following graph shows the company's performance, measured by total shareholder return, compared with the performance of the FTSE All Share – Industrial Engineering Index, also measured by total shareholder return. This index has been selected for this comparison because this is considered to be the most relevant index for the company.

Castings P.L.C. TSR performance vs FTSE All Share Industrials Engineering Index



Statement of Directors' Responsibilities in Respect of the Financial Statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group financial statements in accordance with UK-adopted international accounting standards and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the parent company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and parent company will continue in business.

The directors are also responsible for safeguarding the assets of the group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

Directors' confirmations

The directors consider that the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the group and parent company's position and performance, business model and strategy.

Each of the directors, whose names and functions are listed in the Board of Directors on page 23 confirm that, to the best of their knowledge:

- the parent company financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, give a true and fair view of the assets, liabilities, financial position and profit of the company;
- the group financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the group; and
- the business and financial review includes a fair review of the development and performance of the business and the position of the group and parent company, together with a description of the principal risks and uncertainties that it faces.

In the case of each director in office at the date the Directors' Report is approved:

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

Website publication

The directors are responsible for ensuring the Annual Report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent Auditor's Report to the Members of Castings P.L.C.

Opinion

We have audited the financial statements of Castings P.L.C (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2026 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Consolidated Cash Flow Statement, Consolidated Statement of Changes in Equity, Parent Company Balance Sheet, Parent Company Statement of Changes in Equity and Notes to the financial statements, including material accounting policy information.

The consolidated financial statements have been prepared in accordance with applicable law and UK-adopted international accounting standards. The parent company financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", as applied in accordance with the provisions of the Companies Act 2006).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2026 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 audit procedures to evaluate the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant

doubt on the group's and the parent company's ability to continue as a going concern;

- Obtaining an understanding of the relevant controls relating to the directors' going concern assessment;
- Making enquiries of the directors to understand the period of assessment considered by them
- Assessing and challenging the appropriateness of the directors' key assumptions in their base case cash flow forecasts, as described in note 1, by reviewing supporting and contradictory evidence in relation to those key assumptions;
- Assessing the directors' consideration of severe but plausible scenarios, including the viability of mitigating actions within the directors' control;
- Testing the accuracy and functionality of the model used to prepare the directors' forecasts;
- Assessing the historical accuracy of forecasts prepared by the directors;
- Considering the consistency of the directors' forecasts with other areas of the financial statements and our audit; and
- Evaluating the appropriateness of the directors' disclosures in the financial statements on going concern

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

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

In relation to Castings P.L.C's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to:

- the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting; and
- the directors' identification in the financial statements of the material uncertainty related to the group's and the parent company's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements.

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) 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.

Independent Auditor's Report to the Members of Castings P.L.C.

continued

We summarise below the key audit matters in forming our opinion above, together with an overview of the principal audit procedures performed to address each matter and our key observations arising from those procedures.

These matters, together with our findings, were communicated to those charged with governance through our Audit Completion Report.

Key Audit Matter	How our scope addressed this matter
<p>Revenue Recognition – (group and parent)</p> <p>The group's and the parent company's accounting policy for revenue recognition is set out in the accounting policy notes on page 49 and 69 respectively.</p> <p>Revenue is material for the group and the parent company and represents the largest figure in the Consolidated statement of comprehensive income. An error in this balance could significantly affect a user's interpretation of the financial statements.</p> <p>Revenue recognition in relation to the cut off assertion was identified as a key audit matter due to the risk that revenue may be recognised in the incorrect period, particularly for transactions around the year end.</p>	<p>Our audit procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Identifying key controls relating to revenue recognition and performing a walkthrough to evaluate their design and implementation; • Reviewing management's cut off assessment and substantively testing a sample of deferred income recognised at the year end; • assessing whether management's cut off procedures were consistently applied by: <ul style="list-style-type: none"> – selecting a sample of transactions close to, and at each side of, the year-end to assess whether that they had been posted to the correct financial period in line with the relevant contractual terms – agreeing our sampled transactions to supporting documentation, including invoices and evidence of delivery or dispatch, cash receipt or trade debtors and • reviewing manual journals posted to revenue around the period end. <p>Our observations</p> <p>Based on the procedures performed, we did not identify any material misstatements in relation to revenue recognition.</p>

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group materiality

Overall materiality	£865k
How we determined it	0.5% of revenue
Rationale for benchmark applied	<p>We consider revenue to be the most appropriate benchmark for selecting materiality for the following reasons:</p> <ul style="list-style-type: none"> • Revenue is a significant KPI for the business with the Annual Report demonstrating the significant focus on revenues and associated sales tonnage. • The profit before tax balance has, in prior years, been volatile and is therefore not considered an appropriate reflection of the group's trading activities and production volumes. <p>The percentage applied has been reduced from the prior year to reflect increased economic uncertainty and to adopt a more cautious approach to audit materiality.</p>
Performance materiality	<p>Performance materiality is set to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.</p> <p>We set performance materiality at £605k, which represents 70% of overall materiality.</p>
Reporting threshold	<p>We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above £25k as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.</p>

Parent company materiality

Overall materiality	£612k
How we determined it	0.5% of Revenue
Rationale for benchmark applied	– The rationale for selecting revenue as the basis for determining materiality for the parent company financial statements is the same as that for the group, as set out above.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at £428k which represents 70% of overall materiality.
Reporting threshold	We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above £12k as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements, such as assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the group and the parent company, their environment, controls, and critical business processes, to consider qualitative factors to ensure that we obtained sufficient coverage across all financial statement line items.

Our group audit scope included an audit of the group and the parent company financial statements. Based on our risk assessment, three components, including the parent company, were subject to full scope audit and one component was subject to specified audit procedures, all performed by the group audit team. The scope of work performed provided coverage of 96% of group revenue.

At the parent company level, the group audit team also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with 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 those reports have been prepared in accordance with applicable legal requirements;
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Guidance and Transparency Rules sourcebook made by the Financial Conduct Authority (the FCA Rules), is consistent with the financial statements and has been prepared in accordance with applicable legal requirements; and
- information about the parent company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules.

Independent Auditor's Report to the Members of Castings P.L.C.

continued

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the:

- strategic report or the directors' report; or
- information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Rules.

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 and the part of the directors' remuneration report to be audited 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; or
- a corporate governance statement has not been prepared by the parent company.

Corporate governance statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to Castings P.L.C.'s compliance with the provisions of the UK Corporate Governance Statement specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified, set out on page 28;
- Directors' explanation as to its assessment of the entity's prospects, the period this assessment covers and why they period is appropriate, set out on page 21;
- Directors' statement on fair, balanced and understandable, set out on page 26;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks, set out on page 8;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems, set out on page 28; and;
- The section describing the work of the Audit and Risk Committee, set out on page 29.

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities set out on page 38, 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, anti-money laundering regulation and health and safety regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Gaining an understanding of the legal and regulatory framework applicable to the group and the parent company, the industry in which they operate, and the structure of the group, and considering the risk of acts by the group and the parent company which were contrary to the applicable laws and regulations, including fraud;
- Inquiring of the directors, management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;

- Reviewing minutes of directors' meetings in the year; and
- Discussing amongst the engagement team the laws and regulations listed above, and remaining alert to any indications of non-compliance.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate reported financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;
- Addressing the risks of fraud through management override of controls by performing journal entry testing;
- Reviewing directors and Key Managements bonus scheme and performance conditions attached to the bonus.

The primary responsibility for the prevention and detection of irregularities, including fraud, rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit are discussed in the "Key audit matters" section of this report.

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

Other matters which we are required to address

Following the recommendation of the Audit and Risk Committee, we were appointed by the Board on 08 January 2020, to audit the financial statements for the year ending 31 March 2020 and subsequent financial periods. The period of total uninterrupted engagement is 7 years, covering the years ending 31 March 2020 to 31 March 2026.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with our additional report to the audit committee.

Use of the audit 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.

As required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules, these financial statements will form part of the electronic reporting format annual financial report filed on the National Storage Mechanism of the Financial Conduct Authority. This auditor's report provides no assurance over whether the annual financial report has been prepared using the correct electronic reporting format.

Jennifer Birch (Senior Statutory Auditor)

for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
Two Chamberlain Square
Birmingham
B3 3AX
17 June 2026

Consolidated Statement of Comprehensive Income

for the year ended 31 March 2026

	Notes	2026 £000	2025 £000
Revenue	2	173,227	176,969
Cost of sales	3	(141,962)	(149,478)
Gross profit		31,265	27,491
Distribution costs	3	(2,533)	(3,207)
Administrative expenses	3	(19,948)	(19,512)
Other operating income	6	1,179	—
Profit from operations		9,963	4,772
Finance income	7	513	962
Finance expenses	8	(179)	(107)
Profit before income tax		10,297	5,627
Income tax expense	9	(2,750)	(1,454)
Profit for the year attributable to equity holders of the parent company		7,547	4,173
Profit for the year attributable to equity holders of the parent company		7,547	4,173
Other comprehensive income for the year:			
Items that will not be reclassified to profit and loss:			
Movement in unrecognised surplus on defined benefit pension schemes net of actuarial gains and losses	5	139	165
Other comprehensive income for the year (net of tax)		139	165
Total comprehensive income for the year attributable to the equity holders of the parent company		7,686	4,338
Earnings per share attributable to the equity holders of the parent company	11		
Basic		17.36p	9.60p
Diluted		17.25p	9.56p

Notes to the consolidated financial statements are on pages 48 to 65.

Consolidated Balance Sheet

as at 31 March 2026

	Notes	2026 £000	2025 £000
ASSETS			
Non-current assets			
Property, plant and equipment	12	78,410	66,123
Right-of-use assets	13	1,972	2,056
		80,382	68,179
Current assets			
Inventories	14	23,483	32,780
Trade and other receivables	15	41,681	51,743
Current tax assets		2,015	—
Cash and cash equivalents		17,390	15,564
		84,569	100,087
Total assets		164,951	168,266
LIABILITIES			
Current liabilities			
Trade and other payables	16	25,168	31,557
Lease liabilities	13	6	228
Current tax liabilities		—	132
		25,174	31,917
Non-current liabilities			
Lease liabilities	13	2,142	1,901
Deferred tax liabilities	17	10,363	7,013
		12,505	8,914
Total liabilities		37,679	40,831
Net assets		127,272	127,435
Equity attributable to equity holders of the parent company			
Share capital	18	4,363	4,363
Share premium account		874	874
Treasury shares		(571)	(627)
Other reserve		13	13
Retained earnings		122,593	122,812
Total equity		127,272	127,435

The consolidated financial statements on pages 44 to 65 were approved and authorised for issue by the board of directors on 17 June 2026, and were signed on its behalf by:

A. N. Jones

Chairman

S. J. Mant

Finance Director

Notes to the consolidated financial statements are on pages 48 to 65.

Company registration number – 91580.

Consolidated Cash Flow Statement

for the year ended 31 March 2026

	Notes	2026 £000	2025 £000
Cash flows from operating activities			
Profit before income tax		10,297	5,627
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets	12, 13	8,307	8,898
Loss on disposal of property, plant and equipment	3	5	2
Finance income	7	(513)	(962)
Finance expenses	8	179	107
Equity-settled share-based payment expense	19	190	145
Pension administrative costs	5	139	165
PAYE/NIC on share options exercised		(43)	—
Operating cash flow before changes in working capital		18,561	13,982
Decrease in inventories		9,297	356
Decrease/(increase) in receivables		3,619	(130)
Decrease in payables		(6,389)	(1,886)
Cash generated from operating activities		25,088	12,322
Tax paid		(1,547)	(1,045)
Interest received	7	513	957
Interest paid	8	(35)	—
Net cash generated from operating activities		24,019	12,234
Cash flows from investing activities			
Dividends received from listed investments	6	—	5
Purchase of property, plant and equipment		(13,839)	(13,078)
Advanced payments in respect of property, plant and equipment		—	(6,676)
Proceeds from disposal of property, plant and equipment		—	31
Repayments from pension schemes	5	3,258	3,990
Advances on behalf of the pension schemes	5	(3,491)	(2,334)
Net cash used in investing activities		(14,072)	(18,062)
Cash flows from financing activities			
Repayment of principal of lease liabilities		(125)	(97)
Dividends paid to shareholders	10	(7,996)	(11,038)
Net cash used in financing activities		(8,121)	(11,135)
Increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at beginning of year		15,564	32,527
Cash and cash equivalents at end of year	22	17,390	15,564
Cash and cash equivalents:			
Short-term deposits		566	554
Cash available on demand		16,824	15,010
		17,390	15,564

Notes to the consolidated financial statements are on pages 48 to 65.

Consolidated Statement of Changes in Equity

for the year ended 31 March 2026

	Equity attributable to equity holders of the parent					Total equity £000
	Share capital ^{a)}	Share premium ^{b)}	Treasury shares ^{c)}	Other reserve ^{d)}	Retained earnings ^{e)}	
	£000	£000	£000	£000	£000	
At 1 April 2025	4,363	874	(627)	13	122,812	127,435
Profit for the year	—	—	—	—	7,547	7,547
Other comprehensive income:						
Movement in unrecognised surplus on defined benefit pension schemes net of actuarial gains and losses (note 5)	—	—	—	—	139	139
Total comprehensive income for the year	—	—	—	—	7,686	7,686
Equity-settled share-based payments (see note 19)	—	—	—	—	190	190
Own shares transferred on vesting	—	—	56	—	—	56
Share option charge on vesting	—	—	—	—	(99)	(99)
Dividends (see note 10)	—	—	—	—	(7,996)	(7,996)
At 31 March 2026	4,363	874	(571)	13	122,593	127,272

	Equity attributable to equity holders of the parent					Total equity £000
	Share capital ^{a)}	Share premium ^{b)}	Treasury shares ^{c)}	Other reserve ^{d)}	Retained earnings ^{e)}	
	£000	£000	£000	£000	£000	
At 1 April 2024	4,363	874	(627)	13	129,367	133,990
Profit for the year	—	—	—	—	4,173	4,173
Other comprehensive income:						
Movement in unrecognised surplus on defined benefit pension schemes net of actuarial gains and losses (note 5)	—	—	—	—	165	165
Total comprehensive income for the year	—	—	—	—	4,338	4,338
Equity-settled share-based payments (see note 19)	—	—	—	—	145	145
Dividends (see note 10)	—	—	—	—	(11,038)	(11,038)
At 31 March 2025	4,363	874	(627)	13	122,812	127,435

a) Share capital (note 18) – The nominal value of allotted and fully paid up ordinary share capital in issue.

b) Share premium – Amount subscribed for share capital in excess of nominal value.

c) Treasury shares – Cost of shares acquired by the company.

d) Other reserve – Amounts transferred from share capital on redemption of issued shares.

e) Retained earnings – Cumulative net gains and losses recognised in the statement of comprehensive income.

Notes to the Consolidated Financial Statements

1 Accounting policies

General information

Castings Public Limited Company (the 'company', 'Castings P.L.C.') is incorporated and domiciled in the United Kingdom and registered in England as a public company limited by shares. The company's registered office is at Lichfield Road, Brownhills, West Midlands, WS8 6JZ, United Kingdom. The company's ordinary shares are listed on the London Stock Exchange. There has been no change in this information since the Annual Report for the year ended 31 March 2025.

Basis of preparation

The group financial statements have been prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

The IFRSs applied in the group financial statements are subject to ongoing amendment by the IASB and therefore subject to possible change in the future. Further standards and interpretations may be issued that will be applicable for financial years beginning on or after 1 April 2026 or later accounting periods but may be adopted early.

The preparation of financial statements in accordance with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies.

The primary statements within the financial information contained in this document have been presented in accordance with IAS 1 Presentation of Financial Statements.

The financial statements are prepared on a going concern basis and under the historical cost convention, except where adjusted for revaluations of certain assets, and in accordance with applicable Accounting Standards and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. A summary of the principal group IFRS accounting policies is set out below. The presentation currency used is sterling and the amounts have been presented in round thousands ('£000').

New standards effective and adopted by the group in the year

There have been no new standards, or amendments to standards, applied in the year that had a material effect on the group.

Going concern

In determining the basis of preparation for the consolidated financial statements, the directors have considered the group's business activities, together with factors likely to affect its future development, performance and position. The group has modelled a base case, which reflects the directors' current expectations of future trading in addition to potential severe but plausible impacts on revenue, profits and cash flows in a downside scenario. The base case scenario is based on current demand schedules from customers and assumed that these levels, along with average selling prices and costs remain consistent. The group's recent record of cash conversion was used to estimate the cash generation in the period under review.

The severe but plausible downside scenario assumed a 30% reduction in demand which would cover the loss of the group's most significant customer. Furthermore, such a reduction is also in line with the approximate revenue loss in the event that environmental legislation changes or a technological breakthrough rendered the internal combustion engine obsolete.

The directors are confident that the group will have sufficient funds to continue to meet their liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis. Further details are set out in the viability statement on page 21 and the corporate governance statement on page 28.

Basis of consolidation

The consolidated statement of comprehensive income and balance sheet include the financial statements of the parent company and its subsidiaries made up to the end of the financial year. These subsidiaries include William Lee Limited, CNC Speedwell Limited and Ductile Castings Limited, all of which are 100% owned, controlled by the company and are based in the UK. Control is achieved where the company has the rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Intercompany transactions and balances between group companies are eliminated in full.

Business combinations and goodwill

Shares issued as consideration for the acquisition of companies have a fair value attributed to them, which is normally their market value at the date of acquisition. Net assets acquired are consolidated at a fair value to the group at the date of acquisition. All changes to these assets and liabilities, and the resulting gains and losses that arise after the group has gained control of the subsidiary, are credited and charged to the post-acquisition income statement.

Foreign currencies

Assets and liabilities in foreign currencies are translated at the spot rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction; all differences are dealt with through the consolidated statement of comprehensive income.

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of VAT. Revenue from the sale of goods from foundry operations relates to the sale of castings. Revenue from the sale of services from machining operations relates to machining and minor assembly work performed on a subcontract basis for external customers. Revenue is recognised once the performance obligation has been met. This is deemed to be when the goods and services have been collected by, or delivered to, the customer in accordance with the agreed delivery terms. Payment terms are based on usual market practices and commercial terms agreed with the customer.

Post-retirement benefits

Two of the group's pension plans are of a defined benefit type. Under IAS 19 Employee Benefits the employer's portion of the current service costs, scheme administrative costs and curtailment gains are charged to operating profit for these plans, with the net interest also being charged/credited to operating profit subject to the asset ceiling. Actuarial gains and losses are recognised in other comprehensive income and the balance sheet reflects the schemes' surplus or deficit at the balance sheet date. A full valuation is carried out triennially using the projected unit credit method. Where the group cannot benefit from a scheme surplus in the form of refunds from the plans or reductions in future contributions, any asset resulting from the above policy is restricted accordingly.

Payments to the defined contribution scheme are charged to the consolidated statement of comprehensive income as they become payable.

Property, plant and equipment

Property, plant and equipment assets are held at cost less accumulated depreciation. Depreciation is provided on property, plant and equipment, other than freehold land and assets in the course of construction, on a straight-line basis. The periods of write-off used are as follows:

- i. Freehold buildings over 50 years.
- ii. Plant and equipment over a period of 3 to 15 years.

The group annually reviews the assessment of residual values and useful lives in accordance with IAS 16.

Impairment of tangible assets

At each balance sheet date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists or an asset is not in use and therefore requires an annual test, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash inflows that are largely independent from other assets, the group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to dispose and value-in-use. In assessing value-in-use, the estimated future nominal cash flows are discounted to their present value using a nominal discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately in the consolidated income statement.

Inventories

The group's inventories are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a weighted average for raw materials. Work in progress and finished goods include labour and attributable production overheads based on normal levels of activity. Provision is made for obsolete and slow-moving items based on a review of parts with no demand during the year.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits at call with banks and other short-term highly liquid investments with original maturities of three months or less from inception.

Government grants - Research and Development Expenditure Credit ('RDEC')

RDEC is accounted for as a government grant under IAS20. It is recognised at fair value where there is reasonable assurance that the grant will be received and the group complies with the attached conditions.

The credit is recognised in the period in which the qualifying expenditure is incurred and is presented as other income within operating profit.

Leases

The group operates one production site under a lease arrangement. At the commencement date of a lease arrangement the group recognises a right-of-use asset and a lease liability for rental payments due.

Notes to the Consolidated Financial Statements

continued

1 Accounting policies continued

Leases continued

Right-of-use assets are initially measured at cost, being the present value of the lease liability plus any initial costs incurred in entering the lease together with anticipated restoration costs.

Right-of-use assets are subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life or the end of the lease term where it is not likely the group will utilise the asset for the entirety of its useful life. At the commencement date of this property lease the group determined the lease term to be the full term of the lease, assuming that any option to break or extend the lease is unlikely to be exercised.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit within the lease agreement. Where that rate cannot be determined, the incremental borrowing rate is used as an alternative, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The lease liability is subsequently measured at amortised cost using the effective interest method and is remeasured if there is a change in future lease payments arising from a change in an index or rate (such as the Bank of England base rate) or if there is a change in the group's assessment of whether it will exercise an extension or termination option. In such an event, there would be a corresponding adjustment to the right-of-use asset.

Where the group enters into leases with a lease term of 12-months or less, these are treated as 'short-term' leases and are recognised on a straight-line basis as an expense in the consolidated statement of comprehensive income. The same treatment applies to low-value assets, which are typically IT equipment and office equipment.

Financial instruments

a) Financial assets

The group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The group's accounting policy for each category is as follows:

Amortised cost

These assets are held in order to collect contractual cash flows, on specific dates, which are solely payments of the principal and interest on the principal amount outstanding. They arise principally through the provision of goods and services to customers (e.g. trade receivables) and deposits held at banks and building societies, but may also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue and subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. Where specific receivables are known to be 'bad' or it becomes apparent that payment is 'doubtful' then a credit loss allowance of 100% is applied. Such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the consolidated statement of comprehensive income. On confirmation that the deposit or receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

b) Financial liabilities

The group classifies its financial liabilities into liabilities measured at fair value on recognition and subsequently at amortised cost. Although the group uses derivative financial instruments in economic hedges of currency risk, it does not hedge account for these transactions, and the amounts are not material. These derivative financial instruments are accounted for at fair value through the consolidated statement of income where material to the financial statements.

Unless otherwise indicated, the carrying amounts of the group's financial liabilities are a reasonable approximation of their fair values.

Financial liabilities measured at amortised cost

Financial liabilities include trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Fair value is calculated by discounting estimated future cash flows using a market rate of interest.

c) Share capital

The group's ordinary shares are classified as equity instruments. Share capital includes the nominal value of the shares.

d) Share premium

Share premium attaching to the group's ordinary shares.

Current and deferred tax

Deferred tax is provided using the liability method. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is measured at the actual tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Current tax is provided for on the taxable profits of each company in the group, using current tax rates and legislation that has been enacted or substantively enacted by the balance sheet date.

Share-based payments

The cost of equity-settled transactions with employees of the company is measured by reference to the fair value at the date at which they are granted using the Black-Scholes model, taking into the account the two year holding period at the end of the vesting period. The cost is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award.

The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service conditions are met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service conditions at the vesting date.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are only recognised when approved by the shareholders at the Annual General Meeting.

Finance income and expense

Finance income and expense is recognised in the consolidated statement of comprehensive income as it accrues.

Standards, interpretations and amendments to published standards that are not yet effective

The group has considered IFRS 18 Presentation and Disclosure in Financial Statements, the amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, and the Annual Improvements to IFRS Accounting Standards - Volume 11, which are issued but not yet effective; however, the impact of these changes has not yet been determined.

Material accounting estimates and judgements

The group makes certain estimates and judgements regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and judgements. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below:

Estimates*Pension assumptions*

The costs, assets and liabilities of the defined benefit pension schemes operated by the group are determined using methods relying on actuarial estimates and assumptions. Whilst this is a source of estimation uncertainty for the group, the financial statements are not sensitive to this uncertainty as the scheme surplus is not recognised on the balance sheet (as set out below). Details of the key assumptions are set out in note 5.

Judgements*Pension surplus*

In line with previous years, the group continues to take the decision not to recognise the asset in relation to the surplus on the defined benefit pension scheme. This is on the basis that the group does not have an unconditional right to receive returns of contributions or refunds under the scheme rules.

2 Operating segments

For internal decision-making purposes, the group is organised into four operating companies which are considered to be the operating segments of the group: Castings P.L.C., William Lee Limited and Ductile Castings Limited are aggregated into Foundry operations, due to the similar nature of the businesses, and CNC Speedwell Limited is the Machining operation. All non-current assets are based in the United Kingdom. Inter-segment transactions are entered into under the normal commercial terms and conditions that would be available to third parties.

The board is considered the Chief Operating Decision Maker ('CODM'), as it is responsible for reviewing the group's internal financial reporting and making strategic decisions; accordingly, the segment measures presented are those regularly reviewed by the board for the purposes of assessing performance and allocating resources. Defined benefit pension costs are excluded from segment results and presented as unallocated items because they are managed centrally at group level and are not attributable to individual segments; therefore, the reported segment result reflects the measure used by the CODM for evaluating segment performance and decision-making.

Notes to the Consolidated Financial Statements

continued

2 Operating segments continued

The following shows the revenues, results and total assets by reportable segment in the year to 31 March 2026:

	Foundry operations £000	Machining operations £000	Elimination £000	Total £000
Revenue from external customers	171,746	1,481	—	173,227
Inter-segmental revenue	18,965	29,113	(48,078)	—
Segmental result (profit from operations before other operating income and pension cost)	6,378	2,401	144	8,923
Unallocated income/(costs):				
Defined benefit pension cost				(139)
Other operating income				1,179
Finance income				513
Finance expenses				(179)
Profit before income tax				10,297
Total assets	154,464	27,816	(17,329)	164,951
Non-current asset additions	19,343	1,172	—	20,515
Depreciation (including right-of-use asset depreciation)	4,591	3,716	—	8,307
Total liabilities	(43,498)	(6,333)	12,152	(37,679)

The following shows the revenues, results and total assets by reportable segment in the year to 31 March 2025:

	Foundry operations £000	Machining operations £000	Elimination £000	Total £000
Revenue from external customers	175,492	1,477	—	176,969
Inter-segmental revenue	22,447	30,655	(53,102)	—
Segmental result (profit from operations before pension cost)	2,894	2,028	15	4,937
Unallocated income/(costs):				
Defined benefit pension cost				(165)
Finance income				962
Finance expenses				(107)
Profit before income tax				5,627
Total assets	153,887	28,485	(14,106)	168,266
Non-current asset additions	10,203	2,988	—	13,191
Depreciation (including right-of-use asset depreciation)	5,027	3,871	—	8,898
Total liabilities	(42,976)	(6,677)	8,822	(40,831)

	2026 £000	2025 £000
The geographical analysis of revenues by destination for the year is as follows:		
United Kingdom	33,159	28,742
Sweden	49,632	50,623
Germany	26,161	25,056
Netherlands	24,577	25,962
Rest of Europe	25,885	29,195
North and South America	13,029	16,462
Other	784	929
	173,227	176,969

All revenue arises in the United Kingdom from the group's continuing activities.

Information about major customers

Included in revenues arising from Foundry operations are revenues of approximately £53,496,000, £30,957,000 and £19,383,000 from three ultimate customer groups (2025 – £54,306,000, £30,611,000 and £17,447,000 respectively).

3 Net operating costs

	2026	2025
	£000	£000
Raw materials and consumables	45,688	42,914
Staff costs (note 4)	55,500	55,841
Depreciation of property, plant and equipment and right-of-use assets	8,307	8,898
Light, heat and power	18,262	25,123
Sub-contract processing	15,295	17,725
Carriage	2,533	3,207
Agency labour	2,380	391
Repairs and maintenance	7,064	7,369
Rates and insurance	2,127	2,457
Other costs	7,287	8,272
Total cost of sales, distribution costs and administrative expenses	164,443	172,197

During the year the group obtained the following services from the company's auditor:

	2026	2025
	£000	£000
Fees payable to the company's auditor for the audit of the parent company and group financial statements	135	123
Fees payable to the company's auditor for other services – the audit of the company's subsidiaries	90	87

4 Employee information

	2026	2025
Average monthly number of employees during the year was:		
Production	922	1,043
Management and administration	136	135
	1,058	1,178

	2026	2025
	£000	£000
Staff costs (including directors) comprise:		
Wages and salaries	47,419	48,738
Social security costs	6,264	5,247
Other pension costs – defined contribution plans	1,678	1,691
Other pension costs – defined benefit plans (note 5)	139	165
	55,500	55,841

The directors represent the key management personnel. Details of their compensation are given in the Directors' Remuneration Report on page 35.

5 Pensions

The group operates two pension schemes providing benefits based on final pensionable pay, which are closed to new entrants and were closed to future accruals on 6 April 2009. The assets are independent of the finances of the group and are administered by Trustees. The Trustee board is appointed by both the company and the members of the schemes and acts in the interest of the schemes and all relevant stakeholders, including the members and the company. The Trustees are responsible for the investment of the assets of the schemes.

The latest actuarial valuation was performed with an effective date of 6 April 2023 using the defined accrued benefit method. It assumed that the rate of return on investments was 3.3% per annum for pre-retirement and 3.6% for post-retirement and price inflation was 3.4% under RPI and 2.9% under CPI. The demographic assumptions were based on S3PA (YoB) tables with an age rating of -1 year being applied to the tables for shop floor and staff schemes. The future mortality improvements were based on CMI 2020 projections with a 1.75% per annum long-term improvement rate. The next actuarial valuation due will be with an effective date of 6 April 2026.

In order to help optimise the return on assets held by the pension schemes, the pension payments and administration costs incurred by the schemes are paid by the company. The net amount due from the schemes (being pension payments made plus administrative costs less repayments received from the schemes) are subject to repayment to the company and recorded as amounts receivable from pension schemes.

Notes to the Consolidated Financial Statements

continued

5 Pensions continued

in the group and company financial statements (notes 15 and 8 respectively). The amounts are recorded as payables by the schemes and shown as a reduction to asset values in the pension disclosures set out below.

The pension schemes are related parties of the company and during the year £3,491,000 (2025 – £2,334,000) was paid by the company on behalf of the schemes in respect of pension payments and administration costs. There are no funding arrangements in place that would impact on future contributions and no contributions are expected to be made in the next financial year. The pension schemes made repayments to the company during the year of £3,258,000 (2025 – £3,990,000). At 31 March 2026 the outstanding balance due from the schemes to the company was £696,000 (2025 – £463,000) as set out in note 15. In addition, the group made contributions to individual members' group personal pension plans during the year.

Related risks

Through its defined benefit pension plans, the group was exposed to a number of risks that are inherent in such plans and arrangements. The main risks are summarised below and there are no unusual, entity-specific or plan-specific risks and no significant concentration risks:

- asset value volatility, with the associated impact on the assets held in connection with the funding of pension obligations and the related cash flows;
- changes in bond yields, with any reduction resulting in an increase in the present value of pension obligations, mitigated by an increase in the value of some of the plan assets;
- inflation, as pension obligations are linked to inflation; and
- life expectancy, as pension benefits are generally provided for the life of beneficiaries and their dependants.

The company acknowledges the UK High Court's ruling in June 2023 in the case of Virgin Media Limited vs. NTL Pension Trustees II Limited, which found that certain historical amendments to a previously contracted-out final salary pension scheme were invalid without actuarial certifications. This ruling was appealed, and in July 2024, the Court of Appeal upheld the High Court's decision. Following the Government's June 2025 announcement enabling retrospective actuarial confirmation of historic benefit changes, the Virgin Media case is considered unlikely to have a material impact to the defined benefit obligation disclosed in the accounts.

Composition of the schemes

The group operates defined benefit schemes (in addition to a defined contribution scheme) in the UK. Full actuarial valuations of the defined benefit schemes were carried out at 6 April 2023 and updated to 31 March 2026 using the projected unit method by a qualified independent actuary. The major assumptions used by the actuary were (in nominal terms):

	2026	2025
Rate of increase of pensions in payment	2.9%	2.7%
Discount rate	6.1%	5.8%
Inflation assumption (RPI)	3.3%	3.1%
Inflation assumption (CPI)	3.1%	2.8%
	2026	2025
	£000	£000
Change in benefit obligation		
Benefit obligation at beginning of year	30,729	37,264
Past service cost	—	—
Interest cost on defined benefit obligation	1,695	1,769
Actuarial (gains)/losses arising from changes in financial assumptions	(407)	(2,864)
Actuarial gains arising from changes in demographic assumptions	—	(724)
Other experience losses/(gains)	92	(2,430)
Benefits paid	(3,021)	(2,286)
Benefit obligation at end of year	29,088	30,729
Change in plan assets		
Fair value of plan assets at beginning of year	42,962	48,127
Interest income on plan assets	2,401	2,298
Return on plan assets less than discount rate	(1,116)	(5,012)
Administrative expenses	(139)	(165)
Benefits paid	(3,021)	(2,286)
Fair value of plan assets at end of year	41,087	42,962

Surplus	11,999	12,233
Unrecognised pension surplus (asset ceiling)	(11,999)	(12,233)
Net amount recognised in the balance sheet	–	–

The pension surplus has not been recognised as the group does not have an unconditional right to receive returns of contributions or refunds under the scheme rules.

	Year to 31 March 2026 £000	Year to 31 March 2025 £000
Components of pension cost		
Current service cost	–	–
Past service cost	–	–
Interest cost on defined benefit obligation	1,695	1,769
Interest income on plan assets	(2,401)	(2,298)
Interest expense on effect of asset ceiling on unrecognised surplus	706	529
Administrative expenses	139	165
Total pension cost recognised within administrative expenses (note 4)	139	165
(Gain)/loss arising from changes in financial assumptions	(407)	(2,864)
Gain arising from changes in demographic assumptions	–	(724)
Experience gain	92	(2,430)
Return on plan assets less than discount rate	1,116	5,012
Changes in asset ceiling on unrecognised surplus	(940)	841
Pension gain shown in statement of comprehensive income	(139)	(165)
Total defined benefit cost recognised in the year	–	–

Defined benefit obligation by participant category

	31 March 2026 £000	31 March 2025 £000
Participant category		
Active participants	–	–
Deferred participants	9,406	9,175
Pensioners	19,682	21,554
	29,088	30,729

Scheme assets

On 24 March 2020, the Trustees of the schemes completed a bulk annuity insurance buy-in with Aviva Life & Pensions UK Limited ('Aviva') thus providing certainty and security for all members of the schemes. The buy-in secures an insurance asset from Aviva that fully matches, subject to final price adjustment of the bulk annuity pricing, the remaining pension liabilities of the schemes (excluding those relating to GMP equalisation). The buy-in covers the investment, longevity, interest rate and inflation risks in respect of the schemes and therefore substantially reduces the pension risk to the company.

The asset allocations at the year end were as follows:

	Plan assets at 31 March 2026 £000	Plan assets at 31 March 2025 £000
Assets category		
Cash and cash equivalents	11,743	12,544
Asset held by insurance company	30,040	30,880
	41,783	43,424
Amounts repayable to the group	(696)	(462)
	41,087	42,962

In determining the appropriate discount rate, the company considers the interest rates of corporate bonds with at least an 'AA' rating.

Notes to the Consolidated Financial Statements

continued

5 Pensions continued

The projected pension cost for the year ending 31 March 2027 is £143,000.

Weighted average life expectancy for mortality tables* used to determine benefit obligations at:

	2026		2025	
	Male Staff/ Shopfloor	Female Staff/ Shopfloor	Male Staff/ Shopfloor	Female Staff/ Shopfloor
Scheme member age 65 (current life expectancy)	21.6/21.6	24.4/24.4	21.6/21.6	24.3/24.3
Scheme member age 45 (life expectancy at age 65)	23.3/23.3	26.1/26.1	23.2/23.2	26.0/26.0

* Mortality tables 102% for Males and 99% for Females of S3PA CMI 2022 projections with a 1.5% long-term rate of improvement have been used for both schemes.

Sensitivities

The calculations of the defined benefit obligations are sensitive to the assumptions set out on pages 53 to 56. The following table sets out the estimated impact of a change in the assumptions on the defined benefit obligation at 31 March 2026, whilst holding all other assumptions constant. The sensitivity analysis may not be representative of the actual change in defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation as some of the assumptions may be correlated.

	31 March 2026 £000
Defined benefit obligation as a result of:	
Reduction in the discount rate of 0.25%	29,756
Increase in inflation of 0.25%	29,521
One year increase in life expectancy	29,792

Maturity profile of defined benefit obligation

	31 March 2026 £000	31 March 2025 £000
Expected benefit payments during:		
Year 1	2,316	2,157
Year 2	2,401	2,316
Year 3	2,532	2,401
Year 4	2,613	2,532
Year 5	2,660	2,613
Years 6–10	14,280	14,070

The maturity profile shown above is not the full maturity profile but that of the next ten years, based on an analysis of the present value of the defined benefit obligation.

The weighted average duration of the defined benefit obligation of the schemes is 11 years.

6 Other operating income

Other operating income of £1,179,000 relates to research and development tax credits of which £377,000 is in respect of the current year with the remainder being a retrospective claim in respect of prior years.

7 Finance income

	2026 £000	2025 £000
Interest on short-term deposits	513	957
Income from listed investments	—	5
	513	962

8 Finance expenses

	2026 £000	2025 £000
Interest on lease liability	144	107
Other interest	35	–
	179	107

9 Income tax expense

	2026 £000	2025 £000
Corporation tax based on a rate of 25% (2025 – 25%)		
UK corporation tax		
Current tax on profits for the year	95	531
Adjustments to tax charge in respect of prior years	(695)	(60)
	(600)	471
Deferred tax		
Current year origination and reversal of temporary differences	2,447	999
Adjustment to deferred tax charge in respect of prior years	903	(16)
	3,350	983
Taxation on profit	2,750	1,454
Profit before income tax	10,297	5,627
Tax on profit at the standard rate of corporation tax in the UK of 25% (2025 – 25%)	2,574	1,407
Effect of:		
Expenses not deductible for tax purposes	134	82
Effect of research and development claims	(201)	–
Adjustment to tax charge in respect of prior years	(695)	(60)
Adjustment to deferred tax charge in respect of prior years	903	(16)
Pension adjustments	35	41
Total tax charge for the year	2,750	1,454
Effective rate of tax (%)	26.7	25.8

10 Dividends

	2026 £000	2025 £000
Final paid of 14.19p per share for the year ended 31 March 2025 (2024 – 14.19p)	6,167	6,167
Interim paid of 4.21p per share (2025 – 4.21p)	1,829	1,829
Supplementary dividend of nil per share for the year ended 31 March 2025 (2024 – 7.00p)	–	3,042
	7,996	11,038

The directors are proposing a final dividend of 14.19 pence (2025 – 14.19 pence) per share totalling £6,169,354 (2025 – £6,166,700). This dividend has not been accrued at the balance sheet date.

Notes to the Consolidated Financial Statements

continued

11 Earnings per share and diluted earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	2026	2025
Profit after taxation (£000)	7,547	4,173
Weighted average number of shares – basic calculation	43,468,111	43,458,068
Earnings per share – basic calculation (pence per share)	17.36p	9.60p
Number of dilutive share options in issue	290,029	214,316
Weighted average number of shares – diluted calculation	43,758,140	43,672,384
Earnings per share – diluted calculation (pence per share)	17.25p	9.56p

12 Property, plant and equipment

	Freehold land and buildings £000	Plant and equipment £000	Total £000
Cost			
At 1 April 2025	42,245	169,966	212,211
Additions during the year	4,144	16,371	20,515
Disposals	—	(11,374)	(11,374)
At 31 March 2026	46,389	174,963	221,352
Accumulated depreciation			
At 1 April 2025	15,657	130,431	146,088
Charge for year	858	7,365	8,223
Disposals	—	(11,369)	(11,369)
At 31 March 2026	16,515	126,427	142,942
Net book values			
At 31 March 2026	29,874	48,536	78,410
At 31 March 2025	26,588	39,535	66,123
Cost			
At 1 April 2024	41,501	166,031	207,532
Additions during the year	744	12,447	13,191
Disposals	—	(8,512)	(8,512)
At 31 March 2025	42,245	169,966	212,211
Accumulated depreciation			
At 1 April 2024	14,689	131,044	145,733
Charge for year	968	7,866	8,834
Disposals	—	(8,479)	(8,479)
At 31 March 2025	15,657	130,431	146,088
Net book values			
At 31 March 2025	26,588	39,535	66,123
At 31 March 2024	26,812	34,987	61,799

The net book value of land and buildings includes £2,168,000 (2025 – £2,168,000) for land which is not depreciated.

Included within plant and equipment are assets in the course of construction with a net book value of £761,000 (2025 – £5,630,000) which are not depreciated.

Under IAS 36, the group has had regard for the impact of any changes in the technological or regulatory environment which could intrinsically indicate risk of impairment. The group's principal risks and uncertainties, as set out on pages 8 to 11, describe the group's considerations in respect of technology and climate change. There are no matters which directly and materially impact the directors assessment of valuation of property, plant and equipment in the medium-term.

13 Right-of-use assets and leases

	Leasehold land and buildings £000	Total £000
Cost		
At 1 April 2025	2,120	2,120
Additions during the year	—	—
At 31 March 2026	2,120	2,120
Accumulated depreciation		
At 1 April 2025	64	64
Charge for year	84	84
At 31 March 2026	148	148
Net book values		
At 31 March 2026	1,972	1,972
At 31 March 2025	2,056	2,056

The group acts as a lessee and lease liabilities are due in respect of buildings from which a group company operates, the undiscounted liabilities falling due as follows:

	2026 £000	2025 £000
Not later than one year	150	125
Between one and five years	600	600
Later than five years	3,813	3,963
	4,563	4,688

The interest expense of lease liabilities is £144,000 (2025 – £107,000) and the agreement is for a 25 year term ending in 2049 with break clauses after 3 and 10 years which are not expected to be exercised.

14 Inventories

	2026 £000	2025 £000
Raw materials	5,040	4,588
Work in progress	7,485	11,588
Finished goods	10,958	16,604
	23,483	32,780

Inventories are net of impairment provisions of £550,000 (2025 – £557,000). The cost of inventories recognised as an expense is £45,688,000 (2025 – £42,914,000).

15 Trade and other receivables

	2026 £000	2025 £000
Due within one year:		
Trade receivables	30,909	34,643
Other receivables	3,155	2,332
Receivable from pension schemes (see note 5)	696	463
Prepayments and accrued income	6,921	14,305
	41,681	51,743

Notes to the Consolidated Financial Statements

continued

16 Trade and other payables

	2026 £000	2025 £000
Current trade and other payables:		
Trade payables	14,981	19,872
Social security	2,331	1,949
Other payables	1,201	1,242
Accruals and deferred income	6,655	8,494
	25,168	31,557

Included within accruals is a warranty provision that is not material to the financial statements and an onerous contract provision of £nil (2025 – £661,000) in respect of power contracts.

17 Deferred tax

Deferred tax is calculated in full on temporary differences under the liability method using the large company tax rate applicable in future years of 25% (2025 – 25%). The movement on the deferred tax account is shown below:

Deferred tax – net

	2026 £000	2025 £000
At 1 April 2025	7,013	6,030
Credited to other comprehensive income	–	–
Charged to profit	3,350	983
At 31 March 2026	10,363	7,013

The movement in deferred tax assets and liabilities during the year is shown below:

Deferred tax – liabilities

	Accelerated tax depreciation £000	Other £000	Total £000
At 1 April 2025	7,252	(239)	7,013
Charged/(credited) to profit	3,683	(333)	3,350
Credited to other comprehensive income	–	–	–
At 31 March 2026	10,935	(572)	10,363

Of the deferred tax liabilities, £1,638,000 (2025 – £1,305,000) is expected to be settled within 12 months with £8,725,000 (2025 – £5,708,000) expected to be settled after more than 12 months.

The movement in the deferred tax assets and liabilities during the prior year is shown below:

	Accelerated tax depreciation £000	Other £000	Total £000
At 1 April 2024	6,130	(100)	6,030
Charged/(credited) to profit	1,122	(139)	983
Credited to other comprehensive income	–	–	–
At 31 March 2025	7,252	(239)	7,013

18 Share capital

	2026 £000	2025 £000
Authorised 50,000,000 10p ordinary shares	5,000	5,000
Allotted and fully paid 43,632,068 10p ordinary shares	4,363	4,363

The group considers its capital to comprise its ordinary share capital, share premium and accumulated retained earnings. In managing its capital, the group's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders through a combination of capital growth and distributions. Each share entitles the holder to receive the amount of dividends per share declared by the company and a vote at any meetings of the company.

In order to achieve this objective, the group monitors its gearing to balance risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through altering its dividend policy or new share issues, the group considers not only its short-term position but also its long-term operational and strategic objectives.

19 Share-based payments

The company operates the Castings 2020 Restricted Share Plan under which nil-cost options have been granted to executive directors and certain members of the senior management team. The options vest three years after the grant date and are subject to continued employment with the group. The options are also subject to a two year holding period during which the participant shall be entitled to additional benefit (in cash or shares) in respect of dividends paid in that period.

	2026	2025
At 1 April 2025	214,316	147,529
Granted during the year	111,005	66,787
Exercised during the year	(35,292)	–
At 31 March 2026	290,029	214,316
Average fair value of share awards granted during the year at date of grant (pence)	229.9	329.8
Fair value of awards granted during the year (£)	255,200	220,264

The options granted in the year were all done so on 9 July 2025 at a fair value, under the Black-Scholes model, of £2.299 per option. The inputs used in the valuation model, used to determine the charge to the income statement are as follows:

	2026	2025
Weighted average share price (pence)	288.9	367.2
Weighted average exercise price (pence)	Nil	Nil
Expected dividend yield (%)	6.57	4.81
Weighted average remaining contractual life of shares outstanding (years)	3	3
Average fair value of share awards granted during the year at date of grant (pence)	229.9	329.8
Fair value of awards granted during the year (£)	255,200	220,264

The weighted average exercise prices of options outstanding at the beginning and end of the period, and of those granted, exercised and expired forfeited during the period, were £nil, reflecting that all options granted under the scheme are nil-cost.

At the reporting date, no options were exercisable as all awards are subject to a multi-year vesting and holding period; therefore, the number of exercisable options was nil and their weighted average exercise price was £nil.

The group recognised a total charge to the consolidated income statement of £190,000 (2025 – £145,000) in respect of equity-settled share-based payment transactions.

Notes to the Consolidated Financial Statements

continued

20 Commitments and contingencies

	2026 £000	2025 £000
Capital commitments contracted for by the group but not provided for in the financial statements	1,309	7,376

Capital commitments primarily relate to on-going investment in the machining business. In the prior year, the figure mostly related to the investment in the new foundry line.

The group does not insure against the potential cost of product warranty or recall. Accordingly, there is always the possibility of claims against the group for quality related issues on parts supplied to customers. As at 31 March 2026, the directors do not consider any significant liability will arise in respect of any such claims (2025 – £nil).

21 Related party transactions

The group has a related party relationship with its directors; details of salaries and other benefits paid to directors are disclosed in the Directors' Remuneration Report on pages 30 to 37. Transactions with the group's pension schemes and balances owed to the company by the schemes are disclosed in note 5.

Controlling party

The company's shares are listed on the London Stock Exchange and are widely held. There is no one controlling party or group of related parties who have control of the group.

22 Financial instrument risk exposure and management

In common with all other businesses, the group is exposed to risks that arise from its use of financial instruments. This note describes the group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the group, from which financial instrument risk arises, are trade receivables, other receivables, cash at bank, other interest-bearing deposits and trade and other payables.

General objectives, policies and processes

The board has overall responsibility for the determination of the group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the group's finance function. The board receives reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the board is to set policies that seek to reduce risk as far as possible without unduly affecting the group's competitiveness and flexibility. Further details regarding these policies are set out below:

Categories of financial assets and financial liabilities

	Financial assets	
	2026 £000	2025 £000
Financial assets measured at amortised cost		
Trade receivables	30,909	34,643
Other receivables	3,851	2,795
Cash and cash equivalents	17,390	15,564
Total current financial assets	52,150	53,002
Total non-current financial assets	–	–
Total financial assets	52,150	53,002

The maximum exposure to credit risks is detailed in the above table, being the total financial assets.

	Financial liabilities measured at amortised cost	
	2026 £000	2025 £000
Current financial liabilities		
Trade payables	14,981	19,872
Other payables	1,201	1,242
Accruals	6,655	8,494
Leases	6	228
Total current financial liabilities	22,843	29,836
Leases	2,142	1,901
Total non-current financial liabilities	2,142	1,901
Total financial liabilities	24,985	31,737

The non-derivative financial liabilities presented above are due within one year with the exception of the lease liabilities, the maturity profile for which is set out in note 13.

Credit risk

Credit risk arises principally from the group's trade receivables. It is the risk that the counterparty fails to discharge its obligation in respect of the instrument. As at 31 March 2026, trade receivables of £29,551,000 (2025 – £33,332,000) were not past due.

Apart from the largest customers set out in note 2, the group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics, being related entities. Concentration of credit risk to any of the direct customers included in note 2 did not exceed 36% of trade receivables at any time during the year. Concentration of credit risk to any other counterparty did not exceed 5% of trade receivables at any time during the year.

Intercompany balances owed to Castings P.L.C. are reviewed regularly to monitor credit risk for the parent company.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Trade receivables

Credit risk is managed locally by the management of each subsidiary. Prior to accepting new customers, credit checks are obtained from a reputable external source (e.g. Creditsafe) and trade references are taken up.

Based on this information, credit limits and payment terms are established, although for some large customers and contracts, credit risk is not considered to be high risk, and credit limits can sometimes be exceeded. These exceeded accounts are closely monitored and if there is a concern over recoverability accounts are put on stop and no further goods will be sold before receiving payment. Proforma invoicing is sometimes used for new customers, or customers with a poor payment history, until creditworthiness can be proven or re-established.

Management teams at each subsidiary receive regular ageing reports, and these are used to chase relevant customers for outstanding balances. Impairment provisions are made against trade receivables when there is no reasonable expectation of recovery based upon objective evidence. Impairment provisions are also recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk and the days past due. The expected loss rates are based on the payment profiles and historical credit losses experience over a three year period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Whilst credit terms have been renegotiated during the year this has involved both increases and reductions in terms; none have been increased in excess of the standard levels operated by the group.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about default rates. The credit quality of trade receivables that are neither past due nor impaired are all assessed to be virtually fully recoverable (2025 – virtually fully recoverable).

Notes to the Consolidated Financial Statements

continued

22 Financial instrument risk exposure and management continued

At 31 March 2026 trade receivables of £1,117,000 (2025 – £1,014,000) were past due (based on customer-specific contractual payment terms) but not impaired. They relate to customers with no default history that has resulted in financial loss to the group. The ageing of these receivables is as follows:

	2026 £000	2025 £000
30–60 days	230	326
60–90 days	517	638
90+ days	370	50
	1,117	1,014

The group records impairment losses on its trade receivables (including an impairment provision for trade receivables not past due) separately from gross receivables. The movements on this allowance account during the year are summarised below:

	2026 £000	2025 £000
Opening balance	898	488
Increase in provisions	12	410
Written off against provisions	—	—
Closing balance	910	898

Impairment charges on trade receivables of £12,000 (2025 – charges of £410,000) were recognised in administrative expenses.

Liquidity risk

Liquidity risk arises from the group's management of working capital. It is the risk that the group will encounter difficulty in meeting its financial obligations as they fall due. The group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

To achieve this aim, it seeks to maintain sufficient cash balances on instant access deposits. The cash position is continuously monitored to ensure that there is sufficient cash and that the optimum interest rate is obtained.

Based on projected cash flows, the group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

Market risk

Market risk arises from the group's use of interest-bearing and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Where the group has generated a significant amount of surplus cash it will invest in term deposits if liquidity risk is not unduly compromised. Whilst a review of credit ratings is performed for each counterparty, there will always remain an element of risk over deposits. The directors believe that the exposure to market price risk from these activities is acceptable in the group's circumstances.

Interest rate and currency risk

The group does not have any financial liabilities subject to interest rate risk at the balance sheet date (2025 – £nil).

Foreign exchange risk arises when individual group operations enter into transactions denominated in a currency other than their functional currency. It is the group's policy to convert all non-functional currency to sterling at the first opportunity after allowing for similar functional currency outlays. It does not consider the use of hedging facilities would significantly minimise this risk. At the balance sheet date the group did not have any forward contracts in place to sell foreign currency (2025 – £nil).

At the balance sheet date foreign exchange facilities of £1.3 million (2025 – £1.3 million) were unused and available to the group to enable it to enter into forward exchange contracts.

The currency and interest profile of the group's financial assets and financial liabilities are as follows:

	Floating rate assets 2026 £000	Fixed rate assets 2026 £000	Interest-free assets 2026 £000	Total 2026 £000
Sterling	14,222	—	30,453	44,675
US\$	282	—	2,488	2,770
Euro	2,886	—	1,819	4,705
	17,390	—	34,760	52,150

	Floating rate assets 2025 £000	Fixed rate assets 2025 £000	Interest-free assets 2025 £000	Total 2025 £000
Sterling	10,633	—	31,864	42,497
US\$	650	—	2,045	2,695
Euro	4,281	—	3,529	7,810
	15,564	—	37,438	53,002

	Interest-free liabilities 2026 £000	Interest-free liabilities 2025 £000
Sterling	21,158	28,616
US\$	212	205
Euro	1,467	787
	22,837	29,608

Floating rate assets consisted of overnight cash at bank at nominal interest rates. In the prior year, fixed rate assets attracted interest rates of between 1.25% and 5.2% on sterling deposits.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits on call with banks and short-term deposits that have fixed interest rates and original maturities of three months or less on inception.

The effect of a +25/(25) increase/(decrease) in basis points with all other variables held constant would have the effect of increasing/(decreasing) profit before tax by £41,000/(£41,000) (2025 – £60,000/(£60,000)).

The group believes that movements on exchange rates of +/-5% could be possible, the effect of which is that profit before tax would (decrease)/increase by (£87,000)/£96,000 (2025 – (£168,000)/£186,000).

Fair value

Unless otherwise indicated, the carrying amounts of the group's financial instruments are a reasonable approximation of their fair values.

Five Year Financial History – unaudited

For the years ended 31 March	2026 £000	2025 £000	2024 £000	2023 £000	2022 £000
Trading results					
Revenue	173,227	176,969	224,414	200,990	148,583
Profit before tax	10,297	5,627	21,286	16,713	12,074
Profit after tax	7,547	4,173	16,721	13,790	8,552
Dividends paid	7,996	11,038	14,209	13,682	6,698
Balance sheet summary					
Equity					
Share capital	4,363	4,363	4,363	4,363	4,363
Reserves	122,909	123,072	129,627	127,297	127,135
Total equity	127,272	127,435	133,990	131,660	131,498
Assets					
Property, plant and equipment	78,410	66,123	61,799	60,353	62,801
Right-of-use assets	1,972	2,056	—	—	—
Financial assets	—	—	—	356	396
	80,382	68,179	61,799	60,709	63,197
Current assets	84,569	100,087	112,256	113,721	101,997
Total liabilities	(37,679)	(40,831)	(40,065)	(42,770)	(33,696)
Net assets	127,272	127,435	133,990	131,660	131,498
Dividends and earnings					
Pence per share declared (excluding special)	18.40	18.40	18.32	17.35	16.23
Number of times covered (dividend paid, excluding special)	0.9	0.5	2.2	1.9	1.3
Earnings per share – basic	17.36p	9.60p	38.45p	31.66p	19.60p
Earnings per share – diluted	17.25p	9.56p	38.32p	31.58p	19.57p

Parent Company Balance Sheet

as at 31 March 2026

	Notes	2026 £000	2025 £000
ASSETS			
Non-current assets			
Property, plant and equipment	5	22,094	23,735
Investments	6	4,995	4,995
		27,089	28,730
Current assets			
Inventories	7	17,502	25,046
Trade and other receivables	8	38,250	35,573
Current tax assets		1,481	—
Cash and cash equivalents		7,676	7,052
		64,909	67,671
Total assets		91,998	96,401
LIABILITIES			
Current liabilities			
Trade and other payables	9	13,898	18,050
Current tax liabilities		—	174
		13,898	18,224
Non-current liabilities			
Deferred tax liabilities	11	1,497	1,638
Total liabilities		15,395	19,862
Net assets		76,603	76,539
Equity attributable to the equity holders of the company			
Share capital	12	4,363	4,363
Share premium account		874	874
Treasury shares	13	(571)	(627)
Other reserve		13	13
Retained earnings		71,924	71,916
Total shareholders' funds		76,603	76,539

The company's profit for the financial year was £7,913,000 (2025 – £6,592,000).

The parent company financial statements on pages 67 to 74 were approved and authorised for issue by the board of directors on 17 June 2026, and were signed on its behalf by:

A. N. Jones
Chairman

S. J. Mant
Finance Director

Notes to the parent company financial statements are on pages 69 to 74.

Registered number – 91580.

Parent Company Statement of Changes in Equity

for the year ended 31 March 2026

	Equity attributable to equity holders of the parent					
	Share capital ^{a)}	Share premium ^{b)}	Treasury shares ^{c)}	Other reserve ^{d)}	Retained earnings ^{e)}	Total equity
	£000	£000	£000	£000	£000	£000
At 1 April 2025	4,363	874	(627)	13	71,916	76,539
Profit for the year and total comprehensive income for the year	—	—	—	—	7,913	7,913
Shares acquired in the year	—	—	—	—	—	—
Equity-settled share-based payments	—	—	—	—	190	190
Own shares transferred on vesting	—	—	56	—	—	56
Share option charge on vesting	—	—	—	—	(99)	(99)
Dividends (see note 4)	—	—	—	—	(7,996)	(7,996)
At 31 March 2026	4,363	874	(571)	13	71,924	76,603

	Equity attributable to equity holders of the parent					
	Share capital ^{a)}	Share premium ^{b)}	Treasury shares ^{c)}	Other reserve ^{d)}	Retained earnings ^{e)}	Total equity
	£000	£000	£000	£000	£000	£000
At 1 April 2024	4,363	874	(627)	13	76,217	80,840
Profit for the year and total comprehensive income for the year	—	—	—	—	6,592	6,592
Shares acquired in the year	—	—	—	—	—	—
Equity-settled share-based payments	—	—	—	—	145	145
Dividends (see note 4)	—	—	—	—	(11,038)	(11,038)
At 31 March 2025	4,363	874	(627)	13	71,916	76,539

a) Share capital – The nominal value of allotted and fully paid up ordinary share capital in issue.

b) Share premium – Amount subscribed for share capital in excess of nominal value.

c) Treasury shares – Cost of shares acquired by the company.

d) Other reserve – Amounts transferred from share capital on redemption of issued shares.

e) Retained earnings – Cumulative net gains and losses recognised in the statement of comprehensive income.

Notes to the Parent Company Financial Statements

1 Accounting policies

General information

Castings Public Limited Company (the 'company', 'Castings P.L.C.') is incorporated and domiciled in the United Kingdom and registered in England as a public company limited by shares. The company's registered office is at Lichfield Road, Brownhills, West Midlands, WS8 6JZ, United Kingdom. The company's ordinary shares are listed on the London Stock Exchange. There has been no change in this information since the Annual Report for the year ended 31 March 2025.

Basis of preparation

The financial statements have been prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice and Companies Act 2006) including Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101'). The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all years presented, unless otherwise stated.

The financial statements have been prepared on a going concern basis and under the historical cost convention, except for the revaluation of certain financial instruments, and in accordance with the Companies Act 2006. As permitted by FRS 101, the company has taken advantage of certain disclosure exemptions available under that standard and, therefore, these financial statements do not include:

- certain comparative information otherwise required;
- certain disclosures regarding the company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group headed by the company.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the group financial statements. Therefore, these financial statements do not include certain disclosures in respect of financial instruments (other than certain disclosures required as a result of recording instruments at fair value) and impairment of assets.

Going concern

In determining the basis of preparation for the financial statements, the directors have considered the group's business activities as a whole. Further details of the going concern assessment are set out in note 1 of the group financial statements.

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of VAT and other sales-related taxes. Revenue from the sale of goods relates to the sale of castings. Revenue from the sale of services relates to machining and minor assembly work performed on a subcontract basis for external customers. Revenue is recognised once the performance obligation has been met. This is deemed to be when the goods and services have been collected by, or delivered to, the customer in accordance with the agreed delivery terms.

Post-retirement benefits

Two of the company's pension plans are of a defined benefit type. Under IAS 19 Employee Benefits the employer's portion of the current service costs and curtailment gains are charged to operating profit for these plans, with the net interest also being charged/credited to operating profit subject to the asset ceiling. Actuarial gains and losses are recognised in other comprehensive income and the balance sheet reflects the schemes' surplus or deficit at the balance sheet date. A full valuation is carried out triennially using the projected unit credit method. Where the company cannot benefit from a scheme surplus in the form of refunds from the plans or reductions in future contributions, any asset resulting from the above policy is restricted accordingly. Payments to the defined contribution scheme are charged to the consolidated statement of comprehensive income as they become payable.

Inventories

The company's inventories are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a weighted average for raw materials. Work in progress and finished goods include labour and attributable production overheads based on normal levels of activity. Provision is made for obsolete and slow-moving items based on a review of parts with no demand during the year.

Property, plant and equipment

Property, plant and equipment assets are held at cost less accumulated depreciation. Depreciation is provided on property, plant and equipment, other than freehold land and assets in the course of construction, on a straight-line basis. The periods of write-off used are as follows:

- i. Freehold buildings over 50 years.
- ii. Plant and equipment over a period of 3 to 15 years.

The company annually reviews the assessment of residual values and useful lives in accordance with IAS 16.

Notes to the Parent Company Financial Statements

continued

1 Accounting policies continued

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits at call with banks and other short-term highly liquid investments with original maturities of three months or less from inception.

Foreign currencies

Assets and liabilities in foreign currencies are translated at the spot rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction; all differences are dealt with through the statement of comprehensive income.

Financial instruments

a) Financial assets

The company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The company's accounting policy for each category is as follows:

Amortised cost

These assets are held in order to collect contractual cash flows, on specific dates, which are solely payments of the principal and interest on the principal amount outstanding. They arise principally through the provision of goods and services to customers (e.g. trade receivables) and deposits held at banks and building societies, but may also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue and subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. Where specific receivables are known to be 'bad' or it becomes apparent that payment is 'doubtful' then a credit loss allowance of 100% is applied. Such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the consolidated statement of comprehensive income. On confirmation that the deposit or receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

b) Financial liabilities

The company classifies its financial liabilities into liabilities measured at amortised cost. Although the company uses derivative financial instruments in economic hedges of currency risk, it does not hedge account for these transactions and the amounts are not material.

Financial liabilities measured at amortised cost

Financial liabilities include trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Fair value is calculated by discounting estimated future cash flows using a market rate of interest.

c) Share capital

The company's ordinary shares are classified as equity instruments. Share capital includes the nominal value of the shares.

d) Share premium

Share premium attaching to the company's ordinary shares.

Current and deferred tax

Deferred tax is provided using the liability method. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is measured at the actual tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Current tax is provided for on the taxable profits of the company, using current tax rates and legislation that has been enacted or substantively enacted by the balance sheet date.

Government grants - Research and Development Expenditure Credit ('RDEC')

RDEC is accounted for as a government grant under IAS20. It is recognised at fair value where there is reasonable assurance that the grant will be received and the company complies with the attached conditions.

The credit is recognised in the period in which the qualifying expenditure is incurred.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an Annual General Meeting.

Share-based payments

The cost of equity-settled transactions with employees of the company is measured by reference to the fair value at the date at which they are granted using the Black-Scholes model, taking into the account the two year holding period at the end of the vesting period. The cost is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award.

The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service conditions are met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service conditions at the vesting date.

Investments

Investments in subsidiaries are held at cost and reviewed for impairment annually in accordance with IAS 36 based on the presence of indicators of impairment. This includes consideration of both external indicators (such as adverse market or economic changes) and internal indicators (such as evidence of obsolescence or underperformance).

Material accounting estimates and judgements

The company makes certain estimates and judgements regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and judgements. 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 set out on page 51 of the group financial statements.

In addition, in accordance with IFRS9, an expected credit loss model is used to determine a credit loss provision against the carrying value of amounts owed by subsidiary undertakings which requires estimation by management. The basis for any such provision would be based on the balance owed, the probability of default and the loss estimated to arise if a default occurred.

2 Company profit and loss account

Castings P.L.C. has taken advantage of Section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The company's profit for the financial year was £7,913,000 (2025 – £6,592,000).

The profit and loss account includes £135,000 (2025 – £123,000) for audit fees.

The cost of inventories recognised as an expense during the year was £15,347,000 (2025 – £18,616,000).

3 Employee information

	2026	2025
Average monthly number of employees during the year was:		
Production	322	346
Management and administration	26	26
	348	372
	2026	2025
	£000	£000
Staff costs (including directors) comprise:		
Wages and salaries	18,189	18,060
Social security costs	2,450	2,002
Other pension costs	713	714
	21,352	20,776

The directors represent the key management personnel. Details of their compensation are given in the Directors' Remuneration Report on page 35.

Notes to the Parent Company Financial Statements

continued

4 Dividends

	2026 £000	2025 £000
Final paid of 14.19p per share for the year ended 31 March 2025 (2024 – 14.19p)	6,167	6,167
Interim paid of 4.21p per share (2025 – 4.21p)	1,829	1,829
Supplementary dividend of nil p per share for the year ended 31 March 2025 (2024 – 7.00p)	–	3,042
	7,996	11,038

The directors are proposing a final dividend of 14.19 pence (2025 – 14.19 pence) per share totalling £6,169,354 (2025 – £6,166,700). This dividend has not been accrued at the balance sheet date.

5 Property, plant and equipment

	Freehold and leasehold land and buildings £000	Plant and equipment £000	Total £000
Cost			
At 1 April 2025	22,896	39,086	61,982
Additions during year	–	182	182
Disposals	–	(5,824)	(5,824)
At 31 March 2026	22,896	33,444	56,340
Accumulated depreciation			
At 1 April 2025	6,449	31,798	38,247
Charge for year	417	1,406	1,823
Disposals	–	(5,824)	(5,824)
At 31 March 2026	6,866	27,380	34,246
Net book values			
At 31 March 2026	16,030	6,064	22,094
At 31 March 2025	16,447	7,288	23,735

The net book value of land and buildings includes £1,768,000 (2025 – £1,768,000) for land which is not depreciated.

6 Investments

	2026 £000	2025 £000
Subsidiary companies		
At cost	4,995	4,995
	4,995	4,995
	2026 £000	2025 £000
At 1 April 2025	4,995	4,995
Impairment losses	–	–
At 31 March 2026	4,995	4,995

The company owns 100% of the issued share capital of William Lee Limited, CNC Speedwell Limited, Ductile Castings Limited and W. H. Booth & Co. Limited, companies which operate in the United Kingdom. William Lee Limited and Ductile Castings Limited both supply spheroidal graphite iron castings and CNC Speedwell Limited is a machinist operation. W. H. Booth & Co. Limited does not trade and is dormant. The registered office of William Lee Limited is Callywhite Lane, Dronfield, Sheffield, S18 2XU. The registered office for all other subsidiaries is Lichfield Road, Brownhills, West Midlands, WS8 6JZ.

For the year ended 31 March 2026, Ductile Castings Limited is exempt from the requirements of the Companies Act 2006 relating to the audit of individual financial statements by virtue of section 479A. As a result, the company guarantees all outstanding liabilities to which Ductile Castings Limited is subject which total £1,136,000 (2025 – £1,013,000) at the year end.

7 Inventories

	2026 £000	2025 £000
Raw materials	2,294	2,410
Work in progress	5,336	8,299
Finished goods	9,872	14,337
	17,502	25,046

Inventories are net of impairment provisions of £139,000 (2025 – £192,000).

8 Trade and other receivables

	2026 £000	2025 £000
Due within one year:		
Trade receivables	25,118	27,816
Amounts owed by subsidiary companies	7,372	1,687
Other receivables	1,472	1,592
Receivable from pension schemes (see note 5 of group financial statements)	696	463
Prepayments and accrued income	3,592	4,015
	38,250	35,573

Trade receivables are net of impairment provisions of £391,000 (2025 – £402,000). Loan amounts owed by subsidiary companies are interest free and have no fixed repayment terms; trading balances are paid in accordance with normal payment terms. The directors consider that the carrying value of amounts owed by group undertakings approximate to their fair values.

The parent company also holds material receivable balances with its subsidiaries for which the expected credit loss model is also used in establishing a provision for impairment, in accordance with IFRS 9. Based on the financial strength and expected cash generation of the subsidiaries, no such impairment provision is required at the reporting date (2025 – £nil).

9 Trade and other payables

	2026 £000	2025 £000
Current trade and other payables		
Trade payables	7,132	10,748
Amounts owed to subsidiary companies	2,553	2,800
Social security	878	654
Other payables	587	506
Accruals and deferred income	2,748	3,342
	13,898	18,050

Amounts owed to subsidiary companies are interest free and have no fixed repayment terms.

10 Share-based payments

The disclosures in respect of share-based payments are set out in note 19 of the group financial statements.

11 Deferred tax liabilities

Deferred tax is calculated in full on temporary differences under the liability method using the large company tax rate applicable in future years of 25% (2025 – 25%). The movement on the deferred tax account is shown below:

Deferred tax liabilities

	2026 £000	2025 £000
At 1 April 2025	1,638	1,181
Credited to other comprehensive income	–	–
(Credited)/charged to profit	(141)	457
At 31 March 2026	1,497	1,638

Notes to the Parent Company Financial Statements

continued

11 Deferred tax liabilities continued

The movement in deferred tax liabilities during the year is shown below:

Deferred tax liabilities

	Accelerated tax depreciation £000	Other £000	Total £000
At 1 April 2025	1,760	(122)	1,638
(Credited)/charged to profit	(162)	21	(141)
Credited to other comprehensive income	—	—	—
At 31 March 2026	1,598	(101)	1,497

The movement in the deferred tax liabilities during the prior year is shown below:

	Accelerated tax depreciation £000	Other £000	Total £000
At 1 April 2024	1,190	(9)	1,181
Charged/(credited) to profit	570	(113)	457
Credited to other comprehensive income	—	—	—
At 31 March 2025	1,760	(122)	1,638

12 Share capital

	2026 £000	2025 £000
Allotted and fully paid 43,632,068 (2025 – 43,632,068) 10p ordinary shares	4,363	4,363

13 Treasury shares

	2026		2025	
	Number	£000	Number	£000
At 1 April 2025	174,000	627	174,000	627
Shares re-issued to satisfy share options	(18,703)	(56)	—	—
At 31 March 2026	155,297	571	174,000	627

14 Pensions

Castings P.L.C. has no contractual agreement or stated policy for charging its subsidiary entities for the net defined benefit cost on an IAS 19 Employee Benefits measurement basis. Legally, Castings P.L.C. is the sponsoring employer for the plan, so it recognises the full defined benefit cost or asset (where recoverable) in its financial statements. The last valuation was performed with the effective date of 6 April 2023. Further details of the schemes are contained in note 5 to the group financial statements.

15 Capital commitments and contingencies

	2026 £000	2025 £000
Contracted for but not provided in the financial statements	—	—

The company does not insure against the potential cost of product warranty or recall. Accordingly, there is always the possibility of claims against the company for quality-related issues on parts supplied to customers. As at 31 March 2026, the directors do not consider any significant liability will arise in respect of any such claims (2025 – £nil).

Notice of Meeting

Notice is hereby given that the one hundred and nineteenth Annual General Meeting of Castings P.L.C. (the 'company') will be held at Castings P.L.C., Lichfield Road, Brownhills, WS8 6JZ on 20 August 2026 at 3.30 pm for the purposes set out below.

As ordinary business

- 1 To receive and adopt the Directors' Report and audited financial statements for the year ended 31 March 2026.
- 2 To declare a final dividend.
- 3 To re-elect A. N. Jones as a director.
- 4 To re-elect A. Vicary as a director.
- 5 To re-elect S. J. Mant as a director.
- 6 To re-elect M. L. Smith as a director.
- 7 To re-elect S. R. Harrison as a director.
- 8 To approve the directors' remuneration policy
- 9 To approve the Directors' Remuneration Report for the year ended 31 March 2026.
- 10 To reappoint Forvis Mazars LLP as auditors of the company at a fee to be agreed with the directors.

As special business

To consider and, if thought fit, pass the following resolutions, of which resolution 11 will be proposed as an ordinary resolution and resolutions 12 and 13 will be proposed as special resolutions.

The share capital consists of 43,632,068 ordinary shares with voting rights.

As ordinary resolutions

- 11 THAT:
 - (a) the directors be and are hereby generally and unconditionally authorised in accordance with the Companies Act 2006 to exercise all the powers of the company to allot relevant securities provided that the aggregate nominal value of such securities shall not exceed £636,793, which represents approximately 14.6% of the current issued share capital of the company;
 - (b) the foregoing authority shall expire on 19 August 2031 save that the company may before such expiry make an offer or enter into an agreement which would or might require relevant securities to be allotted after the expiry of such period and the directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred had not expired;
 - (c) the foregoing authority shall be in substitution for the authorities given to the directors under the Companies Act 2006 on 21 August 2025, which authorities are accordingly hereby revoked; and
 - (d) this authority will be put to annual shareholder approval.

As special resolutions

- 12 THAT the directors be and are hereby empowered pursuant to the Companies Act 2006 to allot equity securities (within the meaning of that Act) for cash pursuant to the general authority conferred by the ordinary resolution numbered 11 set out in the notice convening this meeting as if the said Act did not apply to any such allotment provided that this power shall be limited:
 - (a) to allotments in connection with an offer of equity securities to the ordinary shareholders of the Company where the securities respectively attributable to the interests of such holders are proportionate (as nearly as may be and subject to such exclusions or other arrangement as the directors may consider appropriate, necessary or expedient to deal with any fractional entitlements or with any legal or practical difficulties in respect of overseas holders or otherwise) to the respective numbers of ordinary shares then held by such shareholders; and
 - (b) to the allotment (otherwise than pursuant to subparagraph (a) of this resolution) of equity securities having, in the case of relevant shares, an aggregate nominal amount, or, in the case of other equity securities, giving the right to subscribe for or convert into relevant shares having an aggregate nominal amount not exceeding £218,160, which represents approximately 5% of the current issued share capital of the company,

and shall expire at the conclusion of the next Annual General Meeting following the date of this resolution save that the company shall be entitled before such expiry to make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors shall be entitled to allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired. In any three year period no more than 7.5% of the issued share capital will be issued on a pre-emptive basis.

Notice of Meeting

continued

13 THAT the company be and is hereby generally and unconditionally authorised for the purposes of the Companies Act 2006 to make one or more market purchases of any of its ordinary shares of 10p each (the 'ordinary shares'), provided that:

- (a) the maximum number of ordinary shares hereby authorised to be purchased is 4,358,844, representing 9.99% of the issued share capital at 31 March 2026;
- (b) the minimum price which may be paid for each ordinary share is 10p, exclusive of the expenses of purchase;
- (c) the maximum price (exclusive of expenses) which may be paid for each ordinary share is an amount equal to 105% of the average of the middle market quotations for the ordinary shares as derived from the Daily Official List of the London Stock Exchange Limited for the five business days immediately preceding the day of purchase;
- (d) unless previously revoked or varied, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the company following the date of this resolution, unless such authority is renewed on or prior to such date;
- (e) the company may, before the expiry of this authority, conclude a contract to purchase ordinary shares under this authority which will or may be executed wholly or partly after such expiry and may make a purchase of ordinary shares pursuant to any such contract, as if such authority had not expired.

The record date for payment of the final dividend is 24 July 2026. Assuming the final dividend is approved by the members, the dividend will be paid on 25 August 2026.

Information about the meeting can be found on the company's website (www.castings.plc.uk). The right to vote at the meeting is determined by reference to the register of members as it stands on 17 August 2026.

By order of the board

S. J. Mant

Company Secretary
Registered Office:
Lichfield Road, Brownhills,
West Midlands, WS8 6JZ
17 June 2026

Note 1 - Proxy voting

Any member of the company entitled to attend and vote at this meeting may appoint one or more proxies, who need not also be a member, to attend and vote, on a poll, in their stead. The instrument appointing a proxy, including authority under which it is signed (or a notarially certified copy of such authority), must be deposited at the offices of the company's registrars: MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, not less than 48 hours before the time appointed for the meeting. Unless otherwise indicated on the Form of Proxy, CREST, Proximity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

Shareholders can vote electronically via the Investor Centre, a free app for smartphone and tablet provided by MUFG Corporate Markets (the company's registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below. Alternatively, you may access the Investor Centre via a web browser at: <https://uk.investorcentre.mpms.mufg.com/>



In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to MUFG Corporate Markets, at PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. The revocation notice must be received by MUFG Corporate Markets no later than 48 hours before the meeting.

Note 1 - Proxy voting *Continued*

If you need help with voting online, or require a hard copy Form of Proxy, please contact our Registrar, MUFG Corporate Markets by email at shareholderenquiries@cm.mpms.mufg.com, or you may call on 0371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by using the procedures described in the CREST manual (available from www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 3.30 pm on 18 August 2026. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 3.30 pm on 18 August 2026 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

Note 2 - Beneficial owners

In accordance with Section 325 of the Companies Act 2006, the right to appoint proxies does not apply to persons nominated to receive information rights under Section 146 of the Act.

Persons nominated to receive information rights under Section 146 of the Act who have been sent a copy of this notice of meeting are hereby informed, in accordance with Section 149 (2) of the Act, that they may have a right under an agreement with the registered member by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for this meeting. If they have no such right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.

Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.

In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the company's register of members at the close of business on the day which is two working days before the day of the meeting or, if the meeting is adjourned, shareholders entered on the company's register of members at the close of business on the day two days before the date of any adjournment shall be entitled to attend and vote at the meeting.

Directors, Officers and Advisers

Directors

A. N. Jones, BA (Hons), FCA *Independent Non-executive Chairman*
 A. Vicary, BEng, MSc, FICME *Chief Executive Officer*
 S. J. Mant, BCom (Hons) FCA *Finance Director*
 M. L. Smith, BA Econ (Hons), FCA *Senior Independent Non-executive*
 S. R. Harrison, BA (Hons), MBA, *Independent Non-executive*

Secretary and Registered Office

S. J. Mant, FCA
 Lichfield Road,
 Brownhills,
 West Midlands, WS8 6JZ
 Tel: 01543 374341
 Fax: 01543 377483
 Web: www.castings.plc.uk

Registrars

MUFG Corporate Markets
 10th Floor,
 Central Square,
 29 Wellington Street,
 Leeds, LS1 4DL
 Tel: 0371 664 0300 (Calls are charged at the standard
 geographic rate and will vary by provider. Calls outside
 the UK will be charged at the applicable international rate.
 Lines are open 9.00 am to 5.30 pm Mon – Fri)
 Email: shareholderenquiries@linkgroup.co.uk

Auditor

Forvis Mazars LLP
 Three Chamberlain Square,
 Birmingham, B3 3AX

Solicitors

Pinsent Masons LLP
 55 Colmore Row,
 Birmingham, B3 2FG

Bankers

HSBC Bank plc
 49 Market Street,
 Lichfield,
 Staffordshire, WS13 6LB

Stockbrokers

Canaccord Genuity Limited
 88 Wood Street
 London
 EC2V 7QR

Zeus Capital Limited
 125 Old Broad Street
 London
 EC4N 1AR

Registered No.

91580

Shareholder Information

Capital gains tax

The official price of Castings P.L.C. ordinary shares on 31 March 1982, adjusted for bonus issues, was 4.92 pence.

Warning to shareholders

The following guidance has been issued by the Financial Conduct Authority:

Over the last year many companies have become aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas-based 'brokers' who target UK shareholders offering to sell them what often turn out to be worthless or high risk shares in US or UK investments. They can be very persistent and extremely persuasive and a 2006 survey by the then Financial Services Authority (FSA) has reported that the average amount lost by investors is around £20,000. It is not just the novice investor that has been duped in this way; many of the victims had been successfully investing for several years. Shareholders are advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free reports into the company.

If you receive any unsolicited investment advice:

- Make sure you get the correct name of the person and organisation.
- Check that they are properly authorised by the FCA before getting involved. You can check at <http://www.fca.org.uk/register/>
- The FCA also maintains on its website a list of unauthorised overseas firms who are targeting, or have targeted, UK investors and any approach from such organisations should be reported to the FCA so that this list can be kept up to date and any other appropriate action can be considered. If you deal with an unauthorised firm, you would not be eligible to receive payment under the Financial Services Compensation Scheme.
- If the calls persist, hang up.

More detailed information on this or similar activity can be found on the FCA website www.fca.org.uk/consumers/scams

Website

Castings P.L.C.'s website www.castings.plc.uk gives additional information on the group. Notwithstanding the references we make in this Annual Report to Castings P.L.C.'s website, none of the information made available on the website constitutes part of this Annual Report or shall be deemed to be incorporated by reference herein.





The production of this report supports the work of the Woodland Trust, the UK's leading woodland conservation charity. Each tree planted will grow into a vital carbon store, helping to reduce environmental impact as well as creating natural havens for wildlife and people.

jones + palmer Consultancy, design and production by:
jonesandpalmer.co.uk



CASTINGS P.L.C.

Castings P.L.C.

Lichfield Road
Brownhills
West Midlands
WS8 6JZ