sulnox

Sulnox Group Plc

Annual Report and Financial Statements

31 March 2025

COMPANY REGISTRATION NUMBER: 08449586

Contents

Officers and Professional Advisers

The board of directors	Mr R Florescu Ms K Robinson Mr A Albertini Lord N Fairfax (resigned 1 July 2025)
Secretary	Ms K Robinson
Registered office	10-12 Orange Street Haymarket London United Kingdom WC2H 7DQ
Auditor	Gravita Audit II Limited Aldgate Tower 2 Leman Street London E1 8FA
Registrar	Share Registrars Limited 3 The Millennium Centre Crosby Way Farnham Surrey GU9 7XX
Bankers	HSBC City of London Branch 60 Queen Victoria Street London EC4N 4TR
Nominated advisor	Allenby Capital 5 St Helen's Place London EC3A 6AB
Solicitors	Bracher Rawlins LLP 16 High Holborn London WC1V 6BX
Company website	**https://sulnoxgroup.com**

Chairman's Statement

Dear Shareholders,

The past 12 months was full of major events for Sulnox Group and I am delighted to present the Group's result for the fiscal year ended 31 March 2025. I am particularly encouraged by Sulnox's recorded turnover of £1.12m which represents an increase of 106.0% from the previous year.

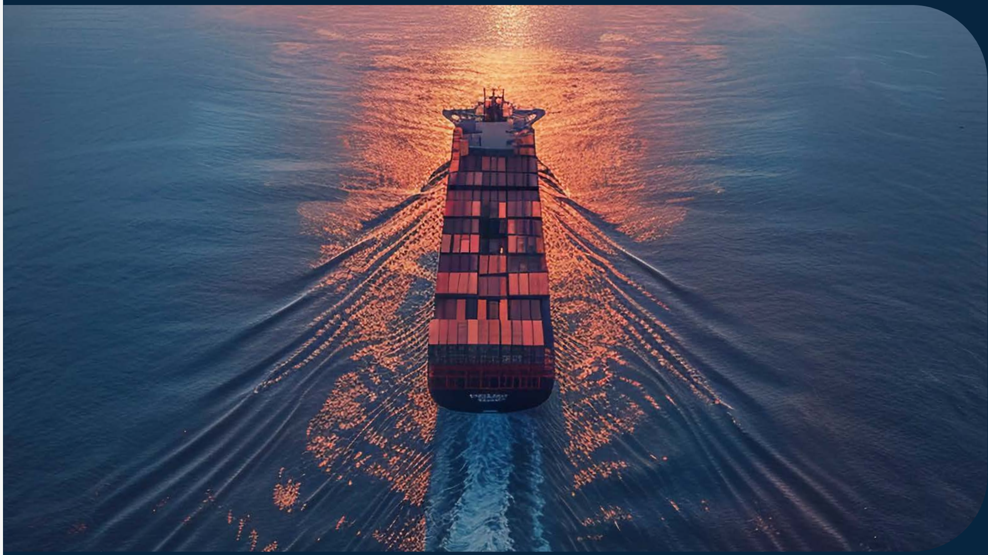
The accelerated pace of marine sales and the adoption of Sulnox by major fossil fuel consumers such as Eastern Pacific Shipping, Crystal Cruises, Colas Rail, and our partnership with Technava for Greece & Cyprus, to name a few, will have a positive impact on our performance in the years to come and will aid us in the process of transforming the fuel additive sector.

Energy prices remained volatile in 2024 and the global energy sector enjoyed prosperity. That being said, the external environment remains full of challenges and uncertainties, including geopolitical conflicts, climate legislation and a high-interest rate and inflationary environment. In the meantime, increased focus on ESG investment and energy mix transition is gaining momentum. We are keenly aware of the desire to make efficiencies in energy/fuel consumption and Sulnox is committed to play its role in supporting global energy transition. Following the success of Sulnox Eco™, the Company has recently expanded its product innovation pipeline to meet growing demand for technologies that cut emissions and fuel consumption costs and avoid operational disruptions. Our recently announced Research & Development division, Sulnox Innovations, is committed to developing and commercialising next-generation solutions that support all engine fuels on the route to Net Zero and beyond, including enhanced biofuel performance and oil reclamation efficiency.

In the last 12 months, we rapidly expanded our global reach and now have stock points in 7 key geographical locations across the globe. This will provide an opportunity to ensure that product delivery is quick, efficient and flexible as demand for Sulnox products increases. As always, Sulnox continued its focus on the five strategic pillars by expanding its current client portfolio, logistics expansion, efficiency improvement, profitability and cashflow optimization.

As we continue to build upon our client portfolio, a key focus from last year was identifying qualified partners and distributors that can accelerate sales on a broader scale. In February 2025 we were delighted to announce the partnership with Technava who were named exclusive agent covering the Greek and Cypriot markets. We are particularly pleased with the progress to date and have already notched a positive upswing of interest from a host of major shipping concerns. In January, we also announced a major new product supply agreement with Eastern Pacific Shipping who adopted the Sulnox Eco product on at least 30 vessels following extensive evaluations on multiple EPS-managed vessels over an 8-month period.

The US market remains a key focus and Sulnox has made significant inroads with New York-based McQuilling who will be leveraging their marine experience in both North, Central & South America.



There were several personnel changes during the year and we continue to bring in new skills and capabilities to the Board and Sulnox's ecosystem. Last month, we bid a warm farewell to Lord Nicholas Fairfax who decided to retire from the Board. I thank Nicholas for his excellent contribution, both in his special area of marine, but also for his commitment over the past several years. I would also like to welcome the members of Sulnox's recently formed Global Advisory Board, with Constantine Logothetis serving as Chair and Yannis Skoufalos, Ambassador Lincoln P. Bloomfield Jr., Rt Hon Tom Tugendhat MBE VR MP, and Nick Cochrane-Dyet MBE, as Advisory Board members. The timing of the Global Advisory Board is critical as we enter an important new phase of our pipeline and sales activities. I am confident that their combined experience and knowledge will have a major impact on our business. We have continued to add talent to the team and have in the past year added a Head of Marketing & Communications and Head of Technical – Marine, in addition to adding to our Commercial and Logistics teams.

While market uncertainties remain, I am happy to report the addition of several new investors and increased investment from existing shareholders this past year. In January 2025, Constantine Logothetis increase his shareholding, and we welcomed McQuilling with EPS Ventures following as shareholders. More recently in June 2025, Sulnox also welcomed further investment from Nistad Group, an existing shareholder, along with new investment from a ship owner who has been using Sulnox within their fleet for over 12 months.

We remain committed to our goal and Sulnox's plan sets out an aggressive sales target for the upcoming 12 months. As mentioned earlier, our newly formed Sulnox Innovation initiative will ensure that Sulnox products continue to perform and adapt to changing fossil fuel trends. This transformation is both a major challenge and an opportunity to drive innovation. Climate protection must be economically viable – companies and investors expect sustainable projects to be not only good for the environment but also profitable. While this means that we will not provide product solely due to the fact that it reduces CO_2 emissions, the inevitable balance that our customers require between fuel efficiency and environmental impact will provide Sulnox the platform to sustained growth and profitability.

I would like to thank all of the Sulnox employees and our partners for their hard work and commitment throughout the year, and also to our shareholders and customers for their continued support, and I look forward to a successful year ahead.

Radu Florescu, Chairman
5 September 2025

Principal activities

Sulnox Group Plc is a greentech innovation company helping industry reduce emissions, lower fuel and maintenance costs and meet sustainability targets, with no capital expenditure.

The company is quoted on the Aquis Stock Exchange ("AQSE") APEX Growth Market. Its shares were admitted to trading on AQSE on 17 December 2019.

The Company's principal activity is the invention and development of fuel emulsifier technologies to enable users to significantly reduce liquid fossil fuel consumption, harmful greenhouse gas and particulate matter emissions and to help industry and consumers towards their Net Zero and other ESG (Environmental, Social and Governance) objectives. Sulnox is an energy transition environmental proposition that quickly delivers significant and evidenceable results for customers. The Sulnox products are effective at improving combustion of all liquid hydrocarbon fuels (e.g. gasoline/petrol, diesel, fuel oils, marine fuels and biofuels) in combustion engines.

The global sales strategy focuses on ten sectors that are heavy polluters and seeking to reduce emissions and fossil fuel consumption:

01 **Marine**
1.9 billion barrels a year, 5% of global oil consumption

02 **Mining & Construction**
3.5% of global fuel consumption

03 **Fuel Stations**
550,000+ fuel stations worldwide

04 **Logistics & Freight**
Over 5 billion barrels of oil consumed per annum

05 **Generators**
83 million units worldwide

06 **Locomotives**
212 million barrels per annum

07 **Agriculture**
15% of global fuel consumption

08 **Government & Defence**
World's militaries 29th biggest oil consumers in the world

09 **Fuel Storage**
3.4 billion barrels of crude oil storage

10 **Power Stations**
465 million barrels a year

In addition, Sulnox's proprietary fuel technologies position the company uniquely within the rapidly expanding oil reclamation market, offering a sustainable and commercially viable solution for reprocessing and reusing waste and contaminated oils. The global oil reclamation market, driven by stricter environmental regulations, rising waste management costs, and increased emphasis on circular economy practices, is projected to exceed USD 10 billion in value over the next several years.

Business review
The Statement of Comprehensive Income and Statement of Financial Position for the year are set out on pages 45 and 46 respectively. A review of developments affecting the Company during the year and of its prospects for the future appear in the Chairman's Statement on page 4.

Full year revenues to 31 March 2025 were **£1,121k representing a 106% increase** from the £544k reported for the prior year, with the last two quarters both achieving record levels.

During the year ended 31 March 2025, the net increase in cash in the period was **£47k (2024 decrease: £1,624k)** resulting in cash and cash equivalents as at 31 March 2025 of **£2,194k (2024: £2,147k).**

Key performance indicators
The Key Performance Indicators ("KPIs") for the Company are listed as follows:

Earnings/(loss) per share

2025
(3.34) pence

2024
(1.66) pence

The increase in loss per share in the year is predominantly due to non-cash expenditure, specifically the value of shares transferred an investor linked to product purchased of £917k, and share options issued to management of £609k.

Sulnox fundraising summary:
In December 2024, Sulnox raised £2,175,000 from a group of investors, consisting of both new and existing shareholders, including Constantine Logothetis, Nistadgruppen AS and Unicorn AIM VCT plc, and a new strategic investor in a wholly owned subsidiary of McQuilling Partners, Inc. as the preferred partner of the Company to promote and sell the Sulnox products in the U.S. market.

In June 2025, a further £1.0 million was raised via a subscription led by a shipowner client as a new strategic investor alongside participation from existing shareholders including Nistad, underpinning working capital, stock expansion, team growth and to launch the new Sulnox Innovations Research and Development division.

Following impressive results from evaluations, several marquee shipping names are now also investors.

New partnerships are developing and Sulnox is gaining rapid momentum in the marine sector.

Abstract

Since September 2024, Sulnox has made significant strides in its global expansion, commercial adoption, and brand evolution.

A series of strategic investments have been made that have significantly accelerated our global growth and operational capacity. These funds have enabled the company to establish new stock hubs in Perth, Australia and Jebel Ali, UAE, and invest in expanding the team in commercial, public relations & communications, and logistics in order to support growth.

The investments have also supported the company's rebranding efforts, the development of a new website, and the release of a professional video explainer to enhance market communication. Collectively, this funding has positioned Sulnox to meet rising international demand, deepen market penetration, and reinforce its leadership in clean fuel technologies with further Research and Development amid tightening environmental regulations and global decarbonization efforts.

Sulnox has also received increasing recognition from financial analysts and media outlets, underscoring its growing reputation as a leader in clean fuel technology. The company was notably awarded "first prize" stock pick by the Daily Mail's Midas column whilst praising its environmentally focused innovation and commercial momentum. The Armchair Trader, a respected independent financial insights platform, also featured Sulnox as a standout small-cap with high growth potential and strong ESG credentials. Sulnox was also nominated for AQSE Company of the Year for the second successive year and has recently been selected to present at ADIPEC 2025.

Key business highlights since the last report include:

Shipping expansion:

Over the last 12 months, Sulnox has focused on demonstrating its effectiveness and growing its footprint in the shipping sector. The table below shows empirical evidence of an average of c.5% fuel savings from >100 vessels of varying types and sizes, using a variety of fuels from across the globe.

Vessel Type	Vessel Sub-type	Av. Fuel Reduction
Tanker	Small product tanker	7%
	Suezmax	5%
	Aframax	5%
	Bunkering barge	4%
	VLCC	3%
	Average	**5%**
Bulk Carrier	Ultramax	6%
	Supramax	5%
	Handysize	5%
	Capesize	3%
	Average	**5%**
Containership	ULCV	5%
	Feeder	4%
	Average	**4%**
Ro-Ro Vessel	Vehicles carrier	3%
	Average	**3%**
Offshore Support Vessel	Crew boat	9%
	Supply vessel	6%
	Average	**8%**
Passenger Vessel	Cruise ship	5%
	Superyacht	5%
	Average	**5%**
	Combined Average	**5%**

Eastern Pacific Shipping (EPS):

One of the world's largest privately-owned shipping companies, signed a milestone Agreement encompassing both investment into Sulnox (see below) and a major new product supply contract for Sulnox EcoTM fuel conditioner. EPS has adopted Sulnox Eco on a minimum of 30 vessels. EPS is also providing information in relation to the results of the adoption, which the Company has been able to use in its marketing activities, along with the ongoing support from their management team.

The Agreement itself continues to generate significant revenue with a secure committed minimum product volume of 250,000 litres.

In addition, EPS has helped considerably with R&D (see below) and is also collaborating with Sulnox to act as an introducer for Sulnox Eco, to some of the world's largest shipping companies.

Crystal Cruises:
In February 2025, Crystal marked Sulnox's first public foray into the rapidly expanding cruise market. The evaluation, organised in collaboration with Sulnox master distributor A&S International, spanned May to December 2024. Data revealed an average fuel saving of 3.4% over the period, accompanied by a significant reduction in black smoke emissions – a critical improvement for cruise operators navigating ports and Norwegian fjords. Crystal is now looking to adopt Sulnox Eco across its fleet, embracing sustainable innovation to meet the demands of a rapidly growing industry. The cruise holiday market is projected to grow from USD 9.2 billion in 2023 to USD 25.4 billion by 2033 (Source: Spherical Insights & Consulting LLP), growing further the need for environmentally responsible solutions.

Spring Marine:
The company has demonstrated fuel savings and is using the product on more than a dozen vessels to date with newly installed flow and torque meters and representing a critical milestone in the company's commercial adoption within the global shipping sector. As a forward-thinking operator, Spring Marine's decision to integrate Sulnox fuel conditioners reflects growing recognition of the fuel and emissions reductions and operational benefits Sulnox delivers. This deployment not only validates Sulnox's real-world impact but also serves as a powerful reference point for other Greek fleet operators evaluating decarbonization strategies.

Marfin Management:
The continued long-term use of Sulnox products within the Marfin Management fleet since 2023 marks another vital milestone. As a respected voice in maritime asset management, Alex Albertini, Non-Executive Board Member of Sulnox and CEO of Marfin Management, underscores Sulnox Eco's continued effectiveness for marine engines including amongst the marine insurance community.

Peninsula Yacht Services:
A strategic collaboration since September 2024, marks a significant development in its marine sector footprint. In Gibraltar, Peninsula has installed a bespoke semi-automatic pumping system for dosing Sulnox Eco into bunker fuel at its yacht terminal, believed to be the first APEX-compliant batching system of its kind anywhere in the world. This arrangement enables Sulnox to be supplied pre-blended in large-scale marine bunkers within the luxury superyacht segment and reducing barriers for industry uptake. Peninsula's promotion of Sulnox Eco at major marine exhibitions in Monaco, Antwerp, and Barcelona further reinforced the visibility and momentum generated by the partnership.

New Markets, Growth and Distributor expansion:

Technava S.A.:
In February 2025, Sulnox signed its first exclusive agency agreement, for Greece and Cyprus, with Technava, one of the leading suppliers and contractors of shipbuilding and industrial equipment in those markets. The initiative extends Sulnox's reach in the globally important and highly influential Greek maritime sector, in which it has existing partnerships with major operators. Greece has the world's largest shipping fleet by size, controlling 17.8% of the world's shipping capacity (Source: Virtuemarine, 2024), with Greek shipowners managing roughly 20–21% of the global merchant fleet. Based on existing commitments and discussions, Sulnox expects the Greek maritime business to form a significant part of its portfolio going forward. Technava is one of the leading companies in the supply, installation and service of equipment on board all types of ships.

Technava's scope also includes services and equipment for the industrial sector and in particular for power plants, city municipalities and the oilfield industry, working with a wide network of 'principals', or key manufacturers and product suppliers that it promotes, which are engaged in major markets China, Korea, Turkey, Italy and Germany. These are all countries specifically targeted by Sulnox for further expansion.

McQuilling Partners, Inc.:
A globally recognized marine transportation advisory and brokerage firm, brings decades of deep industry insight and a robust client network across the maritime sector. By partnering with Sulnox, McQuilling will significantly enhance Sulnox's commercial reach—particularly in the shipping and energy markets—by marketing to major vessel operators, fuel suppliers, and logistics companies. This collaboration positions Sulnox to rapidly scale through trusted maritime channels. With McQuilling's strategic guidance and market access, Sulnox will benefit from heightened brand credibility, and a stronger foothold in the Americas.

Seaborne:
A well-established presence in global shipping logistics and maritime services, will play a crucial role in accelerating Sulnox's commercial growth. Leveraging its operational footprint and network of industry relationships, Seaborne will effectively introduce Sulnox to a wide array of shipping operators and port service providers. This partnership enhances Sulnox's ability to penetrate new maritime markets and scale adoption.

FHIL Nigeria:
A dynamic player in energy infrastructure and logistics within West Africa, presents a strategic gateway for Sulnox to expand its market presence in one of the continent's fastest-growing energy regions. Through its local expertise, regulatory knowledge, and established distribution channels, FHIL is well-positioned to introduce Sulnox's fuel-conditioning technologies to both government and commercial stakeholders across Nigeria. This collaboration not only enhances Sulnox's access to fuel distributors, fleet operators, and refineries, but also aligns with Nigeria's urgent drive toward cleaner, more efficient energy solutions.

Clearsky Global:
Based in Calgary, Canada, but with international reach, Clearsky brings Canadian environmental innovation and access to sustainable infrastructure projects, clean energy stakeholders, and government-backed decarbonization initiatives in mining, logistics, and fuel distribution. The Clearsky Global partnership will also enable Sulnox to conduct R&D with aviation fuels.

Other New Markets: over the last 12 months Sulnox has added sales in several new countries including Panama, Cambodia and Mauritania.

Research and Development (R&D):

Sulnox continued to demonstrate meaningful "real-world" fuel savings in an increasing number of industries and geographies throughout the year, including:

Colas Rail UK (Colas):
Part of Bouygues, the France-based global engineering group, has adopted Sulnox Eco™ after a successful evaluation, marking the Company's first material involvement in the rail market, (of which 50% globally is powered by diesel). Colas evaluated Sulnox Eco Fuel Conditioner in two separate assessments during 2024, across two very different engine applications: four tampers (rail-mounted machines packing ballast under tracks) located at Rugby, UK, with testing between April and December 2024; and a mix of Class 66 and Class 37 diesel locomotives used on the Rail Head Treatment works at York, UK, with testing between October and December 2024.

Tamper emissions were monitored by independent inspection and compliance group Socotec, while locomotive emissions were measured by Cura Terrae, formerly ATESTA, the UK's leading MCERTS accredited stack emissions testing contractor.

The locomotives alone showed a:

- **4.5% fuel efficiency improvement.**
- **63.2% reduction in Carbon Monoxide (CO).**
- **47.5% reduction in Sulphur Oxide (SOx).**
- **Significant reductions in particulate matter (PM) with a 32.6% reduction in PM2.5 and 30.4% reduction in PM10.**

Colas is planning to roll out Sulnox Eco to the rest of its locomotive and tamper fleet over 2025 and 2026 and is encouraging its supply chain partners, such as those used for hiring of Rail Vehicles, to follow suit.

EPS:
Over eight months, EPS conducted a comprehensive evaluation of Sulnox Eco across eight vessels including tankers, bulk carriers, vehicle carriers and chartered container ships.

- **Heavy Sulphur Fuel Oil (HSFO) and biofuels:** this was the first time Sulnox Eco had been assessed for its effectiveness in a large-scale evaluation with these fuel types. During the evaluation period (April-November 2024), fuel savings were up to 5% per vessel, aligning with typical savings seen across the marine industry.

- In addition, the evaluation also demonstrated significant additional benefits for EPS vessel engines. Onboard inspections noted, *inter alia*, key to proving Sulnox effectiveness:

  - **Reduced carbon deposits** critically important for maintaining engine efficiency, performance, and longevity. Carbon buildup in this area is caused by incomplete fuel combustion and can lead to hot spots, increased thermal stress, and pre-ignition, all of which can damage engine components and reduce operational reliability. Excess deposits also act as insulation, impeding effective heat transfer and raising the risk of knocking and overheating. In diesel and marine engines, this can result in higher maintenance costs, shorter service intervals, and increased fuel consumption. Furthermore, cleaner piston crowns contribute to lower emissions, improved combustion stability, and overall better compliance with environmental standards.

    By keeping piston crowns clean, engines run more efficiently, burn fuel more completely, and deliver both economic and environmental benefits.

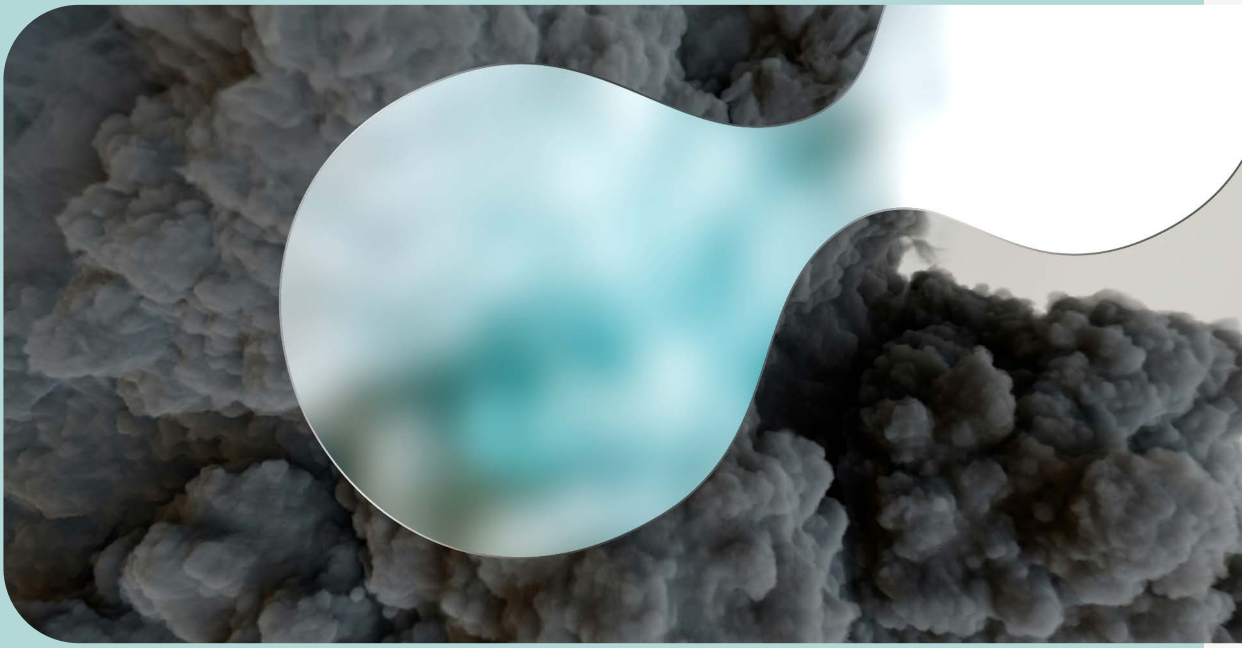
    The below photos show the cleaner crown and ring lands onboard an EPS vessel:

• **Significant reductions in black smoke** indicate a major improvement in fuel combustion efficiency and a reduction in harmful emissions. Black smoke, also known as soot or particulate matter, is primarily the result of incomplete combustion of diesel or heavy fuels. Reducing black smoke means that more of the fuel is being fully burned, which leads to lower emissions of unburned hydrocarbons, carbon monoxide, and particulate matter. This not only improves engine performance and fuel economy, but also reduces environmental impact, helps meet emissions regulations, and enhances the visual of clean-burning operations, especially important for vessels operating in public or regulated spaces. It's also a strong indicator of healthier engine internals and reduced wear over time.

• **Purifiers working very effectively with minimal sludge accumulation.** Sludge (a semi-solid or gel-like deposit composed of degraded hydrocarbons, asphaltenes, resins, waxes from fuel instability) accumulation was measured extensively on one vessel, 82 days without Sulnox Eco and 83 days with Sulnox Eco. The results showed 12.5% reduction in total sludge generation and 13.6% lower daily sludge output.

• **Reduced exhaust gas temperatures.** An indicator of more complete combustion, data provided showed a consistent reduction after introducing Sulnox Eco, even accounting for load differences. Two mechanisms are at play here. First, the emulsified water in the fuel, thanks to Sulnox Eco's unique formulation, means a marginally reduced peak in-cylinder temperature. This helps to lower the production of thermal NOx which forms at very high temperatures. Secondly, as complete combustion is achieved, less fuel is escaping the engine and combusting downstream. The downstream combustion outside of the engine typically raises exhaust temperatures. The measured drop in exhaust temperatures proves that up to 100% of the fuel is combusting inside the engine.

• **Lubricity improvement.** In laboratory testing with Low Sulphur Marine Gas Oil, Sulnox typically demonstrates a 17-21% improvement in lubricity, a key factor in protecting critical fuel system hardware from accelerated wear.



Patents for emulsifiers and Sulnox Eco™ Fuel Conditioner:

Japan Patent Granted:
Japan is a leading maritime country, with its production of trading vessels backed by the demand of the Japanese merchant fleet, one of the largest in the world. The sector's interest in decarbonisation and sustainable power transmission is particularly relevant to Sulnox.

Chile Patent Granted:
Chile is a global player in mining, producing 24% of the world's copper and 30% of lithium (Source: US International Trade Administration, 2023). In addition, Chile is a major maritime country.

Malaysia Patent Granted:
Malaysia has eight major ports. Its largest, Port Klang, is the world's 12th largest port and second only to Singapore in Southeast Asia. Malaysian operators of oil tankers and liquefied natural gas (LNG) carriers are among the world's largest. Inland, a road system totalling more than 180,000 miles of highway is a critical carrier of freight and passenger traffic, marking a further major sector for Sulnox.

Brazil Patent Granted:
Brazil representing validation from the world's 10th largest economy (Source: IMF) and the largest country in South America by area and Gross Domestic Product. It is the world's fifth largest by area and its seventh largest by population.

Sulnox expects the patent to support its pursuit of partnerships and collaborations with major industrial groups in the region. In the mining sector, Brazil is among the largest producers of iron ore, copper, gold, manganese, tin and nickel. Coastal shipping links are also critical to the Brazilian economy, connecting widely separated parts of the country, which has 36 deep-water ports. Inland, the road system is the primary carrier of freight and passenger traffic, marking a third major sector facing significant decarbonisation challenges and targeted by Sulnox. In November 2025 the COP30 global climate change conference will be held in the Brazilian city of Belém.

African Regional Intellectual Property Organization (ARIPO) Patent Granted:
Gambia, Ghana, Kenya, Mozambique, Sierra Leone, Uganda, Zambia and Zimbabwe, is a major development supporting Sulnox's pursuit of partnerships and collaborations with large industrial groups in the substantial African market. Sulnox has been operating successfully in Ghana for more than three years, chiefly supplying the road transport sector. Sales volumes there continue to gain momentum, both with new customers and repeat orders, and the country has been a very effective springboard into the wider African market.

Patents for Fuel Oil reclamation market:
Slops are a feature of ship operations in ports worldwide. Growth in the wider market for eco-friendly demulsifiers, used to separate water from fuel oil, is supported by environmental regulation and a corporate imperative to adopt more sustainable practices.

The global demulsifier market is estimated to grow from approximately:

US$2.4bn in 2024
US$3.2bn by 2031*

Sulnox secured its patent in **Nigeria**, in January 2025 and **Eurasia** covering: Azerbaijan, Kirgizia, Armenia, Belarus, Kazakhstan, Tajikistan, Russia, Turkmenistan in August 2025.

The new patent protects an improved oil / water separation methodology developed by Sulnox, incorporating its already patented Berol 6446 product. This development has considerable potential for supporting the maritime industry in tackling its perennial problem of "ships' slops", a hydrocarbon-rich industrial waste produced in various parts of a ship's operations, including tank cleaning, purifying fuels and use of ballast water.

*(Source: VMR).

Sulnox Innovations:

Following the success of Sulnox Eco™, the Company is expanding its product innovation pipeline to meet growing demand for technologies that cut emissions and costs - without disruptive change.

Sulnox Innovations will develop and commercialise next-generation solutions that support all engine fuels on the route to Net Zero and beyond, including enhanced biofuel performance and oil reclamation efficiency.

At its core is green emulsification: the proven combustion improvement mechanism behind Sulnox Eco. This will remain central to Sulnox's IP and innovation strategy, supported by a growing patent portfolio, plus insight and R&D capacity from Sulnox's strategic partners and scientific institutions.

Strengthening the team:

The Global Advisory Board:
This newly established body will provide strategic guidance to the Sulnox Board of Directors and Executive Committee as the Company expands its role as a leading partner for industries transitioning to cleaner energy.

The Global Advisory Board comprises accomplished leaders with diverse expertise spanning supply chain management and transformation, national security, sustainability, energy, and global business development. The Global Advisory Board's collective knowledge and networks will help Sulnox refine its proposition, enhance commercial capacity, and pursue new revenue opportunities worldwide.

The Global Advisory Board initially comprises:

Constantine Logothetis (Chairman of the Global Advisory Board)
Chairman of Alithea Capital, a private family office dedicated to direct investments. Prior to founding Alithea, he was the Founding Executive Vice Chairman of the Libra Group, a global business group comprising 20 businesses across 60 countries. Mr Logothetis serves as a Board Member of Libra Group, Chairman of the Global Advisory Board of Gravity Private Wealth, Ambassador for Digitalis Group, Trustee of the Hellenic Initiative, and a member of the Leadership Council of Concordia and the UK Advisory Board of Penn Medicine.

Yannis Skoufalos
Extensive global operational experience and a unique track record in supply chain management spanning more than three decades. Between 2011 and 2019, Yannis Skoufalos was Global Product Supply Officer of Procter & Gamble, a US-headquartered consumer goods company. Throughout his successful 35-year career with Procter & Gamble, he also held other supply chain roles with increasing responsibility, including sustainability within the supply network. He served as Supply Chain Officer of privately held Blue Triton between 2021 and 2022. His present board and advisory roles include Sandoz, the global pharmaceutical group, and Sustana Group, a recycled paper fibre company privately held by Blackstone. He is a senior advisor to Blackstone on supply network matters.

Ambassador Lincoln P. Bloomfield Jr.
An American national security expert with a distinguished career spanning more than four decades in US foreign and defence policy, in which he served five administrations in senior positions. Beyond government service, Ambassador Bloomfield has been active in policy and advisory capacities. His present roles include President of Palmer Coates LLC, a strategic advisory firm specialising in international affairs and sustainability, and Chairman Emeritus of the Stimson Center, a non-partisan think tank focused on global security issues. He also serves as Strategic Advisor to Seatrec, Inc., and on the Boards of the US Water Partnership, Global Environment & Technology Foundation, Mana Pacific, and The Last Kilometer, focusing on sustainability and energy access.

Rt Hon Tom Tugendhat MBE VR MP
Has served the United Kingdom for over 25 years, in the British Army, Parliament, and Government. He saw active service in Iraq in 2003 and Afghanistan from 2005. He was elected MP for Tonbridge in 2015 and elected to chair Parliament's Foreign Affairs Committee in 2017 until he was appointed to Cabinet as Security Minister in 2022.Tom modernised national security laws, oversaw intelligence agencies, and spearheaded initiatives against online child exploitation, fraud, and cybercrime. Before Parliament, Tom served as an intelligence officer and worked for the Foreign Office. He helped establish Afghanistan's National Security Council and the government in Helmand Province. He has also been a journalist, is regularly consulted for geopolitical analysis, and is a successful angel investor.

Nick Cochrane-Dyet MBE
A long-standing advisor and business leader with deep ties to the United Arab Emirates and the wider Gulf region. A former British Army officer and Citicorp Investment Bank representative, he joined BP in 1989 and continued to advise the company's Chief Representative in Abu Dhabi on a range of matters across the Emirates and the Gulf region until 2024. He has chaired the British Business Group and during Covid started the British Chamber of Commerce, Abu Dhabi, where he is now the Emeritus Chair. He is an Ambassador for the Energy Industries Council, a member of APCO's International Advisory Council and an advisor to Muscat Precious Metals Refinery. He has held a senior advisory role with Squire Patton Boggs and helped established Sightsavers, Middle East. Mr Cochrane-Dyet also sits on the advisory board of NYU Abu Dhabi's Center for Smart Engineering Materials. In 2012, he founded the UAE-UK Business Council and was awarded an MBE in 2013.

Sulnox also expanded the team with the addition of the following full-time employees:

- Head of Marketing and Communications
- Senior Commercial Manager and a Commercial Analyst
- Head of Technical for Marine
- Logistics Manager

We are also actively recruiting into our commercial team in order to promote our land-based sales.

Strengthening the Investor Base

Largest shareholders Constantine Logothetis and Nistad have continued to support the company with participation in fundraises. Further details can be found in the Director's report. As at end of July 2025 we had 651 identifiable shareholders, up from 550 a year ago.

EPS

In January 2025, the company signed a significant agreement with EPS Ventures Pte. Ltd. ("EPSV") to become a strategic shareholder in Sulnox. EPSV will subscribe for a total of up to 11,692,025 shares in tranches to be issued on the payment for purchase of Sulnox Eco by EPS during the initial 18 months of the Agreement. Once fully issued, these subscription shares would equate to a maximum of 8.5% of the enlarged issued Ordinary Shares (assuming no other issues of Ordinary Shares).

EPSV will also subscribe for a total of up to a further 4,719,795 Ordinary Shares over a maximum of three years based on successful introductions of large shipping customers to the Company. This would equate to a maximum further 3.3% of the enlarged issued Ordinary Shares (as at the time of the announcement).

Upgraded to OTCQX from the OTCQB® Venture Market

The OTCQX Market is designed for established, investor-focused U.S. and international companies. To qualify for OTCQX, Sulnox has met high financial standards and demonstrated we follow best practice corporate governance, and compliance with applicable securities laws. Graduating to the OTCQX Market from the OTCQB Market marks an important milestone in building visibility among U.S. investors.

Capital Access Group (CAG)

Sulnox continues to work with investor relations firm, CAG, who have organised regular potential investor meetings. Sulnox has also worked with Mello events and Yellowstone Advisory during the course of the year, expecting to expand the number of events attended in 2025.

Hydra Strategy

Public relations firm Hydra Strategy also continues to target investors who can invest in Aquis stocks along with the trade press – where Sulnox now appears on a regular basis.

Other noteworthy achievements:

New Brand
Sulnox's new brand launch marked a bold step forward in aligning our identity with our mission to lead the global transition toward cleaner, more sustainable fuel solutions. The refreshed brand reflects Sulnox's evolution from a breakthrough technology developer into a commercially scaled, globally active environmental innovator. With a modernized visual identity, clearer messaging, and a sharper focus on its core value proposition—reducing emissions and improving fuel efficiency without capital expenditure—the new brand enhances recognition and trust among customers, partners, and investors.

New Website
Launched in August, alongside the Sulnox Eco video explainer, Sulnox's newly launched website represents a critical milestone in its digital transformation and global outreach strategy. Designed with clarity, accessibility, and user experience at its core, the new platform serves as a dynamic interface for customers, partners, and investors to explore product benefits, technical data, and application insights—while reflecting the company's refreshed brand identity and global ambitions. Importantly, the website enhances Sulnox's ability to communicate its value proposition effectively through the explainer videos and underscores Sulnox's commitment to transparency, growth, and leadership in the clean fuel revolution.

2025 Small Cap Award
The Company was a finalist for Aquis Stock Exchange Company of the Year, at the 2025 Small Cap Network Awards celebrating standout companies under a £350m market cap.

Singapore production Facility
The establishment of a Sulnox blending plant in Singapore, operated by global specialty chemicals leader Nouryon, represents a strategic advancement in Sulnox's manufacturing and supply chain capabilities. This facility complements existing operations in the Netherlands, enabling Sulnox to significantly enhance its production flexibility, regional responsiveness, and cost-efficiency. The Singapore plant allows Sulnox to better serve high-demand markets across Asia-Pacific, including shipping, logistics, and fuel supply chains. The strategy supports Sulnox's growing demand while reinforcing its commitment to delivering product at scale, closer to point of use.

New Stock Points
Sulnox has established two new stock locations: **Perth**, Western Australia and Jebel Ali, UAE. This will enhance regional accessibility, reduce lead times, and support growing customer demand across the Asia-Pacific and Middle East markets. The Perth location enables Sulnox to better serve key sectors such as mining, transport, and marine operations in Australia, while **Jebel Ali**, one of the world's largest and most connected ports, strengthens the company's distribution footprint across the Gulf region and beyond.

ADIPEC
Sulnox will participate as a presenter and Exhibitor at ADIPEC 2025, one of the world's largest and most influential energy conferences. With thousands of industry professionals in attendance, ADIPEC offers Sulnox an unparalleled platform to engage directly with key stakeholders from oil majors, maritime operators, logistics providers, and regulatory bodies. Presenting at this prestigious forum not only elevates Sulnox's credibility within the energy transition conversation but also opens doors to strategic partnerships, new market entries, and enhanced investor visibility.

Industry Sectors / company pillars

Sulnox now has an active sales presence in over 40 countries, serving a diverse range of industries and customer segments. Looking ahead to 2025, the strategic focus is to strengthen and scale existing distribution partnerships while selectively securing new, high-quality partners in untapped or high-potential markets. This approach is designed to accelerate growth beyond the pace of organic expansion, driving greater global penetration and unlocking new revenue streams through targeted collaboration and regional alignment.

Industry Sectors

1. Fuel Storage and Distribution

Petrol stations remain a continued global priority for 2025. Ultimately, we will still strive to form strategic partnerships with major fuel suppliers and oil producers, with the goal of integrating Sulnox into refinery operations. In the shorter-term, the focus is twofold: to replace existing, often hazardous additive packages with Sulnox's cleaner, more efficient alternatives, and to co-develop next-generation green fuels that align with evolving environmental regulations and market demand for sustainability. This approach positions Sulnox as both a disruptive technology and a collaborative innovator within the broader energy transition. In addition to delivering a clear performance advantage (including improved fuel efficiency, enhanced engine cleanliness, and significant emissions reductions) Sulnox also offers a compelling safety and handling benefit over conventional fuel additives. Unlike many current additive packages that are highly toxic, require full hazmat gear for handling, and must be stored in temperature-controlled environments due to flammability risks, Sulnox products are non-toxic, easier to handle, and safer to transport and store—even in hot climates. This not only simplifies logistics and improves workplace safety but also reduces the cost and complexity of compliance for users. Board Advisor David Haughie will continue to introduce new opportunities and support this strategy.

Target Markets:

- **Ghana:** Now in the pumps in two petrol station chains and partnered with several other significant fuel retailers to sell bottled Sulnox Eco at the pumps across the country.
- **Nigeria**: Mirroring Ghana by starting to offer Sulnox Eco in bottles at the pump – FHIL is currently hiring a significant workforce to sell the product

- **Americas:** Initial discussions and testing underway in Latin America to replace traditional additives at a petrol station chain. The Canadian market is also highly receptive to pre-mixed fuel.
- **Europe:** Focus on smaller actors looking to capture market share from the national players.

2. Land Transportation
The core objective is to drive adoption of Sulnox Eco™ fuel conditioners across commercial fleets, logistics operators, public service vehicles, and rail customers by highlighting the dual benefits of fuel savings and emissions reductions.

In 2025, Sulnox's land transportation strategy will focus on accelerating growth across the UK, Europe, Africa, and the Americas by empowering a targeted network of high-quality distributors and strategic partners.

Advisory Board member Yannis Skoufalos' expertise and network in logistics will be critical in opening new opportunities in key markets.

Target Markets
- **UK and Europe:** the strategy emphasizes strengthening current relationships and using proven case studies to expand into rail freight and logistics fleets.
- **Africa:** we now have 32 of the Driver and Vehicle Licensing Authority (DVLA) stations in Ghana selling and promoting Sulnox Eco for vehicles with emissions issues along with several repeat haulage and logistics companies. We expect to expand operations in both Ghana and Nigeria and several other countries during the year through local partner Nationwide Technologies.
- **Americas:** In Canada, in partnership with Clearsky Global, the focus will be on pre-mixing fuel for use in large fleets, while in the U.S. and Latin America, through marketer McQuilling, Sulnox will continue to pursue large fleets and rail operations.
- **Asia:** In India, Sulnox is actively targeting various logistics opportunities.

3. Shipping & Marine
The marine-fuel-additives market is forecasted to grow to over USD 11.6 billion by 2032 (reflecting a 6.1% CAGR). With ever increasing stricter emissions Regulation, Sulnox is uniquely well positioned to capitalize on this rising demand for cleaner, more efficient fuel solutions.

The 2025 strategy will prioritize scaling our marine sector footprint by securing long-term contracts with fleet operators and forging new strategic alliances with leading players in the maritime supply and service ecosystem, ship owner / operators and fleet managers. Sulnox will continue to promote our scientific, data-driven performance case studies, and leveraging our drop-in, no-capex delivery model to accelerate penetration and widespread adoption in mainstream maritime operations.

By deepening established investor partnerships with several ship owners, ship and insurance brokers and a full-service supplier and technical partner in Technava, Sulnox is well supported to achieve significant further growth, especially with the backdrop of the aforementioned tightening Regulations around fuel consumption and emissions reductions.

EPS remains a key part of the growth strategy, with Sulnox Eco™ already deployed across more than 30 vessels, EPS is also incentivised to introduce Sulnox to global shipping players. As noted above, the R&D with EPS will also open up further opportunities e.g. with biofuels.

Along with Crystal, Marfin and Spring Marine, Sulnox is also already in evaluations or significantly progressed discussions with several other large marquee shipping names across the globe.

Over the next 12 months, Sulnox will focus on container ships, bulk carriers, and tankers as primary targets, with additional engagement in cruise, ferry and fishing segments. These sectors face the most immediate pressure from tightening environmental regulations such as the EU ETS and FuelEU Maritime, making fuel efficiency and emissions reduction commercially critical. Container and bulk fleets, especially in Europe and Asia, offer high-volume fuel consumption where even modest efficiency gains translate into substantial cost savings and measurable CO_2 reductions. Tankers, often operating on long-haul routes with older tonnage, and cruise and ferry operators are highly visible to the public and regulators, making them strong candidates for pilot projects that can generate significant marketing impact.

4. Mining & Construction (Including Generators)

Mining operations are among the largest diesel consumers across industrial environments. Sulnox can deliver immediate tangible benefits, both to the high operational costs, maintenance frequency, and rising ESG mandates. As with other sectors, Sulnox will look to attract marquee names and integrate into Distributor & OEM Channel Partners.

In the next 12 months, Sulnox will focus its mining / generator sector efforts on Ghana, Australia, South Africa, Chile, Indonesia, Canada and island states:

- **Ghana:** Mining contributes approximately 7.5% of Ghana's GDP in 2024 *(Ghana Gold Council / World Economics)* and accounts for substantial economic activity, particularly in the gold, bauxite, and emerging lithium sectors. Sulnox is already engaged with the fuel supplier to 38% of the local mining sector.

- **Nigeria:** Through distributor FHIL, Sulnox will actively target both mining and the direct generator market. Driven by chronic power shortages, Nigeria represents a massive opportunity, with the diesel genset segment alone valued at roughly US $536 million in 2023, projected to grow at a 7.3% CAGR to reach about US $871 million by 2030 (psmarketresearch.com). Nigeria also imported an estimated US $281 million worth of generator sets (across petrol, diesel, gas, and converters) in 2024. For Sulnox, penetrating this market—particularly within the mining sector - presents a significant strategic opportunity.

- **Australia and South Africa:** Home to large-scale open-pit and underground operations in coal, iron ore, platinum, and gold, where heavy haul fleets and processing plants present significant opportunities for fuel efficiency, equipment maintenance, and emissions reduction.

- **South America - Chile:** As the world's top copper producer, Chile is being targeted by marketer McQuilling due to the energy-intensive operations in remote areas where improved fuel economy and reduced downtime will deliver high financial impact.

- **Indonesia:** Expanding coal and nickel sectors, combined with less stringent but rapidly evolving environmental policies, create a window for early market entry through distributors A&S and World Oils.

- **Canada:** Distributor Clearsky Global offers access to mining companies with strong ESG commitments.

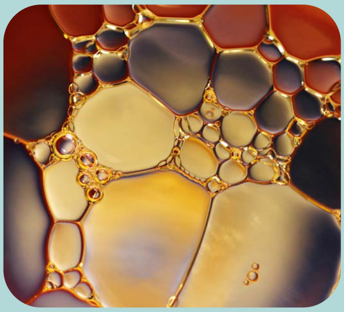
- **Island States:** Across the globe, many island nations and territories, from the Caribbean (e.g., Bahamas, Barbados, Puerto Rico) to the Pacific (e.g., Fiji, Solomon Islands, Palau) and the Indian Ocean (e.g., Maldives, Seychelles, Mauritius), depend heavily on oil-burning power stations or large diesel generators to meet their electricity needs due to limited or unreliable renewable energy infrastructure.

These facilities consume significant volumes of heavy fuel oil (HFO) and diesel, often at high cost due to imported fuel, while also facing increasing pressure to reduce emissions under global climate targets. By partnering with local utilities, independent power producers, and government energy agencies, Sulnox can help island economies cut operating costs, improve power plant reliability, and advance toward sustainability goals without requiring major capital investment in new generation infrastructure.

5. Defence Sector

Across many armed forces, decades-old trucks, APCs, patrol boats, and tactical generators still dominate the fleet, forcing commanders to squeeze more hours from legacy diesel engines under tight budgets - exactly where Sulnox Eco can extend engine life, and reduce visible smoke without capex or platform modification.

Sulnox's Global Advisory Board strengthens the defence push: Rt Hon Tom Tugendhat MBE VR MP brings senior security and government insight, while Ambassador Lincoln P. Bloomfield Jr. (a former U.S. Assistant Secretary of State for Political-Military Affairs) adds deep politico-military experience and transatlantic networks to engage defence stakeholders and prime contractors.



6. Waste & Recycling

The global demulsifier (separating water from crude and other waste oil) market size is projected to grow from USD 2.53 billion in 2024 to USD 3.45 billion by 2032 according to Fortune Business Insights.

Oil reclamation (recovering and reprocessing used lubricants, hydraulic fluids, transformer oils, and other petroleum-based products) has become an important global practice for reducing waste, conserving resources, and lowering the environmental footprint of industrial operations. In markets ranging from North America and Europe to rapidly industrializing regions in Asia, Africa, and Latin America, reclamation is increasingly driven by both regulatory pressure and the economic value of extending oil life.

Sulnox will look to play a key role in this sector by partnering with reclamation plants, fleet operators, and industrial service providers to provide our patented, advanced chemical treatment solutions that improve the efficiency of reclamation processes, enhance contaminant separation, and add lubricity.

Principal Risks and Uncertainties

We recognise that effective identification and management of risk is essential to delivering our strategy and protecting shareholder value. The principal risks and uncertainties that could have a material impact on our performance, financial condition, or prospects are outlined below. We actively monitor these risks and implement mitigation measures where possible; however, some remain outside of our direct control:

1. **Going Concern and Liquidity Risk**
We are still in a growth and investment phase and continue to incur operating losses. Sustaining operations depends on achieving our targeted revenue growth and/or securing additional funding. If we fail to raise capital when required, our ability to meet financial obligations and execute our strategic plans could be materially affected.

2. **Market Adoption Risk**
Our revenue growth relies on increased adoption of our fuel efficiency and emissions reduction products across target industries such as marine, mining, and fuel distribution. Market entry cycles are often lengthy and dependent on customer trials and validation. Delays or negative trial results may adversely impact our revenue forecasts.

3. **Product Performance and Validation Risk**
Our commercial success depends on consistently and independently verifying improvements in fuel efficiency, emissions reduction, and operational cost savings. If we fail to demonstrate reliable benefits in customer operations, our market credibility could be harmed, and adoption rates could slow.

4. **Regulatory and Compliance Risk**
We operate across multiple jurisdictions, each with distinct environmental, safety, and fuel quality regulations. While tighter environmental rules can drive demand, sudden changes in legislation or technical specifications could require us to reformulate products or restrict our market applicability.

5. **Supply Chain and Intellectual Property Risk**
Our proprietary formulations rely on specific raw materials and patented processes. Disruption in the supply of key components, adverse movements in input costs, or challenges to our intellectual property could materially affect product availability and margins.

6. **Concentration Risk**
In the near term, our revenue base is dependent on a limited number of distributors and customers. Losing one or more key relationships, or experiencing underperformance in these accounts, could have a disproportionate impact on our results.

7. **Talent Retention and Organisational Capacity Risk**
As a small, growth-stage business, our ability to execute our strategy depends on attracting, retaining, and motivating a skilled leadership team and technical specialists. The loss of key personnel could delay or compromise execution.

8. **Reputational Risk**
Our reputation depends on the performance of our products, the credibility of our environmental claims, and our partnerships with reputable organisations. Any negative publicity or unsubstantiated claims could harm our reputation and reduce market confidence.

Promotion of the Company for the Benefit of Members as a Whole
The Directors believe that they have acted, and continue to act, in the manner most likely to promote the success of the Company for the benefit of its members as a whole, in accordance with Section 172 of the Companies Act 2006. In doing so, the Board has had regard to the following statutory matters:

- The likely long-term consequences of decisions.
- The interests of the Company's employees.
- The need to foster relationships with suppliers, customers, and other stakeholders.
- The impact of the Company's operations on the community and the environment.
- The desire to maintain a reputation for high standards of business conduct; and
- The obligation to act fairly between members of the Company.

During the period to 31 March 2025, we have applied these principles in practice. For example, we have actively engaged with direct customers and key distributors in the marine and industrial sectors to shape our product development priorities, we have continued to manage operational cost-control measures to safeguard shareholder funds, and we have strengthened our ESG focus by promoting the environmental benefits of our products to customers, suppliers, and employees.

The Board recognises that our employees are critical to the future success of the company. During the year we engaged with employees through in-person all staff meetings with the Board and senior management present, ensuring that with our remote first working environment, there is regular interaction and inclusion for all personnel.

We continue to maintain strong relationships with suppliers in order to ensure continuity of supply of products and services at competitive prices, and pay suppliers within the agreed payment terms so long as the products and services have been provided as agreed within the terms of the supply agreement. We maintain transparent communication with shareholders through regulatory announcements, financial reporting, and meetings, and seek to minimise our environmental impact through both operational discipline and the design of our technology.

The Company follows the QCA Corporate Governance Code, as adopted by many AQSE-quoted companies, and is committed to its ten principles of good governance. Where deviations are necessary due to the Company's size or stage of development, we explain these transparently. Sulnox's products and ethos give us the opportunity to deliver tangible benefits to the communities in which we operate and to contribute positively to the global environment, supporting both our long-term commercial success and our broader social responsibilities.

This report was approved by the board of directors on 5 September 2025 and signed on behalf of the board by:

Ben Richardson

Mr B Richardson
CEO Sulnox Limited

Registered office:
10 Orange Street, Haymarket, London
United Kingdom. WC2H 7DQ

The directors present their report and the financial statements of the group for the year ended 31 March 2025.

Directors

The directors who served the company during the year were as follows:

- Mr R Florescu
- Ms K Robinson
- Mr A Albertini
- Lord N Fairfax (resigned 1 July 2025)

Radu Florescu
Non-Executive Chairman and Independent Non-Executive Director (appointed 4 December 2020 as CEO and 28 May 2021 as Chairman)

An experienced CEO of International companies. American - French, Boston College School of Business graduate, has founded, developed and capitalised multiple successful companies and charities in America and Europe. Decades of international experience in trading, account executive, business development and management in the fields of manufacturing, marketing, power generation and fuels.

Kiesha Robinson
Independent Non-Executive Director & Company Secretary (appointed 4 December 2020)

Commercial legal consultant with experience across sectors, contract negotiation specialist with extensive knowledge of the media and tech industries, intellectual property, banking practice and regulation, International Trade, the oil and gas markets and associated exchanges.

Alexandre Albertini
Independent Non-Executive Director (appointed 6 February 2024)

Alex has worked in the shipping industry for 25 years, holding a variety of leadership roles in the maritime sector. He is currently Chief Executive Officer of Marfin Management, a Monaco based specialist in management of dry bulk carriers and is the Managing Director of Factor8 Shipping, a Monaco based manager and operator of dry bulk carriers. He also holds board member roles in specialist areas of protection and indemnity insurance and shipping agencies within the maritime world.

Dividends
The Directors do not recommend payment of a dividend for the year ended 31 March 2025 (2024: £nil).

Going concern
As at 31 March 2025, the Group had a cash balance of £2,193,725 (2024: £2,146,718).

As the sales pipeline continues to strengthen, with significant evaluations underway, many of which have converted to repeat sales, it is expected that sales will continue to grow with pace, which will contribute significantly to our working capital.

Whilst the Directors remain confident in the conversion of the sales pipeline, until material sales are confirmed, risk to cashflow remains. In order to mitigate some of the risk to the cashflow, the Directors will be seeking approval at the Annual General Meeting to issue new Ordinary Shares in order to provide additional working capital, should it be required.

The Directors are of the opinion that the Group and Company has adequate financial resources to enable it to continue in operation for the foreseeable future. However, due to the uncertainties described above, the Board considers this risk to pose an uncertainty in respect of future cash flows in the Group and Company, which may cast doubt about the Group's, and in turn the Company's, ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group and Company were unable to continue as a going concern. Refer to note 3 for further details.

Other matters
The total remuneration of the Directors for the year was as follows:

	Salary/ Fee £	Employer Pension £	Share Based Payments £	2025 TOTAL £	2024 TOTAL £
Radu Florescu	46,000	-	73,569	119,569	43,515
Kiesha Robinson	35,000	1,400	-	36,400	31,600
Nicholas Fairfax*	35,000	-	75,219	110,219	33,610
Alexandre Albertini	35,000	-	121,028	156,028	5,833
Total	**151,000**	**1,400**	**269,816**	**422,216**	**114,558**

**Nicholas Fairfax resigned from the Board 1 July 2025*

Of these fees, **£8,750 (2024: £5,833)** to Alexandre Albertini remains unpaid at the year end.

Pensions

The Company had a defined contribution pension scheme in place during the period, with only one Director being a member.

Directors' interests

The following current Directors had interests in the shares of the Company at the end of the year.

Radu Florescu	265,600 shares
Alexandre Albertini	2,608,696 shares

Share Option Scheme

The Company adopted both an Approved and an Unapproved Share Option Scheme in the year and made a grant of options to Directors and other key staff. A summary of the option granted to each director is shown below. See note 20 for further details on the options.

Unapproved Share Option Scheme:

Date of grant	Name	Number of options	Price of options in pence
10 February 2022	Radu Florescu	250,000	0.36
15 January 2024	Radu Florescu	200,000	0.36
12 November 2024	Radu Florescu	250,000	0.52
16 February 2022	Nicholas Fairfax	166,666	0.36
15 January 2024	Nicholas Fairfax	283,334	0.36
12 November 2024	Nicholas Fairfax	250,000	0.52
26 September 2024	Alexandre Albertini	250,000	0.40
12 November 2024	Alexandre Albertini	250,000	0.52

Remuneration policies

The remuneration policies were introduced from 1 January 2021 and it is intended that these policies will be continued for the next and subsequent years subject to any acquisition. The Directors' Remuneration Report for the period ended 31 March 2025 and the Directors' Remuneration Policy are to be approved by the shareholders at the Annual General Meeting to be held on 26 September 2025.

The remuneration policy is designed to attract, retain and motivate executive Directors and senior management with a view to encouraging commitment to the development of the Group and for long term enhancement of shareholder value. Remuneration packages take into account individual performance and the remuneration for similar roles in comparable companies, where such companies can be identified. This would also be taken into account on appointment of any new Directors. The Board believes that share ownership by executive Directors and senior staff strengthens the link between their personal interests and those of shareholders. The Board have implemented a long-term staff share option scheme that has challenging performance conditions and has been designed to align the interests of all Sulnox employees to those of its shareholders.

The level of Director remuneration will be reviewed annually, and will cover base salaries and share based incentives.

Substantial shareholdings

As of 31 July 2025, and based on Directors' knowledge, the following shareholders hold 3% or more of the issued share capital of the Company. Their shareholdings as of 31 March 2025 are also provided for comparative purposes:

	As at 31.07.25		As at 31.03.25	
Shareholder	Number of £0.02 ordinary shares	% Issued Share Capital	Number of £0.02 ordinary shares	% Issued Share Capital
Constantine Logothetis	36,595,700	27.91%	34,816,671	27.37%
Nistad Group AS	18,383,214	14.02%	18,083,214	14.22%
James Redman Jnr	8,659,200	6.60%	8,659,200	6.81%
Richard Leggatt	6,807,500	5.19%	6,807,500	5.35%
Unicorn AIM VCT PLC	6,264,779	4.78%	6,264,779	4.93%
Angela Bravo	5,719,010	4.36%	5,719,010	4.50%

Disclosure of information in the strategic report

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, being (a) an indication of expected future developments in the business, (b)(i) activities in the field of research and development, (b)(ii) strengthening of the team, and (b)(iii) the significant positive impact the use of our products can have on the population both on a micro and macro basis.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Directors Report, and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK adopted international accounting standards (IFRS).

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 Company and the financial performance and cash flows of the Company for that year.

The financial statements are required by law, and UK adopted international accounting standards, to give a true and fair view of the state of affairs of the Company.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether in preparation of the financial statements the Company has complied with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' responsibilities statement (continued)
The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

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

Auditor

Each Director in office at the date of approval of this annual report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that he / she ought to have taken as a Director in order to make himself / herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Following the resignation of Gravita Audit Limited as auditor, the directors appointed Gravita Audit II Limited to fill the casual vacancy, and a resolution to re-appoint Gravita Audit II Limited as auditor will be proposed to shareholders at the Annual General Meeting.

This report was approved by the board of directors on 5 September 2025 and signed on behalf of the board by:

Kiesha Robinson
Director

Registered office:
10 Orange Street, Haymarket, London
United Kingdom. WC2H 7DQ

Opinion

We have audited the financial statements of Sulnox Group PLC (the 'parent company') and its subsidiaries (together the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows, Company Statement of Cash Flows and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards (IFRS) and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2025 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards (IFRS);
- the parent company financial statements have been prepared in accordance with IFRSs and as applied in accordance with the provisions of the Companies Act 2006; and,
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent 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, 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.

Material uncertainty relating to going concern

The group incurred a loss of £4.2m and had net cash outflows from operating activities of £2.3m for the year ended 31 March 2025. We draw your attention to note 3 ("Going Concern") in the financial statements which indicates that the group is dependent on the availability of future fund raises in order to provide additional working capital, if the group's sales pipeline does not materialize.

Note 3 in the financial statements, which highlight that management believe that their forecasts show that future sales should enable them to significantly improve working capital also details that management note that if these sales do not materialize, they intend to seek approval at the Annual General Meeting to issue new Ordinary Shares in order to provide working capital. If this motion is unsuccessful, and further noted within note 3, the Group notes the potential mitigating actions which can be taken to safeguard the Group's cash position. These include working capital controls and reductions in discretionary spending and having a cost cutting plan such as cost deferral, scaling back activities and further cost cutting exercises.

These events or conditions, along with further information as set forth in note 3 of the financial statements indicate the existence of a material uncertainty which may cast significant doubt over the Group and Parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

We identified going concern as a key audit matter based on our assessment of the significance of the risk and effect on our audit strategy.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors assessment of the Group and the Parent Company's ability to continue to adopt the following going concern basis of accounting and our audit procedures in response to this key audit matter included the following:

- we compared recent sales information to the Directors' forecast to assess the reasonableness of price and volume assumptions, and we compared forecast operating costs to current run rates.
- detailed review of management's forecasts and cash flow analysis, and their going concern assessment;
- assessment of the reliability of forecasts to date by agreeing historical actuals to budgets, and challenging the current forecasts;
- tested the clerical accuracy of management's forecast;
- challenged management's forecast assumptions, and inputs including reviewing the forecast revenue and corroborated the assumptions over the conversion of new contracts and the levels of costs that are forecast.
- we reviewed the latest management accounts to gauge the financial position;
- we performed sensitivity analysis on the cash flow forecasts prepared by the directors;
- considered the Group's historic ability to raise funds; and
- considered the appropriateness of the Company's disclosures in relation to going concern in the financial statements.

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, 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, along with our assessment of the use of the going concern basis of preparation noted in the "material uncertainty relating to going concern" section of our report, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the material uncertainty in relation to going concern section above, we have determined the matters described below to be the key audit matters to be communicated in our report. This is not a complete list of all risks identified by our audit.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>Impairment of development costs

The Group acquired the exclusive rights to a suite of Emulsion Technologies, from Technologies & Systems, developed over 25 years, for a consideration of £10,000,000 in cash, to be paid at the rate of £1,000,000 per year for 10 years, subject to terms and conditions. In a subsequent agreement dated 18th October 2013, the outstanding consideration was satisfied by the placement of shares at value of £1.50 each and the Company (Group) assumed unencumbered ownership of the Emulsification Technologies. Consequently, the group carried intangible assets of £6,679,545 (2024: £7,079,545) at the year-end relating to intellectual property and development costs.

The risk is that the useful economic life of the intangible assets may be different to the management assumptions or technological advancements may render its market value below its carrying value.

Earnings per share (EPS) which is considered by management to be a key metric and is included as a KPI in the strategic report, is directly impacted by the amount of impairment to the capitalised cost.</td><td>We have performed the following audit procedures:

• confirmed existence of the intangibles at year end by reviewing the underlying patent information document
• performed a recalculation of amortisation charge for year;
• reviewed the group policy to ensure that amortisation was correctly calculated, policy adopted was in accordance with IFRS and appropriate for the type of asset;
• reviewed the latest management accounts to assess post year end cashflows due to the technology and licenses held;
• reviewed cash flow forecasts for the foreseeable future to assess the potential future economic benefit from ownership of the intangible assets; and
• reviewed the net present value of future cashflows arising from the future revenue generating activities.

Based on the audit work performed we are satisfied, that although there are inherent uncertainties associated with the forecast and estimation of useful economic life of intangible assets, the directors have made reasonable assumptions about the valuation and useful economic life of intangible assets. We are also satisfied that all necessary disclosures have been made in the consolidated financial statements.</td></tr>
<tr><td>Recoverability of amounts due from subsidiaries

The parent company had amounts owed by subsidiary undertakings of £412,698 (2024: £575,752) at the year end.

Management's assessment of the recoverable amounts from loans to subsidiary requires estimation and judgement around assumptions used, including the cash flows to be generated from continuing operations. Changes to assumptions could lead to material changes in the estimated recoverable amount, impacting the amounts recoverable from the subsidiary and resulting impairment charges.

The directors have assessed the recoverability of intercompany balances and have concluded that they are recoverable.</td><td>We have performed the following audit procedures:

• reviewed management's assessment of future operating cashflows and indicators of impairment;
• assessed the methodology used by management to estimate the future profitability of the group and fair value of the loans to ensure that the method used is appropriate;
• confirmed that any adverse changes in key assumptions would not materially increase the impairment loss;
• challenged cash inflows from revenue generating activities and the key assumptions applied in arriving at the expected revenues for the foreseeable future;
• assessed the appropriateness and applicability of discount rate applied to the current business performance;
• assessed the reasonability of cash outflows, including contracted costs, research expenditure and expected capital expenditure; and
• reviewed the latest management accounts for all entities in the group to confirm reasonability of assumption used in the cashflow forecast.

Based on the audit work performed we are satisfied that the management have made reasonable assumptions in arriving at the value of the companies in the group based on net present value of future cashflow and the amounts are disclosed in accordance with the reporting framework, and that this supports the conclusion that impairment loss relating to receivable from Sulnox Research and Development Limited should be recognised in the parent company's financial statements.</td></tr>
</table>

Our application of materiality

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 in aggregate on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

	Group Financial Statements	Company Financial Statements
Overall materiality	£207,000 (2024: £86,000).	£92,000 (2024: £85,000).
How we determined it	Based on 5% of net loss (2024: based on 5% of net loss).	Based on 1% of gross assets (2024: based on 1% of Gross assets capped in reference to group materiality).
Rationale for benchmark applied	We believe that net loss is the primary measure used by shareholders in assessing the financial position of the group and is a generally accepted auditing benchmark.	We believe that gross assets are a primary measure used by shareholders in assessing the financial position of the company and is a generally accepted auditing benchmark.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components is ranged from £12,000 to £92,000.

We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Performance materiality has been set at 65% of overall materiality. We determined performance materiality with reference to factors such as our understanding of the Group and its complexity, the quality of the control environment and ability to rely on control and the low level of uncorrected misstatements in the prior year audit.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit for the Group above £10,350 (2024: £4,300) and for the Company above £4,600 (2024: £4,250) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

The Group financial statements are a consolidation of three reporting units, comprising the Group's operating businesses and parent company.

We performed audits of the complete financial information for Sulnox Group Plc, Sulnox Limited and Sulnox Research & Development Limited, reporting units, which were individually financially significant and accounted for over 100% of the Group's revenue and 100% of the Group's absolute loss before tax (i.e. the sum of the numerical values without regard to whether they were profits or losses for the relevant reporting units).

The Group engagement team performed all audit procedures.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 35, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

The objectives of our audit, in respect to fraud are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience of the entity’s activities. .
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including Companies Act 2006, taxation legislation, data protection, employment and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing legal expenditure; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company’s financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims
- reviewing correspondence with HMRC and the company's legal advisor.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify noncompliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditors/audit-assurance-ethics/auditors-responsibilities-for-the-audit

This description forms part of our auditor's report.

Use of our report

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

Jan Charlesworth (Senior Statutory Auditor)
For and on behalf of Gravita Audit II Limited, Statutory Auditor

Aldgate Tower
2 Leman Street,
London. E1 8FA.

5 September 2025

Consolidated Statement of Comprehensive Income
For the year ended 31 March 2025

	Note	2025 £	2024 £
Turnover	**4**	**1,121,075**	544,120
Cost of sales		**(876,279)**	(373,651)
Gross profit		**244,796**	170,469
Share value transfer	**6**	**(916,655)**	-
Administrative expenses		**(3,576,481)**	(2,052,948)
Operating loss	**5**	**(4,248,340)**	(1,882,479)
Interest receivable and similar income	**9**	**46,109**	25,878
Interest payable and similar expenses	**9**	**(3,084)**	(3,098)
Loss before taxation		**(4,205,314)**	(1,859,699)
Tax on loss	**10**	**-**	-
Loss for the financial year and total comprehensive loss		**(4,205,315)**	(1,859,699)
All the activities of the group are from continuing operations.			
Loss per share (in pence)	**11**		
Basic		(3.34 pence)	(1.66 pence)
Diluted		(3.34 pence)	(1.66 pence)

Consolidated Statement of Financial Position
As at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	12	6,679,545	7,079,545
Tangible assets	13	34,374	42,995
		6,713,919	7,122,540
Current assets			
Stocks	15	452,178	171,103
Debtors	16	395,332	229,263
Cash at bank and in hand		2,193,725	2,146,718
		3,041,235	2,547,084
Creditors: amounts falling due within one year	17	(848,835)	(425,722)
Net current assets		2,192,400	2,121,362
Total assets less current liabilities		8,906,319	9,243,902
Net assets		8,906,319	9,243,902
Capital and reserves			
Called up share capital	19	2,562,542	2,426,936
Share premium account	20	19,901,916	16,717,035
Share option reserve	21	934,906	387,662
Profit and loss account	20	(14,493,045)	(10,287,731)
Shareholders' funds		8,906,319	9,243,902

These financial statements were approved by the board of directors and authorised for issue on 5 September 2025, and are signed on behalf of the board by:

Radu Florescu
Director
Company registration number: 08449586

Company Statement of Financial Position
As at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	**12**	**6,679,545**	7,079,545
Tangible assets	**13**	**4,003**	2,501
Investments	**14**	**2**	2
		6,683,550	7,082,048
Current assets			
Debtors	**16**	**498,654**	636,024
Cash at bank and in hand		**2,065,954**	2,119,384
		2,564,608	2,755,408
Creditors: amounts falling due within one year	**17**	**(328,844)**	(189,312)
Net current assets		**2,235,764**	2,566,096
Total assets less current liabilities		**8,919,314**	9,648,144
Net assets		**8,919,314**	9,648,144
Capital and reserves			
Called up share capital	**19**	**2,562,542**	2,426,936
Share premium account	**20**	**19,901,916**	16,717,035
Share option reserve	**20**	**934,906**	387,662
Profit and loss account		**(14,480,050)**	(9,883,489)
Shareholders' funds		**8,919,314**	9,648,144

The loss for the financial year of the parent company was £4,596,560 (2024: £2,880,950).

These financial statements were approved by the board of directors and authorised for issue on 5 September 2025 and are signed on behalf of the board by:

Radu Florescu
Director
Company registration number: 08449586

Consolidated Statement of Changes in Equity
For the year ended 31 March 2025

	Called up share capital	Share premium account	Share option reserve	Profit and loss account	Total
	£	£	£	£	**£**
At 1 April 2023	2,018,831	13,911,991	588,959	(8,735,471)	**7,784,310**
Loss for the year	-	-	-	(1,859,699)	**(1,859,699)**
Total comprehensive loss for the year	-	-	-	(1,859,699)	**(1,859,699)**
Issue of shares	408,105	2,805,044	-	-	**3,213,149**
Share based payment expense (credit)/expense	-	-	(201,297)	307,439	**106,142**
Total investments by and distributions to owners	408,105	2,805,044	(201,297)	307,439	**3,319,291**
At 31 March 2024	2,426,936	16,717,035	387,662	(10,287,731)	**9,243,902**
Loss for the year	-	-	-	(4,205,315)	**(4,205,315)**
Total comprehensive loss for the year	-	-	-	(4,205,315)	**(4,205,315)**
Issue of shares	135,606	3,122,825	-	-	**3,258,431**
Share based payment expense (credit)/expense	-	-	609,300	-	**609,300**
Total investments by and distributions to owners	135,606	3,122,825	609,300	(4,205,315)	**(337,584)**
At 31 March 2025	2,562,542	19,839,860	996,962	(14,493,045)	**8,906,319**

Company Statement of Changes in Equity
For the year ended 31 March 2025

	Called up share capital	Share premium account	Share option reserve	Profit and loss account	Total
	£	£	£	£	£
At 1 April 2023	2,018,831	13,911,992	588,959	(7,309,979)	9,209,803
Loss for the year	-	-	-	(2,880,950)	(2,880,950)
Total comprehensive loss for the year	-	-	-	(2,880,950)	(2,880,950)
Issue of shares	408,105	2,805,043	-	-	3,213,148
Share based payment expense (credit)/expense	-	-	(201,297)	307,439	106,142
Total investments by and distributions to owners	408,105	2,805,043	201,297	307,439	3,319,290
At 31 March 2024	2,426,936	16,717,035	387,662	(9,883,489)	**9,648,144**
Loss for the year	-	-	-	(4,596,560)	**(4,596,560)**
Total comprehensive loss for the year	-	-	-	(4,596,560)	**(4,596,560)**
Issue of shares	135,606	3,122,825	-	-	**3,258,431**
Share based payment expense (credit)/expense	-	-	609,300	-	**609,300**
Total investments by and distributions to owners	135,606	3,122,825	609,300	(4,596,560)	**(728,829)**
At 31 March 2025	2,562,542	19,839,860	996,962	(14,480,050)	**8,919,314**

Consolidated Statement of Cash Flows
For the year ended 31 March 2025

	2025	2024
	£	£
Cash flows from operating activities		
Loss for the financial year	**(4,205,315)**	(1,859,699)
Adjustments for:		
Depreciation of tangible assets	**10,916**	4,358
Amortisation of intangible assets	**400,000**	400,000
Interest payable	**3,084**	3,098
Interest receivable	**(46,109)**	(25,878)
Share value transfer	**916,655**	-
Equity-settled share-based payments	**609,300**	106,142
Changes in:		
Stocks	**(281,075)**	(92,031)
Trade and other debtors	**(166,069)**	(181,669)
Trade and other creditors	**423,113**	65,039
Cash flow from operations	**(2,335,500)**	(1,580,640)
Interest paid	**(3,088)**	(3,098)
Interest received	**46,109**	25,878
Net cash used in operating activities	**(2,292,475)**	(1,557,860)
Cash flows from investing activities		
Purchase of tangible assets	**(2,294)**	(31,439)
Net cash used in investing activities	**(2,294)**	(31,439)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	**2,341,776**	3,213,149
Net cash from financing activities	**2,341,776**	3,213,149
Net increase/(decrease) in cash and cash equivalents	**47,007**	1,623,850
Cash and cash equivalents at beginning of year	**2,146,718**	522,868
Cash and cash equivalents at end of year	**2,193,725**	2,146,718

Company Statement of Cash Flows
For the year ended 31 March 2025

	2025	2024
	£	£
Cash flows from operating activities		
Loss for the financial year	**(4,596,560)**	(2,880,950)
Adjustments for:		
Depreciation of tangible assets	**792**	211
Amortisation of intangible assets	**400,000**	400,000
Interest payable	**3,084**	3,098
Interest receivable	**(46,109)**	(25,878)
Share value transfer	**916,655**	-
Equity-settled share-based payments	**609,300**	106,142
Changes in:		
Trade and other debtors	**137,370**	424,150
Trade and other creditors	**139,532**	(66,193)
Cash flow from operations	**(2,435,937)**	(1,631,270)
Interest paid	**(3,084)**	(3,098)
Tax received	**46,109**	25,878
Net cash used in operating activities	**(2,392,912)**	(1,608,490)
Cash flows from investing activities		
Purchase of tangible assets	**(2,294)**	(2,270)
Net cash used in investing activities	**(2,294)**	(2,270)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	**2,341,776**	3,213,149
Net cash from financing activities	**2,341,776**	3,213,149
Net increase/(decrease) in cash and cash equivalents	**(53,340)**	1,602,389
Cash and cash equivalents at beginning of year	**2,119,384**	516,995
Cash and cash equivalents at end of year	**2,065,954**	2,119,384

Notes to the Financial Statements

1. General information

Sulnox Group PLC is a public Company limited by shares, domiciled and incorporated in England and Wales. The registered office is 10-12 Orange Street, London, UK, WC2H 7DQ. The Group currently operates under a full working from home policy and therefore there is no formal trading address. The Group's principal activities and nature of its operations are disclosed in the strategic report and the Directors report.

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The Parent Company financial statements present information about the Company as a separate entity and not about its Group.

The Group consists of Sulnox Group PLC and its subsidiaries:

- Sulnox Research and Development Limited
- Sulnox Limited

2. Statement of compliance

The financial statements have been prepared in accordance with UK adopted international accounting standards (IFRS) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The financial statements are prepared in sterling, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

3. Accounting policies

Basis of preparation
The consolidated Group financial statements consist of the financial statements of the parent Company Sulnox Group PLC together with all entities controlled by the parent Company (its subsidiaries).

All financial statements are made up to 31 March 2025. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

All intra-group transactions, balances and unrealised gains on transactions between Group Companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Change in Subsidiary Ownership and Loss of Control

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Where the Group loses control of a subsidiary, the assets and liabilities are derecognised along with any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Parent Company Income Statement

The Parent Company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual Income Statement.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Going concern

The financial statements have been prepared on the going concern basis, which assumes the company will continue to be able to meet its liabilities as they fall due for the foreseeable future.

As at 31 March 2025, the Company and the Group had a cash balance of £2,065,954 and £2,193,725 respectively.

As the Group sales pipeline continues to strengthen, with significant evaluations underway, many of which have converted to repeat sales, it is expected that sales will continue to grow with pace, which will contribute significantly to our working capital.

While the Directors are confident in the conversion of the sales pipeline, until material sales are confirmed, risk to cashflow remains. In order to mitigate some of this risk, a motion will be proposed at the Annual General Meeting scheduled for 26 September 2025 to approve the issuance of new ordinary shares, aimed at providing additional working capital if needed. Should the motion be unsuccessful, the Directors have plans to manage working capital by reducing discretionary spending and implementing a cost reduction strategy. This includes deferring costs, scaling back activities, and undertaking further cost reduction measures.

However, due to the uncertainties described above, the Board considers this risk to pose an uncertainty in respect of future cash flows in the Company and the Group, which may cast significant doubt about the Group's, and in turn the Company's, ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company and Group was unable to continue as a going concern.

New standards, amendments and interpretations

New and amended IFRS Standards that are effective for the current year:
During the current year, the Company adopted all new and revised standards and interpretations issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee and that are endorsed by the UK that are effective for annual accounting periods beginning on or after 1 January 2023. None of them had a material impact on the financial statements. the financial statements.

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

- Definition of Accounting Estimates (Amendments to IAS 8)

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

- Deferred Tax Relating to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

IAS 12 specifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions.

New and revised IFRS Standards in issue but not yet effective:
The following relevant IFRSs and amendments have been issued by the IASB but are not effective until a future period.

- IAS 1 Presentation of Financial Statements (Amendments to Classification of Liabilities as Current or Non-current) (Effective from the year ending 31 March 2025)

The amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.

- IAS 1 Presentation of Financial Statements (Amendment to Non-current liabilities with covenants). (Effective from the year ending 31 March 2025)

The amendments improved the information an entity provides when its right to defer settlement of a liability for at least 12 months is subject to compliance with covenants.

- On 9 April 2024 the IASB issued IFRS 18 'Presentation and Disclosure in Financial Statements', which is expected to be effective for Manolete for the year ending 31 March 2028, subject to UK endorsement.

IFRS 18 sets out requirements for the presentation and disclosure of information in general purpose financial statements and replaces IAS 1 'Presentation of Financial Statements'.

The Board are currently assessing the impact of these new amendments on the company's financial reporting for future periods. However, the board does not expect any of the above to have a material impact on future results.

Cash and cash equivalents
Cash and cash equivalents include cash in hand and deposits held at call with banks.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stocks or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Foreign exchange
Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

Revenue recognition
Revenue for the sale of products is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue at the point in time when it transfers control of a product to a customer.

The group recognises revenue from the following major sources:
- Sale of stock
- Sale of emissions monitoring equipment

The nature, timing of satisfaction of performance obligations and significant payment terms of the Group's major sources of revenue are as follows:

Sale of stock
Sale of stock represents the sale of units of either BEROL 6446 or SulnoxEco Conditioner. Performance obligations are met when the customer receives the product. The terms of payment are upon receipt of the goods or within 30 days of date of invoice.

Sale of emissions monitoring equipment
Sale of emissions monitoring equipment represents the sale of equipment purchased from a supplier and onwards sold to customers to effectively monitor the reduction of emissions following the application of our products. Performance obligations are met when the customer receives the equipment.

Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Intangible assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis. The Group does not have any intangible assets with indefinite lives.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Development cost - 4% straight line
Patents, trademarks, & licenses - 25% straight line

Tangible assets

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the income statement.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery - 25% reducing balance
Computer Equipment - 25% reducing balance

Investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the Parent Company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of tangible and intangible assets fixed assets
At each reporting end 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, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset 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 (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments

Financial assets

Financial assets are recognised in the Group's statement of financial position when the Group becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

Financial assets at fair value through profit or loss

The fair values of other financial assets at FVTPL are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (e.g. debtors). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

In determining whether financial assets are impaired the Group considers the following:

- significant financial difficulty of the counterparty
- default or delinquency in interest or principal payments
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments or observable changes in national to local economic conditions that correlate with default on receivables.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities
The Group recognises financial debt when the Group becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Financial liabilities at fair value through profit or loss
Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that are managed together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

Other financial liabilities
Other financial liabilities, including borrowings, creditors and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the Group's obligations are discharged, cancelled, or they expire.

Equity instruments
Equity instruments issued by the Parent Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer payable at the discretion of the Company.

Defined contribution plans
Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using both the Black-Scholes and Monte Carlo model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification.

Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

In the case of options granted, fair value is measured by both the Black-Scholes and Monte Carlo pricing models.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Impairment of intangible assets

Management have considered various indicators that may suggest that the carrying amount of the intangible assets, may be impaired. The recoverable amount of the intangible asset has been determined to be the value in use based on the cash flows generated from the continuing operations of the entity. In performing this assessment, management has applied the following assumptions and estimates:

- cash flows have been projected over a period of five years from 31 March 2025, which management considers appropriate due to the long-term nature of the target market and related returns;

- cash projections reflect the following key assumptions:
    - development of key sales pillars, both by industry and geographically, for expansion within B2B markets;
    - revenues in the short to medium term are based upon recurring sales, evaluations that are currently underway, high probability pipeline of potential clients, evaluations proposed and orders placed;
    - cash outflows, including costs such as staff costs, product evaluations, marketing, public relations and legal and compliance are expected to grow in the short to medium term as the business expands, but remain flexible for management to curtail, should it be required.

- Cash flow projections are most sensitive to the assumptions regarding:
    - total revenue from various resources, mainly the Distribution network;
    - fluctuations in gross margins; and
    - changes in discount rates.

At 31 March 2025, there is limited headroom in respect of the carrying value of the intangible assets. Should any of the future events and cash flow assumptions upon which management has based its value in use calculation not occur or change adversely, an impairment of the intangible assets may be necessary.

Useful Economic Life of the asset

Intangible assets are depreciated on a straight-line basis over their useful economic lives. This requires the estimation of how long these assets will be in use by the business before they are either disposed of, and if necessary, required to be replaced. The appropriateness of assets' useful economic lives and any changes could affect prospective amortization rates and asset carrying values are reviewed at least annually.

Share based payments

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes or Monte Carlo model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. The judgments made and the model used are further specified in note 20.

4. Turnover

Turnover arises from:	2025	2024
	£	£
Sales of goods	**1,121,075**	544,120

Revenue analysed by geographical market:	2025	2024
	£	£
United Kingdom	**218,088**	114,091
Rest of World	**902,987**	430,029

The whole of the turnover is attributable to the principal activity of the group.

During the year, three customers each generated revenue of 10% or more of the Group's total revenue. The total revenues from these customers were £792,117. These revenues were all reported under the Group's single operating segment, Sulnox Limited

5. Operation loss

Operating loss is stated after charging:	2025	2024
	£	£
Amortisation of intangible assets	**400,00**	400,00
Depreciation of tangible assets	**10,916**	4,358
Foreign exchange differences	**34,089**	7,432
Auditor's remuneration	**58,500**	48,000
Share based payment expense	**609,300**	106,142

6. Share value transfer

As part of the Subscription Agreement dated 10 January 2025 with EPS Ventures Pte Ltd ("EPSV"), the Company allotted 935,362 new ordinary shares of £0.02 each to EPSV on 22 July 2025. Under the terms of the agreement, the number of shares to be issued in each tranche is determined by the volume of SulnoxEco™ product purchased and paid for by Eastern Pacific Shipping Pte Ltd ("EPS") during the relevant period. EPSV became entitled to this tranche of shares based on qualifying product purchase volumes as at 31 March 2025; however, in accordance with the contractual timetable, the actual subscription and issue took place on the July 2025 Completion Date.
The shares were issued fully paid at the agreed subscription price of £0.02 per share.

7. Staff Costs

	2025	2024
	No.	No.
The average number of persons employed by the group during the year, including the directors, amounted to:	**9**	5

	2025	2024
	£	£
The aggregate payroll costs incurred during the year were:		
Wages and salaries	**866,098**	450,636
Social security costs	**90,979**	39,169
Other pension costs	**28,683**	19,928
Share based payment expense	**609,300**	106,142
Total:	**1,595,060**	615,875
The total payroll costs incurred for key management personnel is as follows:		
Wages and salaries	**586,417**	379,831
Social security cost	**54,311**	34,245
Other pension costs	**15,817**	11,150
Share based payment expense	**477,422**	14,942
Total:	**1,133,967**	440,168

8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2025	2024
Remuneration	**151,000**	109,831
Company contributions to defined contribution pension plans	**1,400**	350
Share based payment expense	**269,816**	4,377
Total:	**422,216**	114,558

In the year, there were four (2024: four) directors employed.

The Company had a defined contribution pension scheme in place during the period, with only one Director being a member.

The highest paid director's remuneration amounted to **£156,028 (2024: £43,515).**

9. Interest

	2025	2024
	£	£
Other interest payable and similar charges	**3,084**	3,098
Interest receivable and similar income	**46,109**	25,878

10. Tax on loss

Major components of tax income

	2025	2024
Current tax:		
UK current tax income	**-**	-
Adjustments in respect of prior periods	**-**	-
Total current tax	**-**	-
Tax on loss	**-**	-

The group has unused tax losses of £10,278,019 (2024: £8,039,972). A deferred tax asset has not been recognised in respect of these losses because it is not yet probable that the losses will be utilised in future periods. Therefore, the company has an unrecognised deferred tax asset of £2,569,505 (2024: £2,009,993).

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 25% (2024: 25%).

	2025	2024
	£	£
Loss on ordinary activities before taxation	**(4,205,315)**	(1,859,699)
Loss on ordinary activities by rate of tax	**(1,051,329)**	(464,925)
Effect of expenses not deductible for tax purposes	**389,661**	(28,875)
Effect of capital allowances and depreciation	**102,155**	93,230
Unused tax losses	**559,513**	342,785
Tax on loss	**-**	-

11. Loss per share

	2025	2024
	£	£
Number of shares		
Weighted average number of ordinary shares for basic loss per share	123,199,505	112,130,696
Loss (attributable to equity shareholders of the company)		
Continuing operations		
Loss for the period from continued operations	(4,205,315)	(1,859,699)
Loss per share for continuing operations		
Basic and diluted loss per share	(3.34 pence)	(1.66 pence)
Basic and diluted loss per share		
From continuing operations	(3.34 pence)	(1.66 pence)

The loss attributable to equity holders (holders of ordinary shares) of the Company for the purpose of calculating the fully diluted loss per share is identical to that used for calculating the loss per share. The exercise of share options would have the effect of reducing the loss per share and is therefore anti-dilutive under the terms of IAS33 'Earnings per Share'.

12. Intangible assets

	Development costs	Patents, trademarks and licenses	Intangible asset	Total
	£	£	£	£
Cost				
At 1 April 2024 and 31 March 2025	10,000,000	2,185	45,984	**10,048,169**
Amortisation				
At 1 April 2024	2,920,455	2,185	45,984	**2,968,624**
Charge for the year	400,000	-	-	**400,000**
At 31 March 2025	3,320,455	2,185	45,984	**3,368,624**
Carrying amount				
At 31 March 2025	6,679,545	-	-	**6,679,545**
At 31 March 2024	7,079,545	-	-	**7,079,545**

	Development costs	Patents, trademarks and licenses	Intangible asset	Total
	£	£	£	**£**
Cost				
At 1 April 2023 and 31 March 2024	10,000,000	2,185	45,984	**10,048,169**
Amortisation				
At 1 April 2023	2,520,455	2,185	45,984	**2,568,624**
Charge for the year	400,000	-	-	**400,000**
At 31 March 2024	2,920,455	2,185	45,984	**2,968,624**
Carrying amount				
At 31 March 2024	7,079,545	-	-	**7,079,545**
At 31 March 2023	7,479,545	-	-	**7,479,545**

	Development costs
	£
Cost	
At 1 April 2024 and 31 March 2025	**10,000,000**
Amortisation	
At 1 April 2024	2,920,455
Charge for the year	400,000
At 31 March 2025	**3,320,455**
Carrying amount	
At 31 March 2025	**6,679,545**
At 31 March 2024	7,079,545

	Development costs
	£
Cost	
At 1 April 2023 and 31 March 2024	**10,000,000**
Amortisation	
At 1 April 2023	2,520,455
Charge for the year	400,000
At 31 March 2024	**2,920,455**
Carrying amount	
At 31 March 2024	**7,079,545**
At 31 March 2023	7,479,545

Previously, the Company (and therefore Group) acquired from Technologies & Systems, the exclusive rights to a suite of Emulsion Technologies developed over the previous 25 years, for a consideration of £10,000,000 in cash, to be paid at the rate of £1,000,000 per year for 10 years, subject to terms and conditions.

In a subsequent agreement dated 18th October 2013, the outstanding consideration was satisfied by the placement of shares at value of £1.50 each and the Company (Group) assumed unencumbered ownership of the Emulsification Technologies.

13. Tangible assets

Group	Plant and machinery	Computer equipment	Total
	£	£	**£**
Cost			
At 1 April 2024	48,778	11,314	**60,092**
Additions	-	2,294	**2,294**
At 31 March 2025	48,778	13,608	**62,386**
Depreciation			
At 1 April 2024	9,772	7,325	**17,097**
Charge for the year	9,752	1,164	**10,916**
At 31 March 2025	19,524	8,489	**28,013**
Carrying amount			
At 31 March 2025	29,254	5,119	**34,374**
At 31 March 2024	39,006	3,989	**42,995**

Group	Plant and machinery	Computer equipment	Total
	£	£	**£**
Cost			
At 1 April 2023	19,608	9,045	**28,653**
Additions	29,170	2,269	**31,439**
At 31 March 2024	48,778	11,314	**60,092**
Depreciation			
At 1 April 2023	6,121	6,618	**12,739**
Charge for the year	3,651	707	**4,358**
At 31 March 2024	9,772	7,325	**17,097**
Carrying amount			
At 31 March 2024	39,006	3,989	**42,995**
At 31 March 2023	13,487	2,427	**15,914**

Company	Computer Equipment	Total
	£	£
Cost		
At 1 April 2024	2,977	**2,977**
Additions	2,294	**2,294**
At 31 March 2025	5,271	**5,271**
Depreciation		
At 1 April 2024	476	**476**
Charge for the year	792	**792**
At 31 March 2025	1,268	**1,268**
Carrying amount		
At 31 March 2025	4,003	**4,003**
At 31 March 2024	2,501	**2,501**

Company	Computer Equipment	Total
	£	£
Cost		
At 1 April 2023	707	**707**
Additions	2,270	**2,270**
At 31 March 2024	2,977	**2,977**
Depreciation		
At 1 April 2023	265	**265**
Charge for the year	211	**211**
At 31 March 2024	476	**476**
Carrying amount		
At 31 March 2024	2,501	**2,501**
At 31 March 2023	442	**442**

14. Investments

The group has no investments.

Company	Shares in group undertakings
	£
Cost	
At 1 April 2024 and 31 March 2025	**408,150**
Impairment	
At 1 April 2024 and 31 March 2025	408,148
Carrying amount	
At 31 March 2025	**2**
At 31 March 2024	2

Company	Shares in group undertakings
	£
Cost	
At 1 April 2023 and 31 March 2024	**408,150**
Impairment	
At 1 April 2023	-
Impairment charged	408,148
At 31 March 2024	408,148
Carrying amount	
At 31 March 2024	**2**
At 31 March 2023	408,150

The company has impaired the investment in Sulnox Research & Development Limited. This decision is based on the fact that the subsidiary does not generate any third-party income and is unlikely to do so in the future. Any potential income will be derived solely from intercompany transactions.

Subsidiaries, Associates and Other Investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
Subsidiary Undertakings		
Sulnox Research & Development Limited	Ordinary	100
Sulnox Limited	Ordinary	100

Details of the Company's subsidiaries at 31 March 2025 are as follows:

Sulnox Limited registered office address is 10 Orange Street, Haymarket, London, WC2H 7DQ. Their principal activity is fuel emulsifier products. Sulnox Group Plc holds ordinary shares which hold 100% voting rights.

Sulnox Research and Development Limited registered office address is 10 Orange Street, Haymarket, London, WC2H 7DQ. Their principal activity is fuel emulsifier products. Sulnox Group Plc holds ordinary shares which hold 100% voting rights.

15. Stocks

	Group		Company	
	2025 £	2024 £	**2025 £**	2024 £
Raw materials and consumables	**452,178**	171,103	**-**	-

The cost of stocks recognised as an expense in the period was **£585,842 (2024: £164,316).**

16. Debtors

	Group		Company	
	2025 £	2024 £	**2025 £**	2024 £
Trade debtors	**253,014**	168,990	**-**	-
Amounts owed by group undertakings	**-**	-	**412,698**	575,751
Prepayments and accrued income	**22,314**	15,218	**22,314**	15,218
Other debtors	**120,004**	45,055	**63,642**	45,055
Total:	**395,332**	229,263	**498,654**	636,024

17. Creditors: amounts falling due within one year

	Group		Company	
	2025 £	2024 £	**2025 £**	2024 £
Trade creditors	**560,721**	258,746	**102,439**	84,187
Accruals and deferred income	**206,807**	141,888	**145,098**	88,934
Social security and other taxes	**79,157**	16,191	**79,157**	16,191
Other creditors	**2,150**	8,897	**2,150**	-
Total:	**848,835**	425,722	**328,844**	189,312

18. Employee benefits

Defined contribution plans
The amount recognised in profit or loss as an expense in relation to defined contribution plans was **£28,683 (2024: £19,928).**

19. Called up share capital

Issued, called up and fully paid

	2025		2024	
	No.	**£**	No.	£
Ordinary shares of £0.02 each	**128,127,101**	**2,562,542**	121,346,819	2,426,936

Reconciliation of movements during the year:

	Number
At 1 April 2024	121,346,819
Issue of fully paid shares	6,780,282
As 31 March 2025	128,127,101

Throughout the year, the company issued 6,780,282 ordinary shares as follows:

- 5,549,590 ordinary shares by way of subscription;
- 295,330 ordinary shares as consideration for consulting services;
- 935,362 ordinary shares due to the EPS share transfer.

20. Reserves

Share premium account Group and company	2025	2024
	£	£
At the beginning of the year	**16,717,035**	13,911,991
Issue of new shares	**3,248,356**	2,974,692
Share issue expenses	**(125,531)**	(169,648)
At the end of the year	**19,839,860**	16,717,035

Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account

This reserve records retained earnings and accumulated losses.

21. Share based payment transactions – Group and company

The Group has an equity settled share based payment plan for certain consultants, employees and directors.

The table below summarises the options granted and exercised during the year.

	Number of Share Options		Weighted Average Exercise Price	
	2025	2024	**2025 £**	2024 £
Outstanding at 1 April 2024	**5,566,666**	4,549,999	**0.40**	0.28
Forfeited in the period	**(100,000)**	-	**0.36**	-
Granted in the period	**2,800,000**	6,181,967	**0.48**	0.22
Exercised in the period	**(516,666)**	(5,165,300)	**0.36**	0.08
Outstanding at 31 March 2025	**7,750,000**	5,566,666	**0.43**	0.40
Exercisable at 31 March 2025	**7,458,333**	2,900,000	**0.43**	0.44

The options outstanding at 31 March 2025 had a weighted average exercise price of £0.43 per share and a weighted average remaining contractual life of 8.87 years.

The weighted average fair value of the options granted on the measurement date was £0.19. The weighted average fair values of the options on the measurement date was £996,962 (2024: £387,662). Fair value was measured using the Black-Scholes option pricing model for options which vested immediately upon grant, and the Monte Carlo option pricing model for options with vesting conditions attached.

Inputs were as follows for the Black Scholes model:

	2025	2024
Weighted average share price	**0.66**	0.19
Weighted average exercise price	**0.49**	0.40
Expected life	**7.00**	8.82
Annualised volatility rate	**51%**	52%
Risk free rate	**4.06%**	3.87%

Inputs were as follows for the Monte Carlo model:

	2025	2024
Weighted average share price	**0.66**	0.19
Weighted average exercise price	**0.37**	0.36
Expected life	**10.0**	9.80
Annualised volatility rate	**51%**	52%
Risk free rate	**3.95%**	3.87%

The share-based payment expense for the year was **£609,300 (2024: £106,142).**

22. Analysis of changes in net debt

	At 1 Apr 2024	Cash flows	At 31 Mar 2025
	£	£	**£**
Group			
Cash at bank and in hand	2,146,718	47,007	**2,193,725**
	2,146,718	47,007	**2,193,725**
Company			
Cash at bank and in hand	2,119,384	(53,430)	**2,065,954**
	2,119,384	(53,430)	**2,065,954**

23. Related party transactions

During the year, the company paid £27,143 (2024: £11,342) in fees to companies which Radu Florescu was a Director and shareholder of, for IT support services.

During the year, the company paid £175,283 (2024: £134,500) to entities controlled by Constantine Logothetis, a significant shareholder, in respect to consulting.

Marfin Management SAM, a company which Alexandre Albertini is a shareholder of, purchased product in the value of £20,431 (2024: £25,729).

At the year end, there was an amount of £nil (2024: £5,000) owed to key management personnel for business travel expenses.

24. Controlling party

In the opinion of the directors there is no ultimate controlling party by virtue of a majority shareholding.

25. Trade receivables - credit risk

Fair value of trade receivables
The Directors consider that the carrying amount of trade and other receivables for both the Group and Company, is approximately equal to their fair value.

No significant receivable balances are impaired at the reporting end date. Given the nature of the Group's customers and history of minimal default, no expected credit loss has been recognised at 31 March 2025 and 31 March 2024

26. Liquidity risk

The Group seeks to manage financial risk by ensuring that sufficient liquidity is available to meet foreseeable needs.

27. Fair value of financial liabilities - Group and company

As at 31 March 2025 and 31 March 2024, the Group's financial liabilities were primarily trade and other payables with contractual maturities of less than 12 months. The Group had no borrowings or non-current financial liabilities at the reporting date.

The Directors consider that the carrying amounts of financial liabilities carried at amortised cost in the financial statements are approximate to their fair values.

	Note	2025	2024
		£	£
Current financial assets			
At amortised cost - Trade and other receivables	16	373,018	168,990
At amortised cost - Cash and cash equivalents		2,193,725	2,146,718
Total financial assets		2,566,743	2,315,708
Current financial liabilities			
At amortised cost – Trade and other payables	17	636,527	400,364
Total financial liabilities		636,527	400,364

28. Market risk

Market risk management
The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

	Liabilities	
	2025 £	2024 £
Trade Payables	**425,858**	53,357

	Assets	
	2025 £	2024 £
Trade Receivables	**250,761**	152,518

Foreign Exchange Risk Sensitivity Analysis
Whilst the Group takes steps to minimise its exposure to foreign exchange risk, changes in foreign exchange rates will have an impact on profit.

The Group's foreign exchange risk is dependent on the movement in the US Dollar and Euro to Sterling exchange rate. The effect of a 5% strengthening in the US Dollar and Euro against Sterling at the reporting date on the US Dollar and Euro denominated receivables would, all other variables being held constant, have resulted in a decrease in the post-tax losses for the year of £12,538. A 5% weakening in the exchange rate would, on the same basis, have increased post-tax losses by £12,538.

29. Capital commitments

At 31 March 2025 the Group and Company had no capital commitments.

30. Events after the reporting date

On 16 June 2025 the Group announced the issuance of 2,000,000 new ordinary shares of 2p each, raising £1,000,000 from new and existing shareholders.

On 1 September the Board allocated the remaining share authority from the 2024 Annual General Meeting of 11,615,704 ordinary shares to fulfilling the contractual commitment entered into with EPS Ventures Pte Ltd.

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