



# Iofina plc Annual Report & Accounts 2025





# 2025: Record Revenue, Adjusted EBITDA, Iodine Production

## 2024

### Highlights:

- Record Crystalline iodine production of 634MT
- Seventh consecutive year of record revenue.
- IO#10 online in Q3 with seven iodine-producing plants operating
- Construction of IO#11 started in Q4
- Iodine pricing firm
- Iodine derivative sales at Iofina Chemical increased by 31% YoY

## 2025

### Highlights:

- Record production, record revenue, record Adjusted EBITDA
  - Crystalline iodine production: 743MT (17% increase YoY)
  - Revenue: \$66.5m (22% increase YoY)
  - Adjusted EBITDA: \$11.8m (56% increase YoY)
- IO#11 online, third new plant in three years
- New Permian Basin iodine plant construction started
- Realised iodine pricing (100% basis) over \$74/kg
- Transformational iodine production growth plan established

## 2026

### Expectations:

- New, larger Permian Plant delivered on time, within budget and online in Q3
- Permian Basin IOsorb<sup>®</sup> plant producing an annualised rate of 170-220MT
- H1 top-end production guidance range at 385MT
- Successive YoY increase in iodine production, revenue and Adjusted EBITDA
- Total iodine market demand is expected to grow slightly
- Nine IOsorb<sup>®</sup> plants in operation across three core areas
- Additional IOsorb<sup>®</sup> plant under construction
- Continued accelerated iodine production growth plan
- End-of-year crystalline iodine run rate near or exceeding 1000MT across IOsorb<sup>®</sup> plants



IOsorb<sup>®</sup> plant IO#11, Western Oklahoma, USA

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**COMPANY INFORMATION**

Directors	L J Baller T M Becker M T Lewin J F Mermoud M Fallin Christensen T J Hughes
Secretary	Simon Holden
Company number	05393357
Registered office	48 Chancery Lane London WC2A 1JF
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
Nominated Adviser and Broker	Canaccord Genuity Limited 88 Wood Street London EC2V 7QR
Solicitors	Keystone Law Limited 48 Chancery Lane London WC2A 1JF
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Financial PR	Yellow Jersey PR Limited Thanet House 231-232 Strand London WC2R 1DA

## CHAIRMAN'S STATEMENT

### 2025 Highlights

Record year for revenue, EBITDA and production — the Group's strongest financial results in its history.

Key Metrics	2025	2024	Change
Iodine production (metric tonnes)	743 MT	634 MT	+17%
Revenue	\$66.5m	\$54.5m	+22%
Gross profit	\$18.0m	\$13.2m	+36%
Adjusted EBITDA	\$11.8m	\$7.6m	+56%
Adjusted EBITDA margin	18%	14%	+4pts
Profit before tax (excl. subsidies)	\$8.4m	\$4.8m	+75%
Post-tax earnings	\$7.9m	\$2.9m	+172%
Net cash*	\$5.2m	\$2.9m	+\$2.3m
Avg. realised iodine price (per kg)	\$74.02	\$68.65	+8%

\* Excludes lease liabilities

### Introduction

I am pleased to present Iofina's Annual Report and Accounts for the year ended 31 December 2025. This has been a year of meaningful progress across every dimension of the business; operationally, financially, and strategically, with the results reflecting the accumulated effort of the management team that has executed consistently with a clear and disciplined growth plan.

When I reflect on where Iofina stood just a few years ago compared to today, the transformation is considerable. Total crystalline iodine production has grown substantially year after year. Our plant network has expanded from five to eight operating IOsorb® facilities in the past three years, with each being delivered on time and within budget. Our revenue and profitability have risen in step and now, with construction underway on our first plant in a new geographical region outside Oklahoma, our largest to date, in the Permian Basin, the Company is entering a new development phase. I believe 2025 will come to be seen as an important moment in our journey.

Iofina continues its progression setting out to do what no other iodine production company in the world had ever done; extracting iodine from dirty, oily brine water, a by-product from third party oil producers, and turning a waste-managing cost for our partners into sustainable cashflow. Before the end of 2026, Iofina will reach an annualised production rate, with the addition of our newest plant coming online in the third quarter, in the region of 1,000 metric tonnes. This will take us close to becoming the largest iodine producer in North America, which will accomplish another key milestone. Iofina is the leader in new area development, brine sampling, land development and construction of new iodine extraction plants utilising its WET® IOsorb® technology. Iofina sells IOflow®, IOprill® iodine and iodine derivatives through our global network of end users and distributors. We are the only

iodine producer to test, build, lease and produce iodine in multiple states since inception, and we continue to explore iodine extraction opportunities globally as we move to the next chapter of growth.

### **Financial Performance**

In 2025, Iofina delivered the strongest financial performance in the Group's history. Full-year revenue grew 22% to \$66.5 million, exceeding market expectations set at the beginning of the year, while Adjusted EBITDA increased 56% to \$11.8 million, representing an 18% margin which was also ahead of forecast. This performance reflects strong production volumes, a favourable pricing environment, and a strong sales cycle across the year, including the benefit of elevated opening inventory and robust December sales activity. The Board is pleased to have not only met but exceeded the targets set at the start of the year.

Gross profit increased by 36% from \$13.2 million to \$18.0 million, representing 27% of revenue compared to 24% in 2024. This margin improvement reflects the operational leverage inherent in the IOsorb® model as production volumes scale. Profit before tax, excluding the one-off ERTC payroll subsidies of \$2.1 million received under the CARES Act, grew by 75% from \$4.8 million to \$8.4 million. Post-tax earnings rose from \$2.9 million to \$7.9 million.

At the interim stage, the Group reported record revenues for the first half of 2025 of \$29.2 million, a 12.3% increase on the \$26.0 million recorded in H1 2024. Total iodine sales for the period grew by 22% to \$26.1 million, driven by a 9% increase in crystalline iodine volumes to 208 metric tonnes and an 11% increase in the average realised price to \$74.27 per kilogram. Iodine derivative sales also grew strongly, rising 16% to \$9.2 million, supported in part by the introduction of a new animal feed product additive from the beginning of 2025.

The strong second-half performance was driven by record production volumes and robust product sales, and resulted in full-year revenues and EBITDA exceeding market expectations. The momentum built through H1 2025 continued and accelerated in the second half, which is a testament to both the operational performance of our plant network and the effectiveness of our commercial team in converting production into sales.

The Group's balance sheet remained in good health throughout the year. Net cash at 31 December 2025 stood at \$5.2 million, an improvement on the \$2.9 million held at the end of 2024, supported by net cash inflow from operating activities of \$8.9 million. Capital investment in the year was \$8.4 million, the majority of which related to the construction of IO#11 and early-stage expenditure on the new Permian Basin plant. The Group's banking arrangements with First Financial Bank of Ohio provide further headroom to support capital requirements, if required in 2026. The Board is confident that the Group's financing structure is appropriate for its current stage of development, and that the business will fund its continued growth through its own cash flow generation and existing banking facilities.

### **Production Records**

Total crystalline iodine production for 2025 was 743.2 metric tonnes, a new record for the Group and was a 17.2% increase on the 634.1 metric tonnes produced in 2024. This was achieved at the upper end of our stated production guidance range, and it represents the continuation of a multi-year trend of consistent production growth delivered with impressive reliability.

To put this in context: in 2023, Iofina produced approximately 559 metric tonnes, by 2024, that had grown to 634 tonnes, and now in 2025, we have reached 743 tonnes. Each year the business has added significantly to its production base without sacrificing quality, cost discipline, or safety standards. The average production cost per kilogram across all plants was only 2% higher than in 2024, a commendable result given the pace of expansion.

The second half of 2025 was particularly strong, with production of 437.6 metric tonnes, a record for any six-month period in the Company's history, and at the upper end of the 400-440 metric tonne guidance range issued at the interim period. Q3 2025 was a record quarter at 215.8 metric tonnes, representing a 32% increase on Q3 2024, while Q4 2025 contributed 221.8 metric tonnes, up from 194.1 tonnes in the prior-year period.

The primary driver of the second-half acceleration was the commissioning of the IOsorb<sup>®</sup> plant, IO#11, which came online in July 2025 and completed construction on time and within its \$5.3 million budget, the third consecutive year in which Iofina has delivered a new plant to schedule and within cost. This consistency reflects the depth of experience our operations and project teams have developed over successive plant builds, and the proprietary nature of the WET<sup>®</sup> IOsorb<sup>®</sup> technology that underpins every facility we operate.

IO#11 ramped up quickly following commissioning. By August 2025 the Group had set a new monthly production record of 74.3 metric tonnes. Production across all eight Oklahoma plants remained stable and consistent through Q4 2025, with water volumes performing as expected. This operational stability has given the Board confidence in the reliability of our production base into 2026.

For the first half of 2026, the Group recently announced that it anticipates producing in the region of 385 metric tonnes of crystalline iodine, compared to 305.5 metric tonnes in H1 2025. This has been supported by a strong Q1 2026 performance of 177.8 metric tonnes against 124.1 metric tonnes in Q1 2025, which was an increase of 43.4%. As communicated consistently over recent years, production is always second half weighted, reflecting the impact of winter conditions on Oklahoma oilfield operations. The H1 2026 guidance implies enhanced growth over the prior year and positions the Group well for another strong full-year performance.

### **Permian Basin Expansion**

The agreement announced in December 2025 with Western Midstream Partners, LP to develop Iofina's next IOsorb<sup>®</sup> plant in the Permian Basin is, in the Board's view, the most strategically significant development in the Company's recent history. It represents not simply the addition of another plant to the network, but the establishment of a new core area of operation at a materially larger scale than anything Iofina has previously undertaken.

The Permian Basin, situated between Western Texas and Southeastern New Mexico, is the largest oil-producing basin in the world, accounting for 48% of total US crude oil production in 2024. It generates an extraordinary volume of produced brine water as a by-product of oil and gas operations, with water-to-oil ratios ranging from three to eleven times. Managing this produced brine water is one of the most significant operational and environmental challenges facing producers in the region. Our agreement with Western Midstream offers a commercially attractive and environmentally beneficial

solution: we extract iodine from the produced water before it is returned for disposal, transport, or recycling, turning what would otherwise be a waste stream into a valuable resource.

Under the terms of the agreement, Western Midstream will supply up to 50,000 barrels of produced water per day, approximately double the maximum brine throughput capacity of our existing Oklahoma IOsorb® plants, in exchange for a fee on production. The new facility carries an annualised production target of between 170 and 220 metric tonnes of crystalline iodine. At the midpoint of that range, the Permian plant would on its own add more iodine output annually than any single year of Iofina's total new production prior to 2021.

The new plant is being built, funded, and operated by Iofina at an estimated capital cost of \$8-9 million. This represents a notably capital-efficient investment relative to the production capacity it delivers; for context, our most recent plants in central Oklahoma cost ~\$5.5m each and each facility added ~100-150MT of crystalline iodine production annually. The Group believes that larger plants with proportionally lower capital intensity, are central to how we expect the business to evolve, they will positively help dictate the pace and profitability of future growth.

Western Midstream is an ideal partner for this project. As one of the largest produced-water midstream service providers in the Permian Basin, currently handling more than 2.7 million barrels of water per day, Western Midstream brings the infrastructure, expertise, and scale required to supply the volumes our new plant will require. Their recent acquisition of Aris Water Solutions has further strengthened their capabilities in produced-water recycling and beneficial reuse.

Groundwork on the new plant commenced before the end of 2025, and the facility is expected to be operational in Q3 of 2026. The agreement also establishes a framework for additional plants in the Permian Basin, and the Board expects to be able to report on further opportunities as the Group develops its presence in the region. The Board sees this as the beginning of a new chapter, not a single transaction.

### **Iodine Market Outlook**

The global iodine market continued to provide a supportive backdrop for Iofina's operations throughout 2025, and the Board's expectation is that this will remain the case in the period ahead. The iodine spot price held consistently above \$70 per kilogram for the full year, with the average realised price for Iofina's crystalline iodine at \$74.02 per kilogram on a 100% basis, up 8% on 2024. With global iodine consumption in 2025 expected to approach 40,000 metric tonnes the underlying drivers of demand remain intact.

The largest and most important application for iodine is iodinated contrast media, used in medical imaging procedures such as CT scans and angiography. Demand for contrast agents continues to grow, driven by increasing volumes of diagnostic imaging in developed markets and by the expansion of healthcare infrastructure in emerging economies. This is a long-term structural growth driver that is not sensitive to short-term economic cycles.

Other significant end markets include LCD screens, pharmaceutical synthesis, biocides, and animal health applications. Iofina Chemical's derivative product portfolio is well-positioned across several of these segments. The addition of a new animal feed product additive in 2025 has already become one of the division's highest-volume derivative products, and the IC team continues to invest in research

and development to expand its product range in anticipation of growing iodine output from the Iofina Resources side of the business.

The Board expects iodine prices to remain firm as we move through 2026. While spot prices can be subject to short-term fluctuation, the balance of supply and demand continues to support pricing above \$70 per kilogram. In this environment, Iofina's growing production volumes and improving cost per kilogram are expected to generate increasing returns for shareholders.

### **Emerging Demand: Perovskite Solar Cells**

A significant and fast-moving new source of iodine demand has emerged in the form of next-generation perovskite solar cells, in which lead iodide is a critical ingredient. Perovskite technology has advanced rapidly, with certified power conversion efficiencies of single-junction cells now exceeding 27% and silicon perovskite tandem cells surpassing 34%. These cells can be manufactured at lower temperatures and lower cost than conventional silicon panels, making them an increasingly attractive option for expanding global solar capacity.

Commercially, momentum is building. UK-based Oxford PV began shipping tandem panels to the United States for utility-scale installation in September 2024, and Korea-based Qcells reported a world record efficiency of 28.6% for large-scale panels in December 2024. Japan, the second-largest iodine producer in the world, has prioritised perovskite technology under its revised national energy plan, targeting 20 gigawatts of perovskite-generated electricity by 2040.

For Iofina, this represents a meaningful long-term demand driver. Growing perovskite solar manufacturing at scale will require significant quantities of iodine and iodide compounds, and it is a structurally new end market, distinct from the established medical imaging and LCD screen applications that have historically driven iodine consumption. The Board will continue to monitor developments in this sector closely.

### **Emerging Demand: Iodine in Refrigerants**

A further area of emerging interest is the use of trifluoroiodomethane (CF<sub>3</sub>I) as a component in next-generation low global warming potential refrigerants. CF<sub>3</sub>I is a non-flammable, non-toxic compound with a GWP below 5, an atmospheric lifetime of just 1.2 days, and it is manufactured using elemental iodine as a direct feedstock. Honeywell has developed R-466A (Solstice N41), a non-flammable replacement for R-410A used in commercial and residential air conditioning systems, in which CF<sub>3</sub>I comprises approximately 39.5% of the blend by weight.

While R-466A has not yet reached commercial-scale adoption, with some OEMs continuing to assess long-term material compatibility, the direction of travel in refrigerant regulation strongly favours lower-GWP alternatives, and CF<sub>3</sub>I-containing blends represent one of the more technically promising pathways. Should CF<sub>3</sub>I-based refrigerants achieve widespread adoption, the iodine demand implications would be considerable given the volumes of refrigerant consumed globally. The Board regards this as a medium-term opportunity worth monitoring as the regulatory and commercial landscape continues to evolve.

These are examples of new iodine technologies which will continue to grow the market, and thus, expanding Iofina's production is the right pathway.

## **Safety and Our People**

Safety is a core value at Iofina and a non-negotiable aspect of how we operate. I am pleased to report that across the Group's operations in 2025, there was only one minor lost-time incident and only one in aggregate in the past five years. This is a record we are proud of, and one that reflects the safety culture embedded throughout our workforce. As the business grows and our operations expand into new geographies, maintaining this standard will require continued vigilance and investment, and the Board is committed to ensuring that safety remains the first priority.

## **Board and Governance**

The Board continues to provide oversight and challenge the management team as the Group pursues its growth strategy. We believe that maintaining strong governance disciplines, in capital allocation, financial reporting, risk management, and stakeholder engagement, is as important during periods of growth as at any other time. The Board will continue to review its composition and processes as the Company evolves, to ensure that it has the skills and experience necessary to support the business effectively.

## **Outlook**

The Board has commenced 2026 in a position of measured confidence. The Group has a track record of delivery, implementing a clear strategy, and has the financial resources to continue executing its plans. The Oklahoma plant network is performing well and is expected to grow further. Construction of the Permian Basin plant is underway, and its anticipated commissioning in Q3 2026 will add a significant new production capability to the Group. Beyond this, the pipeline of future plant opportunities, in both existing and new areas, continues to develop. The Group is on course to surpass the key milestone of 5% of world iodine production within the next three to four years, and our five-year strategic plan is designed to deliver significant long-term value for shareholders.

The iodine market provides a favourable backdrop, and Iofina's integrated model positions it well to convert growing production into growing revenues and profits. We believe there is a short-term clear path to over 1,000 metric tonnes of annual crystalline iodine production. Over the medium term, we have a plan to surpass 2,000 tonnes, as the business develops larger plants in multiple core areas. The capital efficiency of this model, growing at a faster rate without proportionately increasing costs or leverage, is what gives the Board confidence that this growth can be delivered sustainably and in a way that generates increasing value for shareholders.

## **Conclusion**

I want to close by expressing my sincere thanks to the entire management and operational team at Iofina for another year of strong execution. Building and commissioning new iodine plants, managing a growing chemical manufacturing operation, and developing new commercial partnerships simultaneously is a demanding undertaking, and it is carried out to a consistently high standard. I also want to thank our employees across all our operations for their dedication and professionalism.

To our shareholders: thank you for your continued support and confidence in Iofina. We remain focused on delivering the growth that we believe this business is capable of, and we look forward to keeping you informed of our progress throughout the year ahead.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Lance J. Baller".

Lance J Baller  
Non-Executive Chairman  
Iofina plc  
29 April 2026

## FINANCIAL REVIEW

### Summary 2025 v 2024

- Record year for revenue, EBITDA and production
- Iodine production increased by 109MT (17%) to 743MT
- Revenue increased by 22% from \$54.5m to \$66.5m
- Gross profit increased by 36% from \$13.2m to \$18.0m
- Adjusted EBITDA increased by 56% from \$7.6m to \$11.8m (18% of revenue)
- Post-tax earnings increased from \$2.9m to \$7.9m (after pre-tax subsidies of \$2.1m)
- Net cash increased by \$2.3m from \$2.9m to \$5.2m\*
- Capital investment into chemical and iodine plants was \$8.4m (2024: \$9.5m)

\*excludes lease liabilities

### Trading results

Turnover	Crystallised	2025	Crystallised	2024
	Iodine 85% MT	Sales \$m	Iodine 85% MT	Sales \$m
Crystallised iodine	556	35.0	423	24.7
Iodine Derivatives	224	17.8	206	16.9
Prilled iodine		6.5		5.1
Total iodine sales	<u>780</u>	<u>59.3</u>	<u>629</u>	<u>46.7</u>
Non-iodine		7.2		7.8
Total sales		<u>\$66.5</u>		<u>\$54.5</u>

Revenue increased by 22% from \$54.5m to \$66.5m, driven by an increase in production and continued demand for the Company's iodine products. Iodine production increased by 17% from 634MT to 743MT. Iodine production sold increased by 24% from 628MT to 780MT, the latter figure including 2024 sales orders for 42MT of crystallised iodine that missed year end shipping cut-offs and were therefore deferred into 2025. The biggest increase was in sales of raw crystallised iodine, where there was a 32% volume increase from 423MT to 556MT, and in addition the average 100% realised iodine price increased by 8% from \$68.65 to \$74.02, resulting in an overall revenue increase of 42% from \$24.7m to \$35.0m.

Derivative compounds turnover showed a relatively modest increase of 9% in volume of iodine sold (from 206MT to 224MT) and a 5% increase in revenue from \$16.9m to \$17.8m. Sales of non-iodine products fell by 8% from \$7.8m to \$7.2m, mainly due to a volume decline in orders for the principal product (etchant gas). The prilled iodine resale activity increased its turnover by 30% from \$5.1m to \$6.5m.

The 17% increase in plant production from 634MT to 743MT reflected a full year's production from IO#10 plant, which was only in production for the last 3 months of 2024, and also 5 months production from IO#11, the newest plant, which was commissioned as of August 2025. The average production cost per kilo across all plants was only 2% up on the 2024 cost.

Gross profit increased by 36% from \$13.2m to \$18.0m, and was 27% of sales (2024 24% of sales). Margins were slightly better than in 2024, but the key factor was the increase in volume described above.

Adjusted EBITDA increased by \$4.2m (56%) from \$7.6m (14% of sales) to \$11.8m (18% of sales). As well as the factors mentioned above, administrative expenses increased by \$0.5m (10%) with some investment in personnel and programmes to support the planned expansion of the business.

#### **ETRC subsidies received**

Government payroll subsidies of \$2.1m relating to COVID impacts on employers were received as part of the resumption of payments under the program (see Note 6). Tax is payable on these receipts.

#### **Profit before tax**

Profit before tax increased by \$3.6m (75%) from \$4.8m to \$8.4m after excluding the one-off subsidies referred to above. The improvement was mainly due to increased volumes of sales, some price improvements, and ongoing control of costs creating an operational gearing benefit.

#### **Tax**

Substantial tax allowances have been generated by an internal review of the prior treatment of capital items and the increases in capital tax allowances enacted by the One Big Beautiful Bill Act in July 2025. Consequently, favourable timing differences between book and tax depreciation have been created that have offset potential tax liabilities, and resulted in the creation of deferred tax provisions rather than tax payments.

#### **Capital investment**

The Group invested \$8.4m in capital projects and equipment in the year (2024: \$9.5m). Approximately \$4.8m relates to the construction of the IO#11 plant in Oklahoma, with a further \$0.5m early stage expenditure on the new IO#12 plant in the Permian Basin. There was also \$0.8m expense on maintenance/improvement of the other Oklahoma plants, and some \$1.2m spent on ongoing acquisition of landowner leases for recently constructed plants. \$1.0m was spent primarily on process improvements and replacements at the Iofina Chemical plant.

#### **Cash flow**

Cash started the year at \$6.9m and ended \$4.9m higher at \$11.7m, after paying off \$1.4m of the bank term loan in accordance with the borrowing schedule and investing \$8.4m in capital projects. There were also favourable effects from drawing \$4.0m of bank capex facilities, receiving the \$2.1m subsidies described above, and having negligible net tax payments principally due to accelerated tax allowances on capital items. The previous net cash position of \$2.9m improved by \$2.3m to \$5.2m. Net cash inflow from operating activities was \$8.9m excluding Government subsidies (2024 \$11.5m)

after taking into account \$2.9m of unfavourable working capital movements (2024 \$4.7m positive movements), the main driver being the amount and timing of sales receivables.

#### **Bank facilities**

During 2025 there were drawdowns of \$4.0m against a \$10.0m bank facility to support capex expenditure. The drawdown period for that facility terminated in March 2026, and a further \$10.0m capex facility is being finalised with the bank. Repayments of amounts drawn under these facilities are in equal monthly instalments over seven years, and there are no penalties for accelerated repayments. There is also a \$6.0m working capital revolving line of credit facility with a term to the end of 2026, currently in the process of being extended to end 2027. No drawings were made on this facility in 2025, and no amounts are outstanding for repayment.

A handwritten signature in blue ink that reads "Malcolm Lewin".

#### **Malcolm Lewin**

Chief Financial Officer, Iofina plc

29 April 2026

## DIRECTORS' BIOGRAPHIES

### **Lance J. Baller, Non-Executive Chairman**

Mr. Baller was co-founder, CEO and President of Iofina Plc prior to his departure for health reasons in June 2013. Mr. Baller was the Group's Finance Director from 2007 until his appointment as CEO in 2010. Mr. Baller returned as Chairman in April 2014. Mr. Baller currently serves as a director and as sole or principal shareholder of several privately owned businesses, including Baller Enterprises, Inc. (personal holding company), Ultimate Investment (personal investment company), Titan Au, Inc, Empire Leasing LLC, Valdez Au, Inc, Extrac Technologies Limited, Extrac Technologies, Inc, Wyoming Sand Company LLC, 44 Aggregate Inc, High Speed Aggregate Inc, GBB Management LLC and Shaver Gross Consultant PLLC (which all are in gold, road aggregate, silica mining, real estate, CPA services, taxes and planning), and Baller Family Foundation, Inc. (personal family foundation) plus many others that he has founded and successfully sold over the years. He is the former managing partner of Shortline Equity Partners, Inc., a mid-market merger and acquisitions consulting and investment company. Mr. Baller is also the former Managing Partner of Elevation Capital Management, LLC and is the former alternative investment hedge fund manager of the Elevation Fund. He is also a former Vice-President of Corporate Development and Communications of Integrated Biopharma, Inc. and prior to that a vice-president of the investment banking firms UBS and Morgan Stanley. Mr. Baller has been a CEO, interim CEO, Chairman, CFO and secretary of various private and public listed companies throughout his career. He has served as Chairman of various companies and has led successful restructurings. Mr. Baller has had extensive experience in all aspects of corporate finance. Mr. Baller currently serves on the boards of the Front Range Infrastructure Authority, Real Weld Metropolitan District, and Real Colorado Soccer Club. He is also a Trustee of Cyber Hornet Trusts, which includes one mutual fund and multiple NASDAQ-listed ETFs, where he serves as Chairman of the Audit Committees and as the Audit Committee Financial Expert under the Sarbanes-Oxley Act.

### **Dr. Thomas M. Becker, Chief Executive Officer**

Dr. Becker has served as President/CEO of Iofina plc since 2014 and has led Iofina Chemical since March 2010. Previously, Dr. Becker was the Vice President of Research and Development at H&S/Iofina Chemical. Iofina bought H&S in July 2009. Dr. Becker has conducted extensive research in both inorganic and organic halogen-based chemistry. Dr. Becker has written a magnitude of published technical papers in his career. Prior to H&S Dr. Becker worked as an Oak Ridge Scholar on behalf of the US EPA and for various other chemical manufacturing companies. Dr. Becker earned a BS in Chemistry from Indiana University, and a PhD in Chemistry from the University of Cincinnati. He has extensive experience in the scale-up of chemical processes from laboratory to pilot to full scale production. Dr. Becker is a former member of the Board of Governors of the Society of Chemical Manufacturers and Affiliates ("SOCMA").

### **Malcolm T. Lewin, Chief Financial Officer**

Mr. Lewin was named CFO and a director of the Group in November 2016 after having joined Iofina as interim CFO in February 2016. Mr. Lewin is based in the UK and has over 30 years of experience in finance and accounting for both public and private companies. As well as being a partner in a chartered accounting firm for 11 years, he has acted for various companies listed on AIM and other exchanges. In particular, from 2000 to 2003, he was the Finance Director of Oxford Metrics plc, an AIM company

supplying motion capture and visual geometry systems. From 2004 to 2006, he was the Finance Director of Real Estate Investors plc, an AIM property investment company with interests in quality commercial and industrial properties. From 2006 to 2011, he was a Director and CFO of Hunter Bay Minerals plc, a junior mining company listed on the Toronto Venture Exchange with interests in South America and Canada. From 2011 to 2014, he was CFO and Treasurer of VolitionRX Limited, an OTC life sciences company focused on developing blood tests for a broad range of cancer types and other conditions. Mr. Lewin has an MA in Classics from Oxford University and qualified as a chartered accountant with Coopers & Lybrand.

#### **J. Frank Mermoud, Non-Executive Director**

Mr. Mermoud has more than 30 years' of experience in international business, facilitating trade and investment in both the public and private sectors. He has held senior international, economic and commercial policy positions within the United States Government, having served as the Secretary of State's Special Representative for Commercial and Business Affairs at the U.S. Department of State from 2002 to 2009. Mr. Mermoud has served as a Non-Executive Director of Cub Energy Inc. an oil and gas company headquartered in Houston, Texas, Director of ATC Communications and as a Senior Advisor to TD International

#### **Mary Fallin Christensen, Non-Executive Director**

Mary Fallin Christensen has served the State of Oklahoma for over 30 years. She was elected the first female Governor of the State in 2010 and was re-elected for a second term in 2014. Prior to serving as Governor, she held several state and federal positions, including serving as US Congresswoman for Oklahoma's 5th district between 2007-2011 and serving as Lieutenant Governor of Oklahoma between 1995-2006. Mary has been a major contributor to natural resources industries in Oklahoma, and implemented the State's first comprehensive energy plan as well as its state-wide water plan. She has held several positions, including Chair of the Southern State Energy Board, Chair of the Interstate Oil & Gas Compact Commission, and has served on the natural resource committee of the National Governors Association (NGA). Previously, she also served on the United States House of Representatives Committee on Small Business, was Small Business Chairman on the Republican Policy Committee, and was named the "Guardian of Small Business" by the National Federation of Independent Business. Mary has also served on numerous Boards of Directors for both commercial organisations and non-profits.

#### **Tim Hughes, Non-Executive Director (appointed January 1, 2026)**

Tim has significant experience in general management in the specialty chemical industry as well as corporate and sustainability matters. Tim was a member of the Executive Committee of Synthomer plc for 11 years until 2023 as the divisional director for the industrial specialties global business, which included the company's specialty iodine business. Tim then became President of Corporate Development, where he was responsible for investor relations, external affairs and the development of the company's sustainability strategy. Prior to Synthomer, Tim led the Urethane Technologies joint venture business for Chemtura Corporation and spent 14 years in business leadership and marketing roles at Courtaulds plc. Tim is based in the UK and holds a BSc in Chemistry from the University of Manchester and an MBA from Cranfield University.

## STRATEGIC REPORT

### Principal activities and review of the business

Iofina plc (“Iofina” or the “Company”) is the holding company of a group of companies (the “Group”) involved in the exploration and isolation of iodine and the production of specialty chemicals. Iofina Resources, Inc. is the Group’s wholly owned subsidiary, which utilises proprietary Wellhead Extraction Technology® (WET®) and WET® IOsorb® methods to produce iodine from brine water. Large volumes of brine water are sourced from partnerships with third-party oil and gas operators and saltwater disposal (“SWD”) operators in the United States, and these brines are used as a raw material to produce iodine at the Group’s multiple IOsorb® plants. The Group’s unique business model isolates a resource, iodine, from a produced waste stream that, without Iofina’s technology, would be lost. The Company’s WET® IOsorb® technology has unique elements that allow Iofina to handle brines which contain residual hydrocarbons and efficiently produce high-quality iodine. The Directors of the Company believe that Iofina’s production process, which utilises brine water from third-party oil and gas production, is advantageous for long-term sourcing of the raw material, minimises production and expansion costs, and is the most environmentally friendly iodine production process in the world. Iofina has an active geological team which models and explores for economically viable sources of brines for iodine production. Compounds containing iodine or other specialty chemicals are produced at and sold through the Company’s wholly owned subsidiary, Iofina Chemical, Inc., with the major raw material being the Group’s IOflo® crystalline iodine. Additionally, the Group’s crystalline iodine is sold directly to other iodine end-users.

Iodine is a rare element that is produced only in a few countries in the world, with approximately 90 percent of global production coming from Chile (~60%) and Japan (~30%, including recycled waste streams). Iodine and its compounds have many human health-related applications, including X-ray contrast agents, pharmaceuticals, antiseptics, thyroid function, and others. Additional high-volume uses of iodine include LCD screen technology, material heat stabilisation, animal feed additives, biocides, catalysts and more. New iodine product applications in solar cells and refrigerants are potential iodine growth market catalysts. The Group produces iodine in the United States, where the overall global iodine production is approximately 5.5% of the world’s total production, but where there is a large consumption of the world’s iodine by various American users. Iofina believes it is the second-largest producer of iodine in North America.

The ability of the Group to expand its iodine production quickly, at a low-cost, utilising a waste-stream, differentiates Iofina from other iodine producers. This has been proven by the expansion of production and opening of Iofina’s newest IOsorb® plant IO#11, which opened in July 2025, and was the third IOsorb® plant opened in three years. Iofina is currently building a larger iodine production facility in the Permian Basin, which is scheduled to open in Q3 2026, and will be the fourth plant in four years for the Group. Additionally, the Directors believe that the Group’s technology to produce iodine is far more environmentally friendly compared to other producers. By using a produced water waste stream from the oil-and-gas industry to isolate iodine versus isolating iodine from ores, Iofina’s process is considered ecologically efficient in obtaining a valuable product from a waste stream versus the environmentally intensive processes of mining iodine from ores by Chilean producers.

Economically viable iodide-rich brine co-produced during oil and gas production is not common, and the Group's proprietary geological model to locate and anticipate iodide-rich sources is unique. The Directors of Iofina are committed to producing its products in a sustainable and environmentally friendly manner, and to improving communications regarding our long-term strategy in respect of Iofina's sustainable operations and other responsible business practices.

The focus of Iofina's current business model is the production of iodine from brine and the creation and sale of specialty chemicals through Iofina Chemical. The Directors feel strongly that diversification within the business whilst focusing on our core expertise is important. Iofina Resources diversifies its iodine production through multiple IOsorb® production plants, with multiple brine supply partners. Currently, the Group operates eight separate iodine production plants in Oklahoma and is building a ninth plant in the Permian Basin. The technology the Group has developed, which utilises a waste resource already being produced, allows Iofina the ability to expand its operations quickly with minimal capital expenditure. Continued growth in the number of IOsorb® plants increases production, profit, and diversification. Continued expansion of the Group's geological model provides opportunities for Iofina outside of its current core areas. Iofina has identified and is pursuing numerous iodine production opportunities to continue our growth ambitions whilst maintaining diverse sources of brine. Expansion into the Permian Basin as well as other Oklahoma opportunities for future iodine plants, many of which are expected to be larger facilities than current operations, are expected to accelerate iodine production for the Group.

Iofina Chemical produces a wide range of iodine-based products with applications in various industries including agricultural, pharmaceutical, biocides and others, whilst additional diversification is realised by the production of non-iodine-based products. The demand for various products can change, and Iofina Chemical's ability to produce a variety of products allows the Group to take advantage of growing markets while not being as affected by temporarily depressed or declining markets.

Iodine spot prices rose significantly between 2021 and mid-2022, exceeding \$70/kg by July 2022, and since that time, the iodine spot price has fluctuated between the mid-sixties and upper seventies dollars per kilogram. Supply and demand changes, as well as manufacturing cost increases, are the major factors influencing the iodine price. As an iodine manufacturer, iodine prices have a significant impact on the Group's gross profit margins.

During 2025, Iofina believes the total global demand for iodine grew slightly from the prior year, and is approaching a total global demand of 40,000 MT. A significant factor in this increase continues to be the demand for X-ray contrast media applications. In 2025, prices were fairly stable and comfortably above \$70/kg and higher than in 2024. Iofina's average selling price of our crystalline iodine on a 100% basis in 2025 was \$74.02/kg versus \$68.60/kg in 2024. Generally, global contracted iodine prices for large customers are slightly lower than spot prices. Demand for Iofina's iodine and most of our iodine derivatives was robust in 2025, with Iofina Chemical seeing mixed demand for some of its iodine derivatives but strong demand for Iofina's crystalline iodine. Although it is difficult to predict, we expect global demand for iodine to slightly increase in 2026 compared to 2025 levels led by the growth of iodine in human health applications. A recession in the USA or other major markets would likely have a negative effect on demand and prices. Although not certain, we expect 2026 iodine prices to be near current levels. The delayed Bull Mine project from Chilean producer S.C.M. Cosayach is likely to commence production late in 2026 or early 2027. Iofina believes that any

increased production from this mine will not cause an imbalance in supply but simply take on some of the industry's growth requirements. SQM, the world's largest iodine producer, is constructing a sea water pipeline project which is likely to be completed in 2026 and give SQM further flexibility in its production as needed for market demand.

The Directors recognised that, as the Company built its IOsorb® plants, Iofina's iodine production costs needed to be amongst the lowest in the industry to be competitive. Between 2014 and 2017, numerous initiatives were successfully implemented to optimise Iofina's technology and lower production costs. Iofina remains committed to controlling costs both through technology improvements and improved sourcing of inputs. In 2025, a dedicated sourcing manager was hired for the Group and has had an immediate positive impact on raw material pricing.

In 2017, Iofina implemented a business plan with a focus on prudent growth. In early 2018, the Group's newest iodine plant at the time, IO#7, was completed. By expanding our operations and building IO#7, the Group successfully lowered its overall iodine production costs with its most efficient plant at that time. The next major growth development occurred in Q2 2019 when the Company performed an equity raise to reduce debt and provide working capital for expansion projects. The result was the construction of IO#8, which began in late 2019 and was completed in early April 2020. More recently, the Group has executed a more rapid expansion of its iodine production and successfully opened and operated three new plants in three years: IO#9 in June 2023, IO#10 in September 2024, and IO#11, in July 2025. The next phase of Iofina's growth plan is commencing now and will be a further, progressive step-change for the organisation.

The Group is committed to establishing new routes to growth and is investigating new locations and partnerships to expand iodine production. Iofina's management team is utilising the experience from past business expansions to play a role in scoping future acquisitions of prospective iodine plants, as well as iodine market conditions and projections, in deciding how fast the growth rate should be. That said, the Directors feel now is the time to increase iodine production capacity at Iofina at a faster pace. Iofina has worked tirelessly to improve the Group's balance sheet, and this has helped us prepare for a more rapid expansion of the business. Iofina's business development group has outlined an established pipeline of iodine production projects, many of which are much larger iodine production opportunities than our current sites. Iofina's geological and business development teams are working in concert with future brine supply partners to evaluate and prioritise these opportunities. Our next plant is currently under construction and scheduled to open later this year, located in a new core area for Iofina in the Permian Basin. This IOsorb® plant will be the first plant in Iofina's next phase of strategic expansion. This new plant will be a larger facility, capable of processing twice as much brine water as our current facilities. Assuming continued positive market conditions, the Group expects to invest more rapidly in the next number of years to build multiple, larger iodine plants to significantly increase Iofina's iodine production output. When the new Permian plant comes online later this year, we are likely to be close to 1000MT of crystalline iodine production rate on an annualised basis. With our established technology and a pipeline of new, larger opportunities, the pathway for Iofina to produce 2000MT of crystalline iodine has become a lot clearer.

Iofina Chemical continues to be recognised as a world-renowned halogen specialty chemical producer. Vertical integration of the Group's iodine into iodine derivatives gives Iofina's customers stability of supply in addition to the long-standing quality and technical support to Iofina's global customers for

the goods sold to them. Additionally, the non-iodine-based halogen derivatives produced by Iofina Chemical give the Group further diversity. Iofina Chemical invested in multiple projects in 2025, including commercial production of an iodine-based animal feed additive and will continue to invest in areas to expand current products and develop new products for Iofina using the Company's core expertise. Lastly, Iofina Chemical's sales team continues to expand the number of customers who are purchasing Iofina's iodine and planning for sales of larger volumes of iodine as our iodine production growth plans are realised.

### Key Performance Indicators

The Directors review a range of financial indicators to assess and manage the Group's performance, including the following relating to revenue and iodine production:

	<b>Year ended 31 December 2025 \$'000</b>	<b>Year ended 31 December 2024 \$'000</b>
Revenue from sales of iodine and iodine derivatives	\$59,342	\$46,664
Revenue from non-iodine products	\$7,173	\$7,801
Total revenue	\$66,515	\$54,465
Total pounds of product shipped (LBS '000)	2,602	2,052
Crystallised iodine produced (Metric Tonnes)	743	634
IOsorb® plants in operation (year-end)	8	7

Commentary on some of the above indicators is in the Chairman's Statement on pages 3 to 9.

Further commentary on the results for the year and the financial position at the year-end is in the Financial Review on pages 10 to 12.

### Objectives

At the end of 2025, the Group had eight operating IOsorb® iodine production facilities in the two core areas of Oklahoma and a ninth under construction in the Permian Basin. While the theoretical capacity of these plants is very high, the practical capacity of the plants is somewhat lower. Practical capacity considers multiple causes of downtime, including weather, repairs and maintenance, inadequate brine (low parts per million of iodine, heavily contaminated brine or little to no supply), power outages and other conditions. As we have proven our technology and continue to improve operations at current facilities, more accurate practical capacity operating targets have been realised, as well as improvements for maximising practical capacity.

Iofina Resources' unique business model allows the Group to determine sites for new iodine production plants utilising existing brine produced from oil and gas production and quickly bring these sites into production. While technology and efficiency improvements at current facilities remain an ongoing priority, the Company continues to explore new iodine production opportunities. This objective of strategic expansion is focused on sites that will continue to improve Iofina's output with low production costs. The Group expects to continue its iodine production expansion at an even faster rate and expects to reach a run rate of over 1000 MT of crystalline iodine per year likely by the end of

2026. In late 2025, the Group began construction of our first facility in the Permian Basin. It is a larger facility which can process 50,000 barrels of brine per day and is expected to produce between 170–220 MT of crystalline iodine annually. The Group is in active discussion with multiple brine partners, with access to total brine flows substantially higher than at existing plants. Iofina is confident that a proportion of these discussions will convert into further production plants, underpinning our growth targets. This includes a number of larger-scale sites, with attractive economics. With a pipeline of projects, a strong balance sheet, and a robust iodine market, the Group expects to further increase its iodine production and is on a path to reach 2000 MT over the coming years.

Brine supply to our IOsorb® plants can be affected by regulatory changes and adjustments to our partners' saltwater disposal systems and oil production programs. Iofina continues to work with its partners to implement plans to maximise brine input and iodine output at each of our existing sites. The mutually beneficial relationship between Iofina and its brine supply partners, which allows Iofina to create iodine and for the brine suppliers to realise value from a waste stream, is a key component for existing projects and potentially for future sites. Continued efforts by our business development and geological teams have identified numerous further expansion opportunities. The Company will continue to evaluate and potentially execute these with current and new potential brine supply partners when management determines the proper timing for new sites.

The timing of future iodine production growth will be dependent on a series of factors. These include the stability or increase of iodine prices, global demand, Company cash flow, availability and cost of production at new sites, partnership agreements, oil prices, production in areas with high iodide content brines, and the regulatory landscape concerning brine injection. Lower oil prices can lead to lower oil production if certain wells become uneconomical, which in turn can affect brine supplies from our partners. Therefore, the Group is also evaluating alternative brine sourcing opportunities to have better control of brine supply at future sites. Whilst the Directors are focused on expanding production capacity in the right manner, it is also important to maintain the Company's strong balance sheet and cash flow. Expansion in 2026 will occur with the completion of our new, larger plant in the Permian Basin, the Group's fourth plant in four years. The pace of additional plants is likely to be even more rapid, and the sizing of future plants is generally expected to process larger volumes of brine. The Directors will evaluate market conditions and detailed information on potential future plant sites before spending capital on new IOsorb® plants.

Iofina Chemical has continued its progress to improve current processes, ensure capacity meets demand, and continue R&D efforts to bring new product lines in line with our core chemistries. Beginning in late 2024, Iofina Chemical commercialised production of an iodine-based animal feed compound. The production of this compound ramped up in 2025 and resulted in significant North American sales of this feed additive. Significant capital investment projects in 2025 at Iofina Chemical included the installation of a new reaction vessel to improve the process to produce a specialised pesticide. Also, additional storage tanks for iodide compounds were installed. PLC (Programmable Logic Controller) improvements have been made to enhance current process controls, improve safety, and provide a framework for controls of future projects. The sales and marketing team continues to improve the Company's website and other marketing efforts which have resulted in many new sales leads for the organisation. As noted last year, the expansion plans at Iofina Resources over the coming years will result in the need for expansion of our customer base. We expanded our customer base in 2025 for Iofina's IOflo® crystalline iodine, IOprill® iodine, and the Company's iodine derivative

products and will continue to expand the number of customers we serve to meet our growth expectations.

Safety is the highest priority for the Group. Iofina handles and manufactures specialty chemicals, some of which are hazardous. We are proud of our safety record and make a concerted effort to continually improve our safety systems and culture. The Group had one minor lost time incident in 2025.

Lastly, the Directors are committed to employee retention whilst controlling costs. Employee safety and training are also key objectives for the Group. A key component for the Group is the high operational gearing whereby the Group's business model allows for the control of administrative and fixed expenses whilst expanding operations.

### Principal risks and uncertainties

Iofina plc is subject to many risks and uncertainties, which could have a material effect on its business, operations or future performance, including but not limited to:

**Raw Materials:** Brine water produced from oil and gas operations is the raw material source for Iofina's iodine production. The Group continues to evaluate opportunities to integrate its IOsorb® process into produced brine water streams associated with hydrocarbon operations in the USA and occasionally other brine stream sources throughout the world. However, there is significant risk and no guarantee as to the volume of commercial quantities of iodide-rich brine available to our current and future IOsorb® plants. Oil and gas prices and demand for these hydrocarbons generally will dictate whether our partners continue to expand their production or possibly reduce hydrocarbon output. Changes in hydrocarbon production by our partners will change the total brine availability to isolate iodine and thus the iodine output of our IOsorb® plants. The saltwater disposal wells that our partners operate may have temporary or permanent issues, which would likely affect the brine supply to IOsorb® plants. In the past, reduction of capital spent by our partners for new drilling and completion of wells in our core area resulted in a decline in the total amounts of brine co-produced with oil and gas in our key areas. Current brine volume availability to existing plants is relatively steady to slightly declining and could reduce further. Contract terms regarding brine supply are a risk to our iodine source. Iofina strives to maintain good relationships with our partners who provide the brine water to our existing IOsorb® plants. Maintaining a positive, mutually beneficial relationship with our brine suppliers is a top priority for the Group. By continuing an aggressive water-testing programme, active exploration utilising geology and data analytics, and incorporating reservoir and production engineering, we are constantly evaluating new potential locations for iodine extraction in our core area and other locations.

Iofina Chemical sources raw materials throughout the globe. Understanding the supply chain of these materials is important to minimise supply disruptions. Global supply chain disruptions, tariffs, and logistic bottlenecks can adversely affect the ability to obtain key raw materials and may result in increased costs for these materials. Iofina Chemical has long-term relationships with many of its suppliers. Additionally, when possible, Iofina Chemical sources materials from multiple suppliers to reduce risk. Increased regulations can adversely affect the availability and cost of materials. Prices of raw materials and energy can change, and if

increases in these prices are not able to be passed on to our customers, it would negatively affect margins for our products.

**Global Crises:** Global crises, while rare, can impact businesses significantly. The COVID-19 pandemic was an example of such an event. Similar events in the future could have a negative effect on the markets we operate in and on the Group's profits. For instance, COVID-19 resulted in a global economic slowdown and a reduced demand for many of Iofina's products. These types of events can also result in delays in shipping, worker limitations, business closures and other challenges which may negatively affect the Group. The diversity of Iofina's products, along with the uses of products in areas like human health applications makes Iofina less susceptible than many other businesses. During the COVID-19 pandemic, Iofina quickly implemented many protocols to minimise any adverse impact on the business, but these protocols only reduce risk and cannot eliminate it. COVID-19 or other events such as political unrest, acts of aggression (wars), other health crises, major weather events or others would likely have an impactful effect on the Group.

Currently, Russia's invasion of Ukraine and the current Middle East conflict have not directly affected Iofina's operations. Additional political sanctions or negative impacts on global economies because of these conflicts may adversely impact our business. Iofina does not have any current sales exposure with Russia, Ukraine, or in or around the Middle East. Other geopolitical events could negatively affect the Group. Issues such as the current USA government's unpredictable implementation of tariffs may influence Iofina's ability to source materials at current pricing levels and may impact the ability of Iofina to sell its goods competitively in certain countries.

**Environmental:** The Group's operations are subject to the environmental risks inherent in the exploration and chemical industries. The Group is subject to environmental laws and regulations in connection with all its operations. Although the Group intends to comply in respect of all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidental spills, leakages or other circumstances that could expose the Group to extensive liability. Accordingly, the Group promotes, wherever possible, environmental sustainability in its working practices and seeks to minimise, mitigate, or remedy any harmful effects from the Group's operations on the environment at each of its operational sites. Regulations on brine injections in the state of Oklahoma into the Arbuckle geological formation in the Group's core area due to seismic activity were implemented mainly in late 2015 to early 2016 and have affected Iofina's partners' brine disposal into this formation near some of our sites. This reduced some brine availability to Iofina at some sites. The Group and its partners have implemented and continue to implement strategies to minimise the effect on the availability of iodine-rich brine to Iofina due to these regulations. Moving forward, the Group and its partners will continue to monitor these risks and act accordingly. While the frequency and intensity of earthquakes have significantly reduced in Oklahoma, and this reduction is likely a result of regulated changes in brine disposal into the Arbuckle formation, there is still a risk of additional earthquakes and regulation moving forward. Changes in laws or regulations of brine streams could affect brine availability or the cost of producing iodine.

As a specialty chemical manufacturer, new regulations based on chemical uses, adverse human health, or environmental impact are a risk and may lead to higher costs or controlled production. Greenhouse Gas ('GHG') regulations in the USA have not impacted Iofina's ability to produce products it currently manufactures; however, if production allocations are reduced in the future, this would likely negatively affect Iofina's production output. Other environmental regulations that restrict the manufacturing of chemicals that Iofina produces would also cause a similar effect. The Group has a robust Environmental, Health and Safety program and strives for continual improvement in this area. Additionally, Iofina Chemical is a certified Chemstewards® facility and has obtained ISO 9001:2015 certification.

**Changes in Markets and Competition:** Iofina is diversified in the markets we serve. As a result, small changes to these markets generally will not materially affect our business. However, major disruptions in key markets that use iodine or the other specialty compounds we manufacture could have a material negative effect on the Group. High interest rates and inflation can negatively affect global growth and costs for Iofina. Whilst both interest rates and inflation have generally ebbed in the USA, higher interest rates or higher inflation may slow down product demand and increase our costs. Additionally, the current tariff changes may cause both risk and reward for Iofina depending on the policies of the US government and the markets we sell into and source from. Also, higher tariffs may result in an economic slowdown and supply chain disruptions. A significant contraction in global economies may cause less demand for and pricing of the Group's goods.

Additionally, increased competition in the markets we serve could negatively impact prices or the ability to sell our goods. In particular, large increases in iodine production from competitors could negatively affect iodine prices and the Group's market share. Expansions of iodine production capacity in Chile may change the market's supply and demand dynamics. However, the exact change is subject to several factors, including the scale of expansion, the timing of increased supply and the global iodine demand growth rate at the time of new supplies coming onstream.

**Iodine Price volatility:** Iodine's price and demand are highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, the price and availability of alternatives, actions taken by governments and global economic and political developments. Increases in current iodine producers' production capacities or new iodine producers entering the market could impact prices. Fluctuations in iodine prices and a material decline in the price of iodine would have a material adverse effect on the Group's business, financial condition and operations. After a lull in demand during the COVID-19 pandemic, demand for iodine rose significantly in H1 2021. Continued substantial demand for iodine and iodine-incorporated products has continued through today. As a result, iodine prices rose significantly between H1 2021 and mid-2022. During H2 2022, iodine prices rose above \$70/kg and have fluctuated between the mid-sixties and upper seventies per kilogram. Current spot iodine prices are in the seventies per kilogram. The costs to produce iodine have also significantly increased since the pandemic.

**Key customers:** There are a limited number of potential customers who purchase many of the products of the Group's chemical business, which makes relationships with these customers,

as well as the success of those customers' businesses, critical to the Group's success. These customers are in many different countries, and the loss of one or more major customers could harm the business, operating results and financial condition of the Group. Iofina is continuing to diversify its customer base in its Chemical subsidiary as we continue to grow our volumes of sales. In addition, Iofina works closely with all its customers to develop strong relationships, with a significant focus on ensuring that its products and services meet the needs of its customers and are of the highest quality. In 2025 Iofina had seven customers each of which contributed over 5% of sales (see note 3), with ongoing positive relations with these customers.

**Key Partners:** Iofina partners with third-party oil and gas producers and saltwater disposal operators to process iodine-rich brine which is co-produced with oil and gas production. Fluctuations of oil and gas prices in the US can affect the financial stability of oil and gas producers. Any changes in operator status or the financial strength of our partners are a risk to brine production and availability. The Group has agreements with our partners to reduce any risk of change in status. Material changes in these brine supply contracts with our partners may affect the Group. In 2025, Iofina executed a new brine supply agreement with a new brine supply partner, Western Midstream, and is currently constructing a new IOsorb® plant in the Permian Basin.

**Regulation and Trade:** Iofina's businesses are subject to various significant international, federal, state, and local regulations currently in effect, including but not limited to environmental, health and safety, and import/export regulations. These regulations are complex, change frequently, can vary from country to country, state to state and have generally increased over time. Iofina may incur significant expenses to comply with these regulations or to remedy violations of them. The current federal administration in the USA is likely to reduce regulatory burdens in our industries versus the previous administration; however, there have not been any significant changes to the regulatory burden for our business. Any new regulation in the USA or elsewhere that would increase the cost of raw materials the Group uses, reduce the availability of these raw materials or cap production of products the Group produces would likely reduce margins.

Any failure by Iofina to comply with applicable government regulations could result in non-compliant portions of our operations being shut down, product recalls or impositions of civil and criminal penalties and, in some cases, prohibition from distributing our products or performing our services until the products and services are brought into compliance, which could significantly affect our operations.

The Group closely monitors regulations across its businesses to ensure that it complies with the relevant laws and regulations. While Iofina believes that it is compliant with all laws and regulations, any instances of non-compliance would be brought to the attention of the appropriate authorities as soon as possible. Iofina Chemical has been a long-time member of SOCMA (Society of Chemical Manufacturers and Affiliates). This trade association helps Iofina ensure compliance with regulations and promotes regulatory advocacy for the specialty chemical industry in the USA.

Trade relationships between the USA and other areas of the world have deteriorated significantly since early 2025. Increased tariffs implemented by the USA and retaliatory tariffs imposed by other governments against the USA have the potential to adversely affect both raw material cost and supply, and final product sales for Iofina in certain areas of the world. Currently, additional tariffs imposed by China on USA imports into China have caused sales into China to become essentially unattainable for Iofina. The Group has been proactive in attempting to reduce the impact of tariffs, including diversifying our supply chain and developing a larger number of customers. The unpredictability and ever-changing USA tariff policy is a business risk for Iofina and may directly impact the Company's supply and sales lines, reduce sales margins, and may also cause a global economic downturn, which could negatively affect the iodine market.

**Inventory Fluctuations:** Inventory level changes can cause financial instability. High inventories negatively affect cash flow, while low inventories can negatively affect sales volumes and customer relationships. In 2021, the Group started the year with larger-than-normal iodine inventories and ended the year with lower-than-normal iodine inventories. In 2022, the Group ended the year with more normalised iodine inventories and slightly higher than ideal specialty chemical derivative end products and in-process goods. By the end of 2023, the total inventory levels had declined slightly from 31 December 2022 year-end levels. Inventories at the end of 2024 were flat relative to the end of 2023. Inventories at the end of 2025 were lower than ideal total inventories for the Group. This year-on-year inventory decrease positively affected 2025 sales, whilst the lower inventories to start 2026 will negatively affect the amount of materials available for sale in 2026. The Group actively works to maintain a proper inventory of goods to achieve its business goals. Inventories are cyclical within our business, and management closely tracks these inventories along with known and anticipated demand for products to maintain appropriate inventories. As the Group's iodine production grows, it is anticipated that the inventory levels of iodine will also increase.

**Insurance may not cover all material losses:** The Group strives to carry standard insurance for our industry that would minimise loss when events occur. However, certain scenarios or events may not be fully covered by insurance and could have a negative material impact on the Group. For example, cyber-attacks have increased globally, and while the Group has increased measures to thwart potential cyber-attacks, we cannot guarantee these measures will prevent a cyber-attack.

**Taxes:** The Group has tax obligations, which have become more significant as tax losses utilised against US Federal tax liabilities have now been spent. Any increases in federal or local taxes could have a negative effect on the cash flows of the organisation.

**Personnel:** As a small technical organisation, the loss of key technical or senior management employees could negatively affect the business. Additionally, the USA labour market remains fairly tight. This could result in increased labour costs and a risk of delays or inability to produce products due to labour shortages.

**Significant Shareholders:** Significant shareholders may have the ability to effect changes that result in a material adverse effect on the organisation, including a change in senior management or control of the Group or its Board of Directors.

**Interest Rates and Inflation:** As a result of the 2020 debt changes that served to significantly reduce both overall debt and interest rates for the Group, a significant portion of the debt carries variable interest rates. While overall debt continues to decline, interest rates remain relatively high and have negatively impacted Iofina's debt costs. Any interest rate increases from current levels would negatively impact debt costs for the Group. In 2025, the Group drew down \$4.0m of a loan facility repayable over seven years and is finalising a further \$10.0 million term loan on similar terms to be used for capital expenditures for forthcoming plants. In addition, the Group has a working capital facility of \$6.0m available but not drawn as yet. These lines carry variable interest rates.

Inflation in the USA lowered slightly in 2025 but was above the USA Federal Reserve Bank's target of 2%. The costs of goods, energy, and labour for Iofina have increased substantially since 2021, and while the inflation rate is declining, cost increases are still a risk for the Group moving forward, especially during a period where new tariffs are increasingly prevalent. The ability to maintain margins in an increasingly inflationary environment is uncertain. Additionally, as prices rise, there is a risk that some products the Group sells may be replaced by cheaper alternatives, which could result in an adverse effect on the business.

**Litigation:** While the Group has no pending litigation matters, there is a possibility that future judgements or settlements could result in an adverse effect on our business.

### Going concern

The Group has performed well in 2025 and is performing as anticipated in 2026. In 2025, the Group achieved a profit before taxation of \$10.5m and a net cash inflow from operating activities of \$8.9m. Net cash of \$2.9m at the end of 2024 improved to net cash of \$5.2m as of 31 December 2025. The markets into which the Group sells its products continue to experience good demand. Iofina has appropriate credit facilities to fund current business growth objectives. The Group has prepared forecasts and projections that indicate there are adequate resources to continue in operational existence for the foreseeable future. The Directors consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

On behalf of the Board

A handwritten signature in blue ink, appearing to read "Tom Becker".

**Dr. Thomas M. Becker**  
Chief Executive Officer and President  
29 April 2026

**STATEMENT IN ACCORDANCE WITH SECTION 172 OF THE COMPANIES ACT 2006**

As required by section 172 of the Companies Act 2006, a director of a company must act in a way they consider, in good faith, would most likely promote the success of the company for the benefit of its shareholders. In doing this, the Director must have regard, amongst other matters, to the:

- (a) likely consequences of any decision in the long-term;
- (b) interests of the company's employees;
- (c) need to foster the company's business relationships with suppliers, customers, and others;
- (d) impact of the company's operations on the community and the environment;
- (e) company's reputation for high standards of business conduct; and
- (f) need to act fairly as between members of the company.

As a Board our aim is always to uphold the highest standards of governance and business conduct, taking decisions in the interests of the long-term sustainable success of the Group, generating value for our shareholders and contributing to wider society. We recognise that our business can only grow and prosper over the long term by understanding the views and needs of our stakeholders. Engaging with stakeholders is key to ensuring the Board has informed discussions and factors stakeholder interests into decision-making.

The Directors insist on high operating standards and fiscal discipline and routinely engage with management and employees of the Group to understand the underlying issues within the organization. Additionally, the Board looks outside the organization at macro factors affecting the business. The Directors consider all known facts when developing strategic decisions and long-term plans, taking into account their likely consequences for the Group.

The Directors and management are committed to the interests and well-being of Iofina's employees. Iofina is committed to the highest levels of integrity and transparency possible with employees and other stakeholders. Safety initiatives, consistent training, strong benefits packages and open dialogue between all employees are just some of the ways the Group ensures its employees improve skill sets and work hand-in-hand with management to improve all aspects of the Group's performance.

Other stakeholders include customers, suppliers, lenders, industry associations, government and regulatory agencies, media, local communities and shareholders. The Board, both individually and together, consider that they have acted in the way they consider would be most likely to promote the success of the Group as a whole. To do this, there is a process of dialogue with stakeholders to understand the issues that they might have. Iofina believes that any supplier/customer relationship must be mutually beneficial, and the Group is known for its commitment to details to its customers. Communications with the Group's lenders and shareholders occur on an ongoing basis and as questions arise. The Group also communicates through media interviews and social media platforms.

The Directors are committed to positive involvement in the local communities where we operate. Part of this commitment is our program 'Iofina Gives Back', where Iofina supports local charities by donating time and goods. Additionally, Iofina adheres to environmental regulations at its sites and supports sustainability practices where possible.

Integrity is a key tenet for the Directors and the Company's employees. The Company believes that any partnership must benefit both parties. We strive to provide our stakeholders with timely and informative responses and are always striving to meet or exceed customers' needs.

The Board recognises its responsibilities under section 172 as outlined above and has acted at all times in a way consistent with promoting the success of the Company with regard to all stakeholders.

## **CORPORATE GOVERNANCE**

The Board considers that good corporate governance is a key driver for the success of the business. Accountability to the Company's stakeholders, including shareholders, customers, suppliers and employees is a vital element in that governance. The Board's commitment to robust governance practices remains key, ensuring that Iofina operates in a manner that is consistent with the highest corporate governance standards.

The Board is committed to effective corporate governance as the basis for delivering long-term value growth and for meeting shareholder expectations for proper leadership and oversight of the business.

To help ensure that the Company has an effective corporate governance model, the Board has adopted the Quoted Companies Alliance Corporate Governance Code the latest version being the 2023 Quoted Companies Alliance Corporate Governance Code (the "QCA Code"), with the application of such principles evidenced in this report. Iofina applies the principles of the QCA Code as the Board believes that adherence to the QCA Code provides a strong foundation for delivering shareholder value and serves to mitigate and minimise risks.

Our Corporate Governance Statement on pages 31 to 38 of this report, in conjunction with the corporate governance statement published on our website (see: <https://iofina.com/investors/aim-rule-26/corporate-governance/>), follows the 10 principles of the QCA Code and how it is applied by the Company.

## DIRECTORS' REPORT

The Directors present their report and financial statements for the Group for the year ended 31 December 2025.

### Strategic report

Included in the Strategic Report on pages 15 to 25 is the review of the business and principal risks and uncertainties.

### Post balance sheet events

There were no significant post balance sheet events.

### Directors' responsibilities for the preparation of the financial statements

The Directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. The Directors are required by the AIM Rules for Companies (as published by the London Stock Exchange) to prepare Group financial statements in accordance with UK adopted International Accounting Standards, and have elected under company law to prepare the Company financial statements in accordance with International Accounting Standards.

The financial statements are required by law and UK adopted International Accounting Standards to present fairly the financial position of the Group and the Company and the financial performance of the Group. The Companies Act 2006 provides, in relation to such financial statements, that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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

In preparing the Group and Company financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether they have been prepared in accordance with UK adopted International Accounting Standards; and
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Iofina plc website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Results and dividends**

The results for the year are set out in the consolidated statement of comprehensive income and detailed in the Financial Review.

The directors do not recommend payment of a dividend.

### **Financial instruments and risk management**

Note 15 details the risk factors for the Group and how these risks are managed, including the degree to which it is appropriate to use financial instruments to mitigate risks.

### **Directors**

The directors who served during the year and subsequently were as follows:

Lance J. Baller, Non-Executive Chairman

J. Frank Mermoud, Non-Executive Director

Mary Fallin Christensen, Non-Executive Director

Dr. Thomas M. Becker, Chief Executive Officer and President

Malcolm T. Lewin, Chief Financial Officer

T. J. Hughes, Non-Executive Director (appointed 1 January 2026)

### **Statement as to disclosure of information to the auditor**

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### **Auditor**

UHY Hacker Young were appointed as auditors to the Company and in accordance with Section 485 of the Companies Act 2006 a resolution proposing that they be reappointed will be put to the next Annual General Meeting.

On behalf of the Board

A handwritten signature in blue ink, appearing to read "Tom Becker".

**Dr. Thomas M. Becker**

Chief Executive Officer and President

29 April 2026

## CORPORATE GOVERNANCE STATEMENT

The Board is committed to effective corporate governance as the basis for delivering long-term value growth and for meeting shareholder expectations for proper leadership and oversight of the business. The Board is responsible for the overall leadership, strategy, development and control of the Group in order to achieve its strategic objectives. We are committed to high standards of governance, ensuring our procedures are robust, kept up to date and appropriate for a Company of our size. The Board reviews its procedures periodically to ensure that they evolve as the business grows.

The Company applies the QCA Code, which was last revised in 2023. Further details of our application of the QCA Code is set out in this report and on the Company's website at: <https://iofina.com/investors/aim-rule-26/corporate-governance/>.

The Company applies the principles of the QCA Code as the Board believes that adherence to the QCA Code provides a strong foundation for delivering shareholder value and serves to mitigate and minimise risks. The Directors are also required to comply with certain duties that are contained in the Companies Act 2006, and the Directors comply with those duties.

The Group is led by the Board which currently consists of two Executive Directors and four Non-Executive Directors. The Board typically holds monthly meetings, and no significant decision is made other than by the Directors. All Directors participate in the key areas of decision making.

### **Business model, strategy and approach to risk**

The Group focuses on the exploration and production of iodine and halogen-based specialty chemical derivatives. We identify, develop, build, own and operate iodine extraction plants, currently focused in North America, based on Iofina's Wellhead Extraction Technology® (WET®) IOsorb® technology. The Group has complete vertical integration from the production of iodine in the field to the manufacture of the chemical end-products derived from iodine to the consumer, and the recycling of iodine using iodinated side-streams from waste chemical processes. We use patented or proprietary processes throughout all business lines. Together these allow us to be the Technology Leaders in Iodine®. The Group's strategy is to continue to focus on the exploration and production of iodine and iodine specialty chemical derivatives, delivering growth throughout our operations. Growth is intended to be achieved with the continued upgrading and expanding of our plants, which in turn will boost the level of iodine production.

All the Group's activities involve an ongoing assessment of risks, and the Group seeks to mitigate such risks where possible. The Board has undertaken an assessment of the principal risks and uncertainties facing the Group, including those that would threaten its business model, future performance, solvency and liquidity. Further, the Board has considered the longer-term viability of the Group, including factors such as the prospects of the Group and its ability to continue in operation for the foreseeable future. The Board considers that the disclosures outlined in the Strategic Report on pages 15 to 25 are appropriate. The Board considers that these disclosures provide the information necessary for shareholders and other stakeholders to assess the Group's future viability and potential requirements for further capital to fund its operations.

Having carried out a review of the level of risks that the Group is taking in pursuit of its strategy, the Board is satisfied that the level of retained risk is appropriate and commensurate with the financial rewards that should result from achievement of its strategy.

### **Board of Directors**

As of the date of this report, the Board comprises six Directors in total: the Non-Executive Chairman, two Executive Directors (being the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”)) and three Non-Executive Directors (each of whom are considered by the Board to be independent), reflecting a blend of different experiences and backgrounds. The skills and experience of the Board are set out in their biographical details on pages 13 and 14. The experience and knowledge of each of the Directors give them the ability to challenge strategy constructively and to scrutinize performance.

The Board is responsible to the shareholders for the proper management of the Group. The Board and the Group’s management team are responsible for reviewing and evaluating risk and the Executive Directors meet at least monthly to review ongoing trading performance, discuss budgets and forecasts and new risks associated with ongoing trading. The Board typically meets monthly to set the overall direction and strategy of the Group, review operational and financial performance and advise on management appointments (if necessary). All key operational and investment decisions are subject to Board approval. The Company Secretary is responsible for ensuring that Board procedures are followed and applicable rules and regulations are complied with. The number of meetings attended by each Director can be found on page 34.

There is a clear separation of the roles of CEO and Chairman. The Chairman is responsible for overseeing the running of the Board, ensuring that no individual or group dominates the Board’s decision making and ensuring the Non-Executive Directors are properly briefed on matters. The CEO has the responsibility for implementing the strategy of the Board and managing the day-to-day business activities of the Group.

By following the QCA Code, the Company can apply its flexible set of governance principles, which are designed to help companies run better for staff, investors, partners and the wider stakeholder community.

### **Time commitment**

On joining the Board, Non-Executive Directors enter a formal appointment letter with the Company, which identifies the terms and conditions of their appointment and, in particular, the time commitment expected of them. A potential Director candidate (whether an Executive Director or Non-Executive Director) is required to disclose all significant outside commitments prior to their appointment. The Board is satisfied that both the Chairman and the other Non-Executive Directors can devote sufficient time to the Group’s business.

### **Independence of Directors**

The Directors acknowledge the importance of the principles of the QCA Code which recommends that a company should have at least two independent non-executive directors. The Board considers it has sufficient independence on the Board and that all the Non-Executive Directors are of sufficient

competence and calibre to add strength and objectivity to the Board, and bring considerable experience in industry, operational and financial development of chemical products and companies. Specifically, the Board has considered and determined that since the date of their respective appointments J. Frank Mermoud, Mary Fallin Christensen and Tim Hughes are independent in character and judgement, specifically that they:

- have not been employees of the Company within the last five years;
- do not have a material business relationship with the Group;
- have no close family ties with any of the Group's advisers, Directors or senior employees;
- do not hold cross-directorships or have significant links with other Directors through involvement in other companies or bodies; and
- do not represent any shareholder.

The Board notes that two of the Non-Executive Directors, J. Frank Mermoud and Mary Fallin Christensen, together with the Non-Executive Chairman, Lance Baller, have to date received share options in the Company. The Board does not believe the issue of options affects their independence as they are of a modest amount and not deemed material to the relevant individual.

The Company Secretary maintains a register of outside interests and any potential conflicts of interest are reported to the Board.

If they so wish, the Non-Executive Directors have opportunities to meet without Executive Directors being present (including after Board and Committee meetings). Because the Board is spread out geographically, the majority of communications between Directors is conducted by video. However, the Board does convene in person at least once a year, and this presents an opportunity (before, after and between management and operational meetings) for the Non-Executive Directors to meet in person without the Executive Directors being present.

### **Professional development**

Throughout their period in office, the Directors are continually updated on the Group's business, the competitive and regulatory environments in which it operates, corporate social responsibility matters and other changes affecting the Group and the industry it operates in as whole. The updates are usually provided by way of written briefings and meetings with senior management. Directors are also advised on appointment of their legal and other duties and obligations as a director of an AIM quoted company both in writing and in communications (being face-to-face meetings whenever possible) with the Company's Nominated Adviser. The Directors also have recourse to the Company Secretary, a qualified and practising solicitor, who is a recognised practitioner within the AIM community.

All the Directors are subject to election by shareholders at the first Annual General Meeting of the Company ("**AGM**") after their appointment to the Board. Having been appointed on 1 January 2026, Tim Hughes will be required to seek re-election at the forthcoming AGM. Each Director is required, under the Company's articles of association, to seek re-election at least once every three years.

## **Board Committees**

The Board has delegated authority to its committees to carry out the tasks defined in their respective terms of reference. The committees are the Audit Committee and the Remuneration Committee. The role of each committee is set out in their respective terms of reference document.

### ***Audit Committee***

During the financial period under review, the members of the Audit Committee were Lance Baller, J. Frank Mermoud and Mary Fallin Christensen. Mr Baller is the Chair of the Audit Committee. The responsibilities of the committee include the following:

- ensuring that the financial performance of the Group is properly monitored, controlled and reported on;
- reviewing accounting policies, accounting treatment and disclosures in the financial reports;
- meeting the auditors and reviewing reports from the auditors relating to accounts and internal control systems; and
- overseeing the Group's relationship with external auditors, including making recommendations to the Board as to the appointment or re-appointment of the external auditors, reviewing their terms of engagement, and monitoring the external auditors' independence, objectivity and effectiveness.

During the year, the committee met to review audit planning and findings. In addition, it reviewed the appointment of auditors, and agreed unanimously to re-elect UHY Hacker Young LLP.

### ***Remuneration Committee***

During the financial period under review, the members of the Remuneration Committee were Lance Baller, Mary Fallin Christensen and J. Frank Mermoud. Ms Christensen is the Chair of the Remuneration Committee. The responsibilities of the committee include the following:

- reviewing the performance of the Executive Directors and setting the scale and structure of their remuneration with due regard to the interest of shareholders;
- overseeing the evaluation of the Executive Directors; and
- determining the vesting of awards, including the setting of any performance criteria in relation to the exercise of share options, granted under the Company's share option plan.

During the year, the committee met to discuss remuneration and bonuses for the Executive Directors, and share option awards for the Directors and senior management.

The Directors' remuneration information is presented on page 37.

### Attendance at meetings

The Board meets regularly, typically on a monthly basis, together with further meetings as required. The Audit and Remuneration Committees meet as required, and try to hold a minimum of two meetings each year.

The Directors attended the following meetings during the year:

	<i>Board</i>	<i>Audit</i>	<i>Remuneration</i>
Lance Baller	12/12	1/1	2/2
Dr Thomas Becker	12/12	-	-
Malcolm Lewin	12/12	-	-
J. Frank Mermoud	12/12	1/1	2/2
Mary Fallin Christensen	12/12	1/1	2/2

### Risk management and internal control

The Board is responsible for the systems of internal controls and for reviewing their effectiveness. The internal controls are designed to manage rather than eliminate risk and provide reasonable but not absolute assurance against material misstatement or loss. The Board reviews the effectiveness of these systems annually by considering the risks potentially affecting the Group.

Iofina employs strong financial and management controls within the business. Examples of control procedures include:

- an annual budget set by the Board with regular review of progress;
- regular meetings of Executive Directors and senior management to review management information and follow up on operational issues or investigate any exceptional circumstances;
- clear levels of authority, delegation and management structure; and
- Board review and approval of significant contracts and overall project spend.

The Company's system of internal control is designed to safeguard the Company's assets and to ensure the reliability of information used within the business. The system of controls manages appropriately, rather than eliminates, the risk of failure to achieve business objectives and provides reasonable, but not absolute, assurance against material misstatement or loss. The Group does not consider it necessary to have an internal audit function due to the small size of the administrative function. Instead, there is a detailed monthly review and authorisation of transactions by the CFO and the CEO.

The independent auditors do not perform a comprehensive review of internal control procedures, but do report to the Audit Committee on the outcomes of its annual audit process. The Board confirms that the effectiveness of the system of internal control, covering all material controls including financial, operational and compliance controls and risk management systems, has been reviewed during the year under review and up to the date of approval of the Annual Report.

The Group maintains appropriate insurance cover in respect of actions taken against the Directors because of their roles, as well as against material loss or claims against the Group. The insured values and type of cover are comprehensively reviewed on a periodic basis.

### **Board effectiveness and performance evaluation**

The Board is mindful that it needs to continually monitor and identify ways in which it might improve its performance and recognises that board evaluation is useful for enhancing a board's effectiveness.

The individual contributions of each of the members of the Board are regularly assessed to ensure that: (i) their contribution is relevant and effective; (ii) that they are committed; and (iii) where relevant, they have maintained their independence. The Board intends to review the performance of the team as a unit to ensure that the members of the Board collectively function in an efficient and productive manner. As required pursuant to the Company's articles of association, each Director is required to seek re-election at least once every three years.

The Company considers that the Board and its individual members continue to perform effectively, that the Chairman performs his role appropriately and that the process for evaluation of his performance has been conducted in a professional and rigorous manner.

### **Corporate Social Responsibility**

The Board recognises the growing awareness of social, environmental and ethical matters and it endeavours to take into account the interest of the Group's stakeholders, including its investors, employees, suppliers and business partners, when operating the business. Iofina's statement addressing the steps taken by the Group to mitigate the risk of modern slavery and human trafficking within its operation and supply chain can be found on the Iofina website.

### **Employment**

The Group endeavours to appoint employees with appropriate skills, knowledge and experience for the roles they undertake and thereafter to develop and incentivise staff. The Board recognises its legal responsibility to ensure the wellbeing, safety and welfare of its employees and maintain a safe and healthy working environment for them and for its visitors.

### **Investor Relations**

The Board recognises the importance of communication with the Company's shareholders to ensure that its strategy and performance is understood and that it remains accountable to shareholders. Our website has a section dedicated to investor matters and provides useful information for the Company's shareholders (see: <http://iofina.com/investors/>). The Board as a whole is responsible for ensuring that a satisfactory dialogue with shareholders takes place, while the Chairman and the CEO ensure that the views of the shareholders are communicated to the Board as a whole. The Board ensures that the Group's strategic plans have been carefully reviewed in terms of their ability to deliver long-term shareholder value. Fully audited Annual Reports are published, and Interim Results notified via Regulatory News Service announcements. All financial reports and statements are available on the Company's website (see: <http://iofina.com/investors/financial-results>).

There is an opportunity at the Annual General Meeting for individual shareholders to question the Directors that are in attendance. The Chairman and the Executive Directors customarily attend each Annual General Meeting in person. Notice of the meeting is sent to shareholders at least 21 clear days before the meeting. Shareholders are given the opportunity to vote on each separate issue. The Company counts all proxy votes and indicates the level of proxies lodged on each resolution, after it has been dealt with by a show of hands.

### Directors' remuneration

Remuneration provided to each Director was as follows:

	2025			2024		
	Salary	Bonus	Total \$	Salary	Bonus	Total \$
Lance Baller	134,620	-	134,620	122,120	-	122,120
Dr. Thomas Becker	315,600	55,000	370,600	303,400	-	303,400
Malcolm Lewin	221,542	50,000	271,542	196,425	-	196,425
Frank Mermoud	55,000	-	55,000	42,500	-	42,500
Mary Fallin Christensen	55,000	-	55,000	42,500	-	42,500
William Bellamy	-	-	-	21,250	-	21,250
<b>Total</b>	<b>\$781,762</b>	<b>\$105,000</b>	<b>\$886,762</b>	<b>\$728,195</b>	<b>-</b>	<b>\$728,195</b>

No pension contributions were paid on behalf of the directors in 2025 or 2024.

Directors' and officers' insurance is in place on a Group-wide basis.

The interests of the Directors in office as at 31 December 2025 in the shares of the Company at the end of the financial year and the beginning of the financial year or date of appointment, if later, were as follows:

	31 December 2025	1 January 2025
L J Baller	5,500,000	5,500,000
Dr. T M Becker	139,430	139,430
M T Lewin	93,750	93,750
J F Mermoud	23,750	23,750

All outstanding options over shares granted to Directors up to 31 December 2025 are set out in the table below. No further options have been granted between 31 December 2025 and the date of signing these financial statements. No Directors exercised options in 2025.

Name	2018 Options granted	2019 Options granted	2020 Options granted	2022 Options granted	2023 Options granted
Dr T Becker	660,000	242,000	266,200	266,200	266,200
M Lewin	330,000	165,000	181,500	181,500	181,500
L Baller	220,000	165,000	165,000	165,000	165,000
JF Mermoud	-	82,500	82,500	82,500	82,500
M Fallin Christensen	-	-	82,500	82,500	82,500
	1,210,000	654,500	777,700	777,700	777,700
Exercise price	16.2p	21.3p	12.5p	17.6p	31.8p
Lapse date	13/06/28	24/07/29	15/12/30	8/3/32	27/4/33

On behalf of the Board



**Dr. Thomas M. Becker**

Chief Executive Officer and President

29 April 2026

## Sustainability and Governance

### Responsible Approach and Core Values

The Group has continually maintained a philosophy and commitment to perform its operations in a safe, responsible manner regarding all stakeholders including, but not limited to, staff, shareholders, customers and our communities.

The Group has long applied tenets to conduct our business with low environmental impact, a focus on our employees and communities, and operate with the highest ethical standards. Iofina chose to produce our iodine from a brine water source that is a by-product of the oil and gas industry. By partnering with oil & gas operators, Iofina produces iodine from this brine water, and this iodine would not be realised if Iofina was not operating its iodine manufacturing plants. Iofina does not drill brine wells or brine disposal wells but instead relies on sourcing brines which are already being lifted. Most of the world's iodine is manufactured from iodate deposits in ores in Chile through processes we believe are much more negatively intensive to the environment than our WET® IOsorb® technology. The Group also manufactures specialty chemicals through the Iofina Chemical division. IC has held a long-established business philosophy to develop its processes in aqueous-based chemistries, whenever possible, to reduce the use of organic solvents, with the vast majority of IC's processes being performed in aqueous media.

The iodine compounds the Group produces have a positive impact on society, with iodine being essential for human and animal health. Whether it is directly through the ingestion of foods containing iodides or fortified salt as a micro-nutrient to ensure proper thyroid function and to stimulate proper human and animal development; or by using iodine-containing compounds in medical uses, such as iodinated X-ray contrast agents, production of pharmaceuticals or the use of PVP-I in antiseptic applications, iodine plays many important roles in a healthy society.

### Environmental

The Group is committed to minimising its energy consumption and waste generation. Energy use and environmental impacts are key criteria when ordering and replacing equipment at our manufacturing sites. In 2025, Iofina Chemical improved its air handling system in the production areas, increased recycling efforts of plant packaging and scrap metals, and replaced a product component with a more environmentally friendly surfactant. Projects to significantly reduce water consumption are currently ongoing. Iofina Resources executed projects which reduced chemical consumption, enhanced air scrubbing capacities, sourced equipment for new facilities that are more energy efficient, and improved erosion control practices during and after construction to protect nearby waterways and maintain soil stability. Iofina continues to implement strategies to reduce the environmental impacts of current operations, as well as continually evaluating the minimisation of emissions from new plants and processes. Upgrades and new processes undergo a review which comprises evaluations to minimise energy use and environmental impact.

The Group's total energy consumption at our manufacturing facilities in 2025 was:

Electricity (kWh) 15,060,123; Natural gas (CCF) 82,693; for the 1396 MT of goods produced in 2025 by the Group. In 2024, consumption was: Electricity (kWh) 13,612,900; Natural gas (CCF) 73,721; for the 1272 MT of goods produced in 2024 by the Group.

### Company and Group information

Iofina plc is a company incorporated in England and Wales; company number 05393357, with a registered office at 48 Chancery Lane, London WC2A 1JF (c/o Keystone Law, Attn: Simon Holden). SECR is prepared for the Group's UK activities and reported below.

### Streamlined energy and carbon reporting (SECR)

Group's greenhouse gas emission data

	Year Ended 31 December 2025	Year Ended 31 December 2024	Base Year
<b>Scope 3</b>			
Emissions in MT CO <sub>2</sub> e from business travel involving trips where the journey started or ended in the UK including emissions from air, taxi, hotel stays, etc.	30.76	40.79	28.67
Intensity ratio MT CO <sub>2</sub> e per \$m of income	0.463	0.749	0.573

### Reporting Period

The reporting period for SECR data is 1 January 2025 through 31 December 2025.

### Methodology and Discussion

We have followed the 2019 UK Government Environmental Reporting Guidelines and have calculated emissions based on 2025 UK Government Conversion Factors. The SECR data lists 2025 levels and 2023 will be considered the 'base year' for future reporting as 2023 is the first year that Iofina was required to communicate this SECR information. Scope 3 emissions are listed as required in the reporting guidelines. We have chosen to report the ratio of CO<sub>2</sub>e per \$m of income, as this is a reasonable reflection of the business activities. The Scope 3 emissions reported only reflect the impact on UK travel activities. The company is committed to reducing environmental impacts, as discussed in the previous section of this report, as well as minimising the impact of UK travel. Some initiatives to reduce impacts due to UK travel include taking direct flights when available and affordable, holding virtual meetings with stakeholders to minimise frequency of trips to the UK from Iofina's USA-based employees, and using public transportation in the UK whenever possible.

### Targets

Iofina continues to prioritise the minimisation of environmental impacts of our UK operations by minimising any trips to and from the UK and holding virtual meetings when appropriate. We will continue to utilise public transportation in the UK on trips whenever practical. We feel that our current travel actions in the UK are appropriate and will continue to maintain these policies. Total emissions are very small for the Group and the increase in emissions year-on-year is attributable to an increase in trips by the UK-based CFO to the USA. We expect the Group's total Scope 3 emissions per \$m of income to reduce by 10% from the base year by 2028, although this reduction may be dependent on CFO travel as the base year was abnormally low.

## Social

### Health and Safety

The safety and health of Iofina's employees is the top priority for the Group. This also extends to our contractors, visitors, and communities. Processing and creating specialty chemicals have inherent risks. Through engineering designs, extensive training and procedures, and PPE to name a few, our culture insists that as a group we work together to ensure everyone's safety. We are proud of our safety record but recognise that continual improvement is always necessary as we evolve. In 2025 there was one minor Lost Time Incident ('LTI') for the Group. The Group has not experienced one LTI in the last five years.

#### Iofina Lost Time Incidents

	2024	2025
<b>Lost Time Incidents</b>	0	1
<b>Incident Rate</b>	0	0.74

Lost Time Incidents ('LTIs') are incidents where the person is unable to work the next day of the incident. Incident rate is the number of LTIs per 200,000 hrs. worked.

Many other health and safety metrics are evaluated, and corrective actions are taken to continually improve our systems in order to reduce incident occurrences and severity. These health and safety metrics are routinely reviewed and discussed with upper management.

### Community

Iofina is committed to being a socially responsible organisation. Our programme, 'Iofina Gives Back', is an employee-driven programme designed to support our local communities. Some of the programme's initiatives include the donation of items and funds for disaster relief, toy drives, and food drives.

Additionally, for many years, Iofina Resources has partnered with Northwestern Oklahoma State University and the OCAST Intern Partnership Program, which is designed to advance science and technology opportunities and provide experience and educational opportunities for undergraduate students. Multiple students involved in these internships with Iofina have gone on to achieve advanced level science degrees.

### Diversity

Iofina is an Equal Opportunity Employer and all employment decisions at Iofina are based on individual qualifications, particular job responsibilities, and business needs without regard to race, color, religion, national origin, age, gender, disability, or any other status protected by laws where we operate. A culture of respect at Iofina is our commitment to all our employees and we demand that our team treats our fellow workers and business partners in a professional and non-discriminatory manner. Historically, the job applicants that Iofina receives tend to underrepresent females when compared to the general population. Iofina continues to investigate ways to find a more diverse pool of job applicants.

### Governance

The following are summaries of some of Iofina's Governance data and practices and Board composition as at 31 December 2025. Corporate policies are reviewed by the Board.

	<b>Total Board Members</b>	<b>%Male</b>	<b>%Female</b>	<b>%Non-executive</b>	<b>% Executive</b>	<b>CEO/Chairman separate roles</b>
<b>Board of Directors</b>	5	80%	20%	60%	40%	Yes

- Post-period the Group added Tim Hughes to the Board of Directors effective 1 January 2026.
- The Group has adopted the QCA Corporate Governance Code
- The Group has adopted several policies including but not limited to:
  - Whistleblowing Policy
  - Anti-Fraud Policy
  - Anti-Corruption and Bribery Policy
  - Share Dealing Code
  - AIM Rules Compliance Policy
  - Modern Slavery Statement

Further detail regarding Corporate Governance practices can be found on pages 28 and 31 of this report.

## Independent auditor's report to the members of Iofina PLC

### Opinion

We have audited the financial statements of Iofina PLC (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Consolidated Statement of Changes in Shareholders' Equity, the Consolidated Cash Flow Statement, the Company Balance Sheet, the Company Statement of Changes in Shareholders' Equity and notes to the financial statements, including the significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group's financial statements is applicable law and UK adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the Parent Company's financial statements is FRS 101 'Reduced Disclosure Framework applicable in the UK and Republic of Ireland' ('FRS 101' or 'UK GAAP') and 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 December 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards;
- the Parent Company financial statements have been properly prepared in accordance with FRS 101 and as applied in accordance with the provisions of the Companies Act 2006; and
- the Group 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

Our evaluation of the director's assessment of the entity's ability to continue to adopt the going concern basis of accounting included:

Evaluation of management assessment	Key observations
Management have prepared detailed consolidated cash flow forecasts incorporating all entities within the Group covering the period to 31 December 2027. These are based on their expectation of future costs, including budgeted operating and capital expenditure on all the	The cash flow forecasts demonstrates that the Group will have a cash flow surplus throughout the forecast period. These incorporated all budgeted and committed expenditure, the

<p>group's operating plants licence areas and expectations of future iodine production levels and commodity price.</p> <p>Our review included:</p> <ul style="list-style-type: none"> <li>• Assessing the transparency, completeness and accuracy of the matters covered in the going concern disclosure and management's cash flow projections;</li> <li>• Reviewing the cash flow forecasts, the methodology behind these, challenging the assumptions with management and corroborating them with our historical knowledge of the Group;</li> <li>• Performing a sensitivity analysis on the budgets provided to assess the change in revenue and iodine prices that would need to occur to push the Group into a cash negative position;</li> <li>• Ensuring arithmetic accuracy of the model;</li> <li>• Obtaining post year end management information and comparing these to forecasts to assess whether budgeting is reasonable and the results are in line with expectations; and</li> <li>• Comparing the prior year budgeted cash flow with actual results to assess management's ability to budget.</li> </ul>	<p>schedule of repayment for the term loan and movements in working capital.</p> <p>We challenged management on assumptions used including iodine prices, iodine production and sales, inflation and various other costs. In reviewing the cash flow forecasts, we separately sensitised the commodity price to determine the maximum the price of iodine could fall by, assuming a constant volume, in order for the cash to be depleted to Nil by the end of the forecast period. Overall, the price of iodine would need to decrease by 59% in 2026 and 69% in 2027 in order for EBITDA to be Nil for both years of the forecasts. Given the price of iodine has been increasing since 2018, this is not considered likely.</p> <p>We have further sensitised the demand for crystallised iodine, reducing it to Nil. The results of this still showed a positive EBITDA for the group as a result of the flex in variable costs.</p> <p>We compared managements forecast to actual results post year end and noted timing differences and no other material variances.</p> <p>We have compared the prior year cash flow projection with the current year actual results and noted some differences noted in demand of lower gross margin products and the remaining differences for cash flow due to timing only.</p> <p>Finally, we have recalculated loan covenant ratios for 31 December 2026 and 2027 showing no breaches based on budgeted figures.</p>
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Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## Our approach to the audit

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 judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

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 an understanding of the structure of the Company and the Group, their activities, the accounting processes and controls, and the industry in which they operate. Our planned audit testing was directed accordingly and was focused on areas where we assessed there to be the highest risk of material misstatement.

Our Group audit scope includes all of the group companies. At the Parent Company level, we also tested the consolidation procedures. The audit team communicated regularly throughout the audit with the Chief Financial Officer (CFO) in order to ensure we had a good knowledge of the business of the Group. During the audit we reassessed and re-evaluated audit risks and tailored our approach accordingly.

The audit testing included substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls and the management of specific risk.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identify during the audit.

## 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 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. This is not a complete list of all risks identified during our audit. Going concern is a significant key audit matter and is described above. In arriving at our audit opinion above, the other key audit matters were as follows:

Key audit matters	How our audit addressed the key audit matters
Revenue Recognition	Our audit work included, but was not restricted to:

<p>(applicable to the Group financial statements only)</p> <p>Under IFRS 15, the entity shall recognise revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.</p> <p>The revenue stream for the group is derived from sale of iodine derivatives, iodine chemicals and ancillary products, all of which are fundamental to the financial statements and a systematic error in the calculation could lead to a material error.</p> <p>In this regards, we therefore consider that there is a significant risk over the cut off, occurrence and accuracy of revenue recognition.</p>	<ul style="list-style-type: none"> <li>• Documenting our understanding of management’s process for evaluating revenue recognition and assessing the design effectiveness and implementation of related key controls;</li> <li>• Testing a sample of transactions throughout the year to ensure the recognition is in line with IFRS 15, the Group accounting policy and to ensure the accuracy and occurrence of revenue;</li> <li>• Tested a sample of transactions pre and post year end to assess whether sales are accounted for in the correct period;</li> <li>• Tested a sample of post year end credit notes to ensure no large credit notes were issued post year end relating to 2025 sales; and</li> <li>• Using our data analytics software to assess the correlations between revenue entries, trade receivables and subsequent cash receipt. This would identify whether any subsequent reversal of trade receivables should have impacted the recognition of the revenue.</li> </ul> <p>The Group’s accounting policy on revenue recognition is shown in the Accounting Policies for the consolidated financial statements and related disclosures are included in note 1d.</p> <p><b>Key observations</b></p> <p>As a result of the audit procedures we performed and, after considering management’s disclosures of the judgements applied by them, we have concluded that revenue recognition is materially complete, accurate, has occurred and recognised on an appropriate basis.</p>
<p><b>Valuation and Impairment review of property plant and equipment</b> (applicable to the Group financial statements only)</p>	<p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none"> <li>• Reviewing Management’s assessment of forecasted cash flows and challenged significant movements in forecasted</li> </ul>

<p>Under International Accounting Standard 36 'Impairment of Assets' (IAS 36), companies are required to assess whether there is any indication that an asset may be impaired at each reporting date.</p> <p>Property, plant and equipment represent a significant balance in the financial statements with a combined net book value of \$37.0m (2024 - \$31.8m). The balance is primarily comprised of the IOSorb plants, equipment and machinery and construction in progress.</p> <p>The estimated recoverable amount of these balances is subjective due to the inherent uncertainty involved in forecasting and probability of the related future cash flows which is based on expected future cash flows of the IOSorb plants.</p> <p>Significant management judgement and estimation uncertainty is involved in this area, where the primary inputs are:</p> <ul style="list-style-type: none"> <li>• Estimating cash flow forecasts; and</li> <li>• Selecting appropriate assumptions such as growth rate, Iodine prices and discount rate.</li> </ul> <p>We therefore identified the risk over the valuation of property plant and equipment as a significant risk.</p>	<p>cash flows compared to historic performance;</p> <ul style="list-style-type: none"> <li>• Reviewing Management's forecasted cash flows that feed into the discounted cash flow model and challenged significant assumptions with reference to historic results, market trends, appropriateness of discount rates and future expectations of commodity prices and sales growth;</li> <li>• Critically analysing whether or not the IOSorb plants should be viewed as one Cash Generating Unit ("CGU") or multiple CGU's;</li> <li>• Challenging management and gained an understanding of what is considered a cash generating unit; and</li> <li>• Performing a downside sensitivity analysis and held discussions with Management to assess the likelihood of certain circumstances crystallising.</li> </ul> <p>The Group's accounting policy on Impairment is shown in the Accounting Policies for the consolidated financial statements and related disclosures are included in note 1m.</p> <p><b>Key observations</b></p> <p>As a result of the audit procedures we performed and, after considering management's disclosures of the judgements applied by them, we have concluded that no impairments are required.</p> <p>We have confirmed the estimates and judgements utilised within the models applied in relation to the impairment of property, plant and equipment are within acceptable ranges.</p> <p>We are also satisfied that the plants should be considered one CGU.</p>
<p><b>Valuation of Inventory</b></p>	<p>Our audit work included, but was not restricted to:</p>

<p>(applicable to the Group financial statements only)</p> <p>Inventory primarily consists of iodine and iodine derivatives. Inventory should be held at the lower of cost and net realisable value.</p> <p>The net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. As at 31 December 2025, the inventory is valued at \$8.4m (2024 - \$10.1m). There is a risk that the carrying value in the Group accounts is higher than the recoverable amount and therefore materially misstated. Further, there is the added risk of the complexity of the measurement of the costs of conversion of the inventory and the estimates and judgements around this.</p> <p>We therefore identified the valuation of inventory as a key audit matter, which was one of the most significant assessed risks of material misstatement.</p>	<ul style="list-style-type: none"> <li>Reviewed the inventory valuation on a sample basis to assess whether it is held at the lower of cost and net realisable value;</li> <li>Considered the inputs used and accuracy of the billable of materials calculation to value the initial cost per unit of the inventory; and</li> <li>Considered the inputs used and accuracy of calculations of the value of overheads absorbed into inventory. We challenged these assumptions with management to ensure they are appropriate.</li> </ul> <p>The Group’s accounting policy on Inventories is shown in the Accounting Policies for the consolidated financial statements and related disclosures are included in note 1o.</p> <p><b>Key observations</b></p> <p>As a result of the audit procedures we performed and, after considering Management’s disclosures of the judgements applied by them, we have concluded that the valuation of inventory is materially accurate and recognised on an appropriate basis.</p> <p>We have confirmed the estimates and judgements utilised within the models applied in relation to the valuation of inventory are within acceptable ranges.</p>
<p><b>Valuation and Impairment review of investments in subsidiaries and intercompany balances</b></p> <p>(applicable to the Parent Company financial statements only)</p> <p>Due to the material size of the investments in, and loans to, the subsidiaries the directors should critically consider if any indicators of impairment exist in relation to the balances.</p> <p>The estimated recoverable amount of these balances is subjective due to the inherent</p>	<p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none"> <li>Obtaining and reviewing the director’s assessment of impairment with regards to investment and loans due from its subsidiaries to assess whether the treatment of the balances was in line with IAS 36;</li> <li>Reviewing the results of the impairment reviews undertaken by the directors and critically assess and challenge management for the</li> </ul>

<p>uncertainty involved in forecasting the profitability of the subsidiaries.</p> <p>Where indicators of impairment have been identified a robust review of the investments held by the Parent Company and any amounts due from subsidiaries to the Parent Company should be undertaken by the directors to confirm the value in use of these amounts and that there are no indications, or requirements for, impairments of the amounts.</p> <p>Significant management judgement and estimation uncertainty is involved in this area, where the primary inputs are:</p> <ul style="list-style-type: none"> <li>• Estimating cash flow forecasts;</li> <li>• Selecting an appropriate assumption such as growth rate and discount rate.</li> </ul> <p>We therefore identified the valuation of investments in subsidiaries and intercompany balances as a key audit matter, which was one of the most significant assessed risks of material misstatement.</p>	<p>assumptions used within the impairment review to ensure they are appropriate;</p> <ul style="list-style-type: none"> <li>• Reviewing the 2025 forecasts against actual results to determine the Directors’ historic forecasting accuracy;</li> <li>• Performing a sensitivity analysis on the key inputs mentioned above with the key being the decline in Iodine prices and sales growth; and</li> <li>• Calculating the enterprise value of the company and compared to net book value (“NBV”) of the investment and loans due to subsidiaries.</li> </ul> <p>The Group’s accounting policy on impairment is shown in the Accounting Policies for the consolidated financial statements and related disclosures are included in note 1m.</p> <p><b>Key observations</b></p> <p>As a result of the audit procedures we performed and, after considering management’s disclosures of the judgements applied by them, we have concluded that no impairments are required.</p> <p>We have confirmed the estimates and judgements utilised within the models applied in relation to the valuation and impairment of investments in subsidiaries and intercompany balances are within acceptable ranges.</p>
<p><b>Valuation and impairment review of Goodwill</b> (applicable to the Group financial statements only)</p> <p>Goodwill recognised on the acquisition of H&amp;S Chemical has been allocated to the Iofina Chemical (“IC”) cash-generating unit (CGU). At the reporting date, goodwill and other related tangible and intangible assets allocated to this CGU represented a material balance in the</p>	<p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none"> <li>• Assessing whether goodwill arising from the acquisition of H&amp;S Chemical was allocated to an appropriate CGU in accordance with the requirements of IAS 36.</li> <li>• Evaluating management’s value-in-use model, including reviewing the methodology applied and checking the</li> </ul>

<p>Group's consolidated statement of financial position.</p> <p>In accordance with IAS 36 Impairment of Assets, goodwill is tested annually for impairment at the CGU level. Management has determined the recoverable amount of the IC CGU based on a value-in-use model, which incorporates a discounted cash flow forecast over a five-year period and a terminal value, using an estimate of the weighted average cost of capital (WACC).</p> <p>The determination of the recoverable amount involves a high degree of judgement, including assumptions relating to:</p> <ul style="list-style-type: none"> <li>• future revenue growth, including projected iodine price increases;</li> <li>• expected iodine purity levels, which directly impact achievable pricing and margins;</li> <li>• operating costs and inflation rates; and</li> <li>• the discount rate (WACC) applied to future cash flows.</li> </ul> <p>We therefore identified the impairment assessment and valuation of goodwill to be a key audit matter given the materiality of goodwill, the level of estimation uncertainty, the sensitivity of the valuation to changes in key assumptions, and the risk that impairment may not be recognised where required.</p>	<p>mathematical accuracy of the calculations.</p> <p>Assessing the reasonableness of the key assumptions used in the cash flow forecasts, including:</p> <ul style="list-style-type: none"> <li>• evaluating assumptions relating to iodine price increases by comparison to historical trends, contractual pricing where applicable, and available external market information;</li> <li>• assessing assumptions relating to iodine purity by comparing forecast purity levels to historical production data and considering the consistency of assumed purity levels with the Group's operational capabilities;</li> <li>• assessing inflation rate assumptions applied to operating costs with reference to recent cost trends and published economic data; and</li> <li>• assessing the discount rate (WACC) by benchmarking key components against market-based data and, where appropriate, using independent valuation expertise.</li> <li>• Comparing forecast cash flows to historical performance and to budgets approved by the Board, and assessing whether the forecasts appropriately reflected current operating and economic conditions.</li> <li>• Performing sensitivity analyses on key assumptions, including iodine pricing, iodine purity, inflation rates and the discount rate, to assess the impact of reasonably possible changes on the recoverable amount of the IC CGU.</li> </ul>
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	<ul style="list-style-type: none"> <li>• Reviewing the disclosures in the financial statements to ensure that the key assumptions and significant judgements applied in the impairment assessment were appropriately described.</li> </ul> <p>The Group’s accounting policy on impairment is shown in the Accounting Policies for the consolidated financial statements and related disclosures are included in note 1h.</p> <p><b>Key observations</b></p> <p>As a result of the audit procedures we performed and, after considering management’s disclosures of the judgements applied by them, we have concluded that no impairments are required.</p>
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**Our application of materiality**

The scope and focus of our audit was influenced by our assessment and application of materiality. We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements.

We define financial statement materiality as the magnitude by which misstatements, including omissions, could reasonably be expected to influence the economic decisions taken on the basis of the financial statements by reasonable users.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Materiality Measure	Group	Parent
Overall materiality	We determined materiality for the financial statements as a whole to be \$391,000 (2024: \$385,700).	We determined materiality for the financial statements as a whole to be \$312,000 (2024: \$358,300).
How we determine it	For 2025 materiality is based 5% of the last 3 years average Profit Before Tax (“PBT”) for the Group. No change from the prior year.	As the Parent is a holding company, materiality was based on 1% of gross assets.

Rationale for benchmarks applied	As a trading group, materiality based on average PBT is an appropriate factor given the group's profitability in the past few years has been inconsistent and profitability being one of the key drivers of the business and is a key KPI for stakeholders.	As a holding company, materiality is based on 1% of the total assets of the group. This is appropriate as the company is a holding company.
Performance materiality	On the basis of our risk assessment, together with our assessment of the Group and Company's control environment, our judgement is that performance materiality for the financial statements should be 75% of materiality for the Group and 60% for the Company:	
	\$293,250 (2024: \$289,300)	\$234,000 (2024: \$268,700)
Specific materiality	We also determine a lower level of specific materiality for certain areas such as directors' remuneration and related party transactions of \$2,500.	
Reporting threshold	We agreed with the Audit Committee that we would report to them all misstatements over 5% of Group and Company materiality identified during the audit, as well as differences below that threshold that, in our view, warrant reporting on qualitative grounds.	
	\$19,550 (2024: \$19,300)	\$15,600 (2024: \$18,400)

### 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 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 statement of directors' responsibilities set out on page 26, 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 Parent Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the Group and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the use of regulated chemicals, tax legislation, employment and health and safety regulations, anti-bribery, corruption and fraud and we considered the extent to which non-compliance might have a material effect on the financial statements.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, UK adopted International Accounting Standards and United Kingdom Generally Accepted Accounting Practice. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and the QCA's Code on Corporate Governance and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Review of the financial statement disclosures to underlying supporting documentation;
- Review of reports from the regulators, including correspondence with SOCMA (Society of Chemical Manufacturers and Affiliates), DEA (Drug Enforcement Administration), US tax authorities and OSHA (Occupational Safety & Health Administration);
- Discussing with management their policies and procedures regarding compliance with laws and regulations;
- Enquiries of management and review of internal audit committee reports in so far as they related to the financial statements;
- Enquiring of management as to actual and potential litigation and claims;
- Review of relevant legal or professional costs within the accounting records for any evidence of previously un-detected or un-reported instances of non-compliance;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Group which were contrary to the applicable laws and regulations, including fraud.

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

- Making enquiries of the management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Substantively testing of revenue and testing of journals to identify unusual transactions and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud;
- Performed analytical procedures to identify any unusual or unexpected relationships;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- Investigated the rationale behind any significant or unusual transactions;

- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

### **Use of our report**

This report is made solely to the Parent Company's members, as a body, in accordance with part 3 of Chapter 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Colin Wright**

**(Senior Statutory Auditor)**

**For and on behalf of UHY Hacker Young**

Statutory Auditors

UHY Hacker Young  
4 Thomas More Square  
London E1W 1YW

29 April 2026

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 December 2025 \$'000	Year ended 31 December 2024 \$'000
Revenue	3	66,515	54,465
Cost of sales	4	(48,482)	(41,228)
<b>Gross profit</b>		<b>18,033</b>	<b>13,237</b>
Administrative expenses	4	(6,218)	(5,670)
Depreciation and amortisation	4	(3,130)	(2,610)
<b>Operating profit</b>		<b>8,685</b>	<b>4,957</b>
<b>Other income</b>			
Government subsidies	6	2,076	-
<b>Profit before finance expense</b>		<b>10,761</b>	<b>4,957</b>
Finance income	8	141	176
Finance expense	7	(311)	(266)
Interest swap derivative asset	20	(65)	(68)
<b>Profit before taxation</b>	4	<b>10,526</b>	<b>4,799</b>
Taxation	9	(2,658)	(1,881)
<b>Profit for the year attributable to owners of the parent</b>		<b>\$7,868</b>	<b>\$2,918</b>
Earnings per share attributable to owners of the parent:			
- Basic	10	\$0.041	\$0.015
- Diluted	10	\$0.040	\$0.015

	2025 \$'000	2024 \$'000
<b>Adjusted EBITDA:</b>		
Profit before finance expense	10,761	4,957
Depreciation and amortisation	3,130	2,610
<b>EBITDA</b>	<b>13,891</b>	<b>7,567</b>
Other income	(2,076)	-
<b>Adjusted EBITDA</b>	<b>\$11,815</b>	<b>\$7,567</b>

All activities are classed as continuing.

The accompanying notes form part of these financial statements.

## CONSOLIDATED BALANCE SHEET

		31 December 2025 \$'000	31 December 2024 \$'000
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	12	3,087	3,087
Property, plant and equipment	13	37,042	31,790
Term loan – interest swap asset	20	28	92
<b>Total non-current assets</b>		<b>40,157</b>	<b>34,969</b>
<b>Current assets</b>			
Inventories	14	8,398	10,060
Trade and other receivables	16	18,916	11,896
Cash and cash equivalents	17	11,731	6,857
<b>Total current assets</b>		<b>39,045</b>	<b>28,813</b>
<b>Total assets</b>		<b>\$79,202</b>	<b>\$63,782</b>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	18	12,936	10,800
Loan repayments due within one year	20	1,793	1,429
Lease liabilities	19	75	160
<b>Total current liabilities</b>		<b>14,804</b>	<b>12,389</b>
<b>Non-current liabilities</b>			
Loan repayments due after one year	20	4,709	2,500
Lease liabilities	19	81	170
Deferred tax liability	25	3,925	932
<b>Total non-current liabilities</b>		<b>8,715</b>	<b>3,602</b>
<b>Total liabilities</b>		<b>\$23,519</b>	<b>\$15,991</b>
<b>Equity attributable to owners of the parent</b>			
Issued share capital	22	3,107	3,107
Share premium	23	-	60,687
Share-based payment reserve	24	2,435	2,411
Distributable reserves/(retained losses)	23	56,085	(12,470)
Foreign currency reserve		(5,944)	(5,944)
<b>Total equity</b>		<b>\$55,683</b>	<b>\$47,791</b>
<b>Total equity and liabilities</b>		<b>\$79,202</b>	<b>\$63,782</b>

The financial statements on pages 56 to 89 were approved and authorised for issue by the Board and were signed on its behalf on 29 April 2026.



**Dr. Thomas M. Becker - Chief Executive Officer and President**

The accompanying notes form part of these financial statements.

Company number 05393357

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Attributable to owners of the parent					Total equity \$'000
	Share capital	Share premium	Share-based payment reserve	Distributable reserves (Retained losses)	Foreign currency reserve	
	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Balance at 1 January 2024</b>	<b>\$3,107</b>	<b>\$60,687</b>	<b>\$2,367</b>	<b>\$(15,467)</b>	<b>\$(5,944)</b>	<b>\$44,750</b>
<b>Transactions with owners</b>						
Share-based expense	–	–	123	–	–	123
Share options forfeited	–	–	(79)	79	–	–
<b>Total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>44</b>	<b>79</b>	<b>–</b>	<b>123</b>
<b>Profit for the year attributable to owners of the parent</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,918</b>	<b>–</b>	<b>2,918</b>
<b>Total comprehensive income attributable to owners of the parent</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,918</b>	<b>–</b>	<b>2,918</b>
<b>Balance at 31 December 2024</b>	<b>\$3,107</b>	<b>\$60,687</b>	<b>\$2,411</b>	<b>\$(12,470)</b>	<b>\$(5,944)</b>	<b>\$47,791</b>
<b>Transactions with owners</b>						
Capital reduction scheme (Note 23)	–	(60,687)	–	60,687	–	–
Share-based expense	–	–	24	–	–	24
<b>Total transactions with owners</b>	<b>–</b>	<b>(60,687)</b>	<b>24</b>	<b>60,687</b>	<b>–</b>	<b>24</b>
<b>Profit for the year attributable to owners of the parent</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>7,868</b>	<b>–</b>	<b>7,868</b>
<b>Total comprehensive income attributable to owners of the parent</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>7,868</b>	<b>–</b>	<b>7,868</b>
<b>Balance at 31 December 2025</b>	<b>\$3,107</b>	<b>–</b>	<b>\$2,435</b>	<b>\$56,085</b>	<b>\$(5,944)</b>	<b>\$55,683</b>

## CONSOLIDATED CASH FLOW STATEMENT

	Note	Year ended 31 December 2025 \$'000	Year ended 31 December 2024 \$'000
<b>Cash flows from operating activities</b>			
Profit before taxation		10,526	4,799
Adjustments for:			
Depreciation	13	3,130	2,484
Loss on disposal of fixed asset		-	23
Amortisation of intangible assets		-	103
Share-based payments	24	24	123
Revaluation of derivative asset	20	64	68
Finance expense	7	311	265
Finance income	8	(141)	(177)
Government subsidies	6	(2,076)	-
<b>Operating cash inflow before changes in working capital, tax paid and subsidies</b>		<b>11,838</b>	<b>7,688</b>
<b>Changes in working capital</b>			
(Increase)/decrease in trade and other receivables		(6,685)	3,825
Decrease in inventories		1,662	78
Increase in trade and other payables		2,136	838
<b>Net cash inflow from operating activities before tax paid and subsidies</b>		<b>8,951</b>	<b>12,429</b>
Net tax paid		(1)	(901)
Government subsidies		2,076	-
<b>Net cash inflow from operating activities after tax paid and subsidies</b>		<b>11,026</b>	<b>11,528</b>
<b>Cash flows from investing activities</b>			
Interest received	8	141	177
Additions to property, plant and equipment	13	(8,382)	(9,513)
<b>Net cash outflow from investing activities</b>		<b>(8,241)</b>	<b>(9,336)</b>
<b>Cash flows from financing activities</b>			
Bank loan drawdowns		4,003	-
Bank loan repayments	20	(1,429)	(1,429)
Interest paid		(293)	(246)
Lease payments	19	(192)	(178)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>2,089</b>	<b>(1,853)</b>
<b>Net increase in cash and cash equivalents</b>		<b>4,874</b>	<b>339</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>6,857</b>	<b>6,518</b>
<b>Cash and cash equivalents at end of year</b>		<b>\$11,731</b>	<b>\$6,857</b>

## COMPANY BALANCE SHEET

	Note	31 December 2025 \$'000	31 December 2024 \$'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investment in subsidiary undertakings	28	17,199	17,199
<b>Total non-current assets</b>		<b>17,199</b>	<b>17,199</b>
<b>Current assets</b>			
Due from subsidiaries	28	17,475	18,395
Trade and other receivables	16	8	8
Cash and cash equivalents	17	176	224
<b>Total current assets</b>		<b>17,659</b>	<b>18,627</b>
<b>Total assets</b>		<b>\$34,858</b>	<b>\$35,826</b>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	18	332	258
<b>Total current liabilities</b>		<b>332</b>	<b>258</b>
<b>Equity attributable to the owners of the parent</b>			
Issued share capital	22	3,107	3,107
Share premium	23	-	60,687
Share-based payment reserve	24	2,435	2,411
Distributable reserves/(retained losses)		34,743	(24,878)
Foreign currency reserve		(5,759)	(5,759)
<b>Total equity</b>		<b>34,526</b>	<b>35,568</b>
<b>Total equity and liabilities</b>		<b>\$34,858</b>	<b>\$35,826</b>

The directors have taken advantage of the exemption offered by section 408 of the Companies Act 2006 not to present a separate statement of comprehensive income for the parent company.

The parent company has also taken advantage of certain disclosure exemptions conferred by FRS 101 and has not provided a Cash Flow Statement.

The loss for the financial year dealt with in the financial statements of the parent company was \$1,065k (2024 loss \$1,022k).

The financial statements on pages 56 to 89 were approved and authorised for issue by the Board and were signed on its behalf on 29 April 2026.



**Dr. Thomas M Becker**  
**Chief Executive Officer and President**  
 Company number: 05393357

## COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Attributable to equity holders of the parent					Total equity \$'000
	Share capital \$'000	Share premium \$'000	Share based payment reserve \$'000	Retained losses \$'000	Foreign currency reserve \$'000	
<b>Balance at 1 January 2024</b>	<b>\$3,107</b>	<b>\$60,687</b>	<b>\$2,367</b>	<b>\$(23,935)</b>	<b>\$(5,759)</b>	<b>\$36,467</b>
<b>Transactions with owners</b>						
Share-based expense	–	–	123	–	–	123
Share options forfeited	–	–	(79)	79	–	–
<b>Total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>44</b>	<b>79</b>	<b>–</b>	<b>123</b>
<b>Loss attributable to owners of the parent</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(1,022)</b>	<b>–</b>	<b>(1,022)</b>
<b>Total comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(1,022)</b>	<b>–</b>	<b>(1,022)</b>
<b>Balance at 31 December 2024</b>	<b>\$3,107</b>	<b>\$60,687</b>	<b>\$2,411</b>	<b>\$(24,878)</b>	<b>\$(5,759)</b>	<b>\$35,568</b>
<b>Transactions with owners</b>						
Capital reduction scheme (Note 23)	–	(60,687)	–	60,687	–	–
Share-based expense	–	–	24	–	–	24
<b>Total transactions with owners</b>	<b>–</b>	<b>(60,687)</b>	<b>24</b>	<b>60,687</b>	<b>–</b>	<b>24</b>
<b>Loss attributable to owners of the parent</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(1,065)</b>	<b>–</b>	<b>(1,065)</b>
<b>Total comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(1,065)</b>	<b>–</b>	<b>(1,065)</b>
<b>Balance at 31 December 2025</b>	<b>\$3,107</b>	<b>–</b>	<b>\$2,435</b>	<b>\$34,744</b>	<b>\$(5,759)</b>	<b>\$34,527</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****1. Accounting policies**

The Company is a public limited company incorporated and domiciled in the United Kingdom. The Company is listed on the AIM Market of the London Stock Exchange.

The registered office is located at 48 Chancery Lane, London, WC2A 1JF. The principal activities of the Company have been and continue to be investment in subsidiaries engaged in the production of iodine and iodine derivatives, including the arrangement of finance for and the provision of management services to subsidiaries.

**a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with UK adopted International Accounting Standards ('IFRS') and IFRS Interpretations Committee ('IFRIC') and the Companies Act 2006 applicable to companies reporting under IFRS. The accounts of the parent company, Iofina plc, have been prepared in accordance with FRS101 'Reduced Disclosure Framework applicable in the UK and Republic of Ireland' (FRS 101). The company has taken advantage of certain disclosure exemptions conferred by FRS101, including not presenting a Company Cash Flow Statement.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

**b) New standards, interpretations and amendments**

Management continues to evaluate standards, amendments and interpretations which are applicable and effective for reporting periods beginning after the date of these financial statements and have not been adopted early, including:

- Lack of Exchangeability (Amendments to IAS 21)
- Classification and Measurement of Financial Instruments (Amendments to IFRS9 and IFRS7)
- Annual Improvements to IFRS Accounting Standards – Volume 11 (IFRS1, IFRS7, IFRS9 and IFRS10)
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS19 Subsidiaries without Public Accountability: Disclosures

Implementation of the above is not expected to have a material effect on the Group's financial statements in the future.

**c) Basis of preparation of financial statements**

The financial statements have been prepared on the historical cost convention as modified by the revaluation of financial liabilities at fair value through profit and loss.

The financial statements are presented in US Dollars, which is also the Group's functional currency.

Amounts are stated in thousands of US Dollars, unless otherwise stated.

As permitted by Section 408 of the Companies Act 2006, the parent company's income statement has not been included in these financial statements.

#### **d) Revenue recognition**

Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods or providing services, and is recognized when performance obligations are satisfied under the terms of contracts with our customers. A performance obligation is deemed to be satisfied when transfer of control of the product or service is transferred to our customer. The transaction price of a contract, or the amount we expect to receive upon satisfaction of all performance obligations, is determined by reference to the contract's terms and includes adjustments, if applicable, for any variable consideration, such as customer rebates or commissions, although these adjustments are generally not material. Costs incurred to obtain contracts with customers are expensed immediately.

Revenue consists of sales of iodine derivatives, iodine, chemicals and ancillary products. All of our revenue is derived from contracts with customers, and almost all of our contracts with customers contain one performance obligation for the transfer of goods where such performance obligation is satisfied at a point in time. Transfer of control of a product is deemed to be transferred to the customer upon shipment or delivery. Significant portions of our sales are sold free on board shipping point or on an equivalent basis, while delivery terms of other transactions are based upon specific contractual arrangements. Our standard terms of delivery are generally included in our contracts of sale, order confirmation documents and invoices, while the timing between shipment and delivery generally ranges between 1 and 45 days. Costs for shipping and handling activities, whether performed before or after the customer obtains control of the goods, are accounted for as fulfilment costs.

#### **e) Research and development expenditures**

Expenditure on research (or the research phase of an internal project) is recognised as an expense in the period in which it is incurred. Costs that are directly attributable to the development phase of a new customised chemical manufacturing process or development of a new iodine project are recognised as intangible assets provided they meet the following recognition requirements:

- completion of the intangible asset is technically feasible so it will be available for use or sale;
- the Group intends to complete the intangible asset and use or sell it;
- the Group has the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits;
- there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the expenditure attributable to the intangible asset during its development can be measured reliably.

Among other things, this requires that there is a market for the output from the intangible asset or for the intangible asset itself, or, if it is to be used internally, the asset will be used in generating such benefits.

Development costs not meeting these criteria for capitalisation are expensed as incurred. In 2024, all research and development expenditures were expensed as incurred.

**f) Going concern**

The Group considers that it is now well placed financially with low overall debt, proper debt facilities, generation of profits and free cash flows, and sustained upwards trends in iodine pricing. On that basis the Group has prepared forecasts and projections that indicate there are adequate resources to continue in operational existence for the foreseeable future. However, the Group recognises that there can be no certainty where these predictions are concerned. After due consideration of the foregoing, the Directors consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

**g) Basis of consolidation and investments in subsidiary undertakings**

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December 2025. Subsidiaries are entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from their activities. The Group obtains and exercises control through voting rights. The acquisition method of accounting is used to account for the purchase of subsidiaries by the Group. On acquisition, the subsidiary's assets and liabilities are recorded at fair value, reflecting their condition at the date of acquisition.

The financial statements of subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases.

Intra-Group balances and any unrealised gains and losses or income and expenses arising from intra-Group transactions are eliminated in preparing the consolidated financial statements, unless the losses provide an indication of impairment of the assets transferred.

Amounts reported in the financial statements of the subsidiaries are adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Investments in subsidiary undertakings are stated in the parent company balance sheet at cost less provision for any impairment losses.

**h) Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The acquisition method involves the recognition of the acquiree's identifiable assets and liabilities, including contingent liabilities, regardless of whether they were recorded in the financial statements prior to acquisition. On initial recognition, the assets and liabilities of the acquired subsidiary are included in the consolidated balance sheet at their fair values, which are also used as the basis for subsequent measurement in accordance with the Group's accounting policies. Acquisition costs are expensed as incurred.

Goodwill represents the excess of the fair value of consideration payable in a business combination over the fair value of the Group's share of the identifiable net assets of the acquiree at the date of

acquisition. Any excess of identifiable net assets over the fair value of consideration is recognised in profit or loss immediately after acquisition.

As described in Note 1m) below, goodwill is tested for impairment at least annually.

### **i) Foreign currency**

The vast majority of the Group's business is denominated in U.S. Dollars, which is the functional currency of the main operating subsidiaries. U.S. Dollars is the presentational currency for the Group financial statements.

Transactions denominated in foreign currencies are translated at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in profit and loss in the period in which they arise. Exchange differences on non-monetary items are recognised in other comprehensive income to the extent that they relate to a gain or loss on that non-monetary item taken to the statement of changes in equity, otherwise such gains and losses are recognised in profit and loss.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

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

On disposal of a foreign operation for which the presentational and functional currencies were different in previous periods, the cumulative translation differences are transferred to profit and loss as part of the gain or loss on disposal. The US Dollar/Pounds Sterling exchange rate averaged 1.315 in 2025 (2024: 1.278), and at 31 December 2025 was 1.346 (2024: 1.253).

**j) Intangible assets****Undeveloped leasehold costs**

Undeveloped leasehold costs relate to the costs of acquiring brine leases in respect of the surface and mineral rights of landowners in areas of interest outside of those currently connected to the Group's operating plants.

These costs are capitalised as exploration and evaluation assets and are carried at historical cost less any impairment losses recognised. If areas leased provide brine to operating plants, the related costs are transferred to the relevant plants and amortized over the lives of those plants.

**Other intangible assets**

Other identifiable intangible assets arose from the acquisition of H&S Chemical in 2009. These assets were valued by an external, independent valuation firm. Based on the type of asset, the useful life of each asset was estimated. The value of each identifiable intangible asset is amortised evenly over its useful life. The following useful lives are applied:

- WET® patent: 15 years
- Customer relationships: 10 years
- Patent portfolio: 8 years
- EPA registrations: 2 years

**Goodwill**

Goodwill represents the excess of the fair value of consideration in a business combination over the fair value of the Group's share of the identifiable net assets acquired. Goodwill is carried at cost less accumulated impairment losses.

**k) Property, plant and equipment**

Property, plant and equipment are stated at historical cost, net of depreciation and any provision for impairment. Cost includes purchase price and costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, such as costs relating to construction, site preparation, installation and testing.

Costs relating to assets put into service at a later date are accumulated as construction in progress, and depreciation only commences once such assets are put into use.

Depreciation is provided at rates calculated to write off the depreciable amount of each asset on a straight line basis over its expected useful life, as follows:

## IOFINA PLC

- Buildings: 2.5 percent per annum
- Office lease: term of the lease (28 months)
- Vehicle finance leases: term of the leases (57 months)
- Equipment and machinery:
  - IOsorb® plants - 5 percent per annum
  - Other plant and equipment – 5 to 7 years
  - Vehicles and office equipment - 20 percent per annum
  - Computer equipment - 33 percent per annum

Reviews of the estimated remaining lives and residual values of individual assets are made at least semi-annually, and adjustments are made where appropriate. Construction in progress is also reviewed for impairment.

Freehold land and construction in progress are not depreciated.

### **I) Financial instruments**

#### **1) Financial liabilities**

##### **Trade and other payables**

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

##### **Loan notes**

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

Interest-bearing loans are recorded initially at their fair value, net of direct transaction costs. Such instruments are subsequently carried at their amortised cost and finance charges, including premiums payable on settlement, redemption or conversion, are recognised in profit or loss over the term of the instrument using the effective rate of interest.

#### **2) Financial assets**

Cash and cash equivalents represent short term, highly liquid investments with an original maturity of fewer than three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. At the end of 2025 and 2024, all cash amounts were in 100 percent liquid accounts.

The Group uses the 'simplified method of expected credit losses'. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for expected credit losses. Expected credit losses are based on the Group's historical credit losses experienced, then adjusted for current and forward looking information on factors affecting the Group's customers.

**m) Impairment**

Whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable, that asset is reviewed for impairment. An asset's carrying value is written down to its estimated recoverable amount (being the higher of the fair value less costs to sell and value in use) if that is less than the asset's carrying amount.

Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combinations and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated are tested for impairment at least annually. An impairment loss is recognised for the amount by which the asset's or cash generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value in use. To determine the value in use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect their respective risk profiles as assessed by management.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Intercompany loans due to the parent company from its subsidiaries are tested for impairment as part of the overall investment in those subsidiaries, by reference to the present values of estimated future cash flows of the subsidiaries, as further described in Note 2d.

**n) Equity**

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses for the share issue.
- "Share-based payment reserve" represents the cumulative fair value of options and warrants issued by the Company and recognised in profit and loss.
- "Retained losses" represents accumulated losses.

## **IOFINA PLC**

- "Foreign currency reserve" represents the cumulative differences arising from translation of foreign operations.

### **o) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenses directly attributable to the manufacturing process as well as suitable portions of related production overheads, based on normal operating capacity. Costs of ordinarily interchangeable items are assigned using the first in, first out cost formula. Cost excludes unrealised gains arising from intra-Group transactions. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. When inventory is sold the cost is included in Cost of Sales on the Statement of Comprehensive Income.

### **p) Taxation**

Tax expense recognised in profit or loss is the tax currently payable based on taxable profit for the year and deferred tax not recognised directly in equity.

Deferred income taxes are calculated using the balance sheet liability method. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward, as well as other income tax credits to the Group, are assessed for recognition as deferred tax assets according to the likelihood of their recoverability in the foreseeable future.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in profit or loss, except where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity.

### **q) Government subsidies**

Government subsidies are recognised when there is reasonable assurance that the conditions attaching to them will be complied with and the subsidies will be received. Subsidies related to income are recognised as part of profit or loss under the heading 'Other income' or they are deducted from the related expense. Subsidies are allocated to the periods in which related costs appear, or in the event that they are compensation for costs already incurred they are recognised in the period in which they become receivable.

Government subsidies relating to assets are presented in the balance sheet either as deferred income or as a deduction from the carrying amount of the asset. In both cases they are recognised in profit or loss over the useful life of the assets to which they relate.

**r) Leases**

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a lease liability on the balance sheet at the lease commencement date. The right-of-use asset is initially measured at cost. This comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date and an estimate of any costs to restore the underlying asset to the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use-asset or the end of the lease term. Amounts relating to such assets are disclosed separately in note 13. In addition, the Group assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the lease liability is initially measured at the present value of the lease payments discounted using the Group's incremental borrowing rate at the date of transition as the interest rate implicit in the lease could not be readily determined. Interest is charged at the same discount rate used to calculate the present value of the lease.

The lease liability is re-measured if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount for the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value operating value. These are charged to profit and loss on a straight-line basis over the period of the lease. At 31 December 2025 the Group had four leases, one for office space and three for vehicles.

**s) Share-based payments**

The cost of equity settled transactions is measured at fair value at the grant date as measured by use of the Black Scholes model. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to those estimated on vesting.

Charges made to profit or loss, in respect to share-based payments, are credited to the share-based payment reserve.

#### **t) Segment reporting (Note 3)**

In identifying its operating segments, management follows the Group's service lines, which represent the main products provided by the Group and are based on the information presented to the chief operating decision maker, which is the Board.

## **2. Significant judgements and estimates**

Judgements and estimates are regularly evaluated based on historical experience, current circumstances and expectations of future events.

The critical estimates made in the preparation of the financial statements are set out below. The resulting accounting estimate may not equal the related actual result, and management must also make judgements about current circumstances and expectations of future events. Significant judgements made by management include:

- a.** Intangible and tangible assets are tested for impairment where there is an indication that they may be impaired. In accordance with IAS 36 - Impairment of Assets, an intangible or tangible asset is considered impaired when its carrying amount exceeds its recoverable amount on an individual cash generating unit basis. The recoverable amounts of relevant cash generating units are based on value in use calculations using management's best estimate of future business performance. For this purpose management regards all the iodine production plants as a single cash generating unit given their mutual dependence on centralised management, financial, maintenance and sales and marketing functions. In carrying out impairment testing, management makes a number of significant estimates in relation to the assumptions incorporated into their calculations. These will include factors such as growth rates and discount rates. Cash flow projections over the next five years were used and a discount rate of 5.73% was applied. Details and carrying values of intangible assets, goodwill and property, plant and equipment are provided in notes 11, 12 and 13.
- b.** Management reviews the useful lives of depreciable and amortisable assets at each reporting date. The carrying amounts are analysed in notes 11 and 13. Management's estimate of the useful lives of plant and equipment as detailed in note 1k are common life expectancies for the industry. In particular, the expected useful life attributed to each IOsorb<sup>®</sup> plant is 20 years. Changes in the expected level of usage or other technological developments could impact the life and residual value of these assets.
- c.** Management applies the accounting policies set out in Note 1o) Inventories to determine the carrying value of raw materials, work in progress and finished goods (Note 14). Based on historical experience and current market intelligence, judgements are made as regards net realisable value, which may include but are not limited to obsolescence, usage in alternative formulations, production needs, market demand, costs to complete production, condition, regulatory requirements and limitations, and allocations of production overheads to the cost of work in

progress and finished goods. Based on these assessments no requirement for provisions against the carrying value of inventories was identified.

- d. The carrying amount of the parent company's investment in its subsidiaries of \$34.7m (2024: \$35.6m) has been evaluated for impairment. The investment amounts include debts due from subsidiaries of \$17.5m (2024 \$18.4m). For this purpose the two operating subsidiaries have been treated as one unit, given the vertical integration of the Group's operating activities. The carrying amount of the parent company's investment of \$34.7m (2024: \$35.6m) compares to carrying amounts of the subsidiaries' net assets, excluding loans from the parent company, of \$55.7m (2024: \$47.8m). An assessment has been made of the present values of the future cash flows related to the operating activities of the subsidiaries to determine whether any impairment losses should be recognised. The assessment took into account cash flow projections of the subsidiaries over the next five years, and applied a discount rate of 5.73%. The Group has concluded that no impairment provision is required.

### 3. Segment reporting

- a. **Business segments** - The Group's operations comprise the exploration and production of iodine with complete vertical integration into its specialty chemical halogen derivatives business, and are therefore considered to fall within one business segment.

	<b>31 December 2025 \$'000</b>	<b>31 December 2024 \$'000</b>
<b>Assets</b>		
Halogen Derivatives and Iodine	79,202	63,782
<b>Total</b>	<b>\$79,202</b>	<b>\$63,782</b>
<b>Liabilities</b>		
Halogen Derivatives and Iodine	23,519	15,991
<b>Total</b>	<b>\$23,519</b>	<b>\$15,991</b>

**3. Segment reporting (continued)**

- b. **Geographical segments** - The Group reports by geographical segment. The Group's activities are related to exploration for, and development of, iodine in certain areas of the USA and the manufacturing of specialty chemicals in the USA with support provided by the UK office. In presenting information on the basis of geographical segments, segment assets and the cost of acquiring them are based on the geographical location of the assets.

	<b>31 December 2025 \$'000</b>	<b>31 December 2024 \$'000</b>
<b>Assets</b>		
UK	184	232
USA	79,018	63,550
<b>Total</b>	<b>\$79,202</b>	<b>\$63,782</b>
<b>Liabilities</b>		
UK	332	258
USA	23,187	15,733
<b>Total</b>	<b>\$23,519</b>	<b>\$15,991</b>
<b>Revenue</b>		
North America	33,629	27,100
Asia	21,675	19,578
South America	7,522	4,057
Europe	2,978	3,677
Other	711	53
<b>Total</b>	<b>\$66,515</b>	<b>\$54,465</b>

c. **Significant customers** – in 2025 Iofina Chemical had six customers in excess of 5% of sales (2024 five customers). 2025 percentages were 17%, 11%, 7%, 7%, 5%, 5% (2024 percentages were 9%, 8%, 7%, 6%, 6%). The amounts in excess of 10% of sales for individual customers were: 2025 \$11,268,832 (17%) and 2024 \$Nil.

**4. Profit before taxation**

Profit before taxation is stated after charging:

	<b>Year ended 31 December 2025 \$'000</b>	<b>Year ended 31 December 2024 \$'000</b>
Depreciation expense	3,130	2,484
Deficit on disposal of fixed asset	-	23
Amortisation expense	-	103
Other:		
Annual audit fees for audit of parent company and consolidated financial statements (excluding expenses)	153	134

**4. Profit before taxation (continued)**
**Cost of sales – analysis by nature**

	Year ended 31 December 2025 \$'000	Year ended 31 December 2024 \$'000
Raw materials	22,756	18,753
Freight	600	567
Sales commission	566	454
Labour, manufacturing overhead and royalties	24,560	21,454
	<b>\$48,482</b>	<b>\$41,228</b>

**Administrative expenses – analysis by nature**

	Year ended 31 December 2025 \$'000	Year ended 31 December 2024 \$'000
Remuneration and benefits	4,304	3,762
Share-based payments	24	123
Office expenses	252	243
Professional services	1,080	971
Travel	259	267
Rent	(19)	(44)
Other	318	348
	<b>\$6,218</b>	<b>\$5,670</b>

Research and development expenses recognised during the period were \$189k (2024: \$208k), and are included in administrative expenses above.

**5. Staff numbers and costs**

The average number of Group employees, including executive directors, and their costs were:

	Year ended 31 December 2025 Number	Year ended 31 December 2024 Number
Production	106	96
Administrative	18	18
Sales	2	2
<b>Total staff</b>	<b>126</b>	<b>116</b>

  

	Year ended 31 December 2025 \$'000	Year ended 31 December 2024 \$'000
Wages and salaries	10,354	9,364
Social security costs	1,712	1,551
	<b>\$12,066</b>	<b>\$10,915</b>

**5. Staff numbers and costs (continued)**

Of the total staff costs above, \$8,021k (2024: \$7,375k) is included within cost of sales and \$4,045k (2024: \$3,540k) is included within administrative expenses.

Payments to executive directors and senior officers of subsidiaries (considered to be key management personnel) for their services during the year were as follows:

	<b>Year ended 31 December 2025 \$'000</b>	<b>Year ended 31 December 2024 \$'000</b>
Wages and salaries	1,076	1,013
Social security costs	133	118
<b>Total key management cost</b>	<b>\$1,209</b>	<b>\$1,131</b>

Included within wages and salaries above is \$371k (2024: \$303k) in respect of the highest paid director. No options were exercised by a director in 2025 (2024 Nil).

**6. Government subsidies**

The Group's two operating subsidiaries Iofina Chemical, Inc. and Iofina Resources, Inc. have received a net total of \$2,075,622 in respect of the US Government's Employee Retention Tax Credit scheme ('ERTC'). The scheme was set up under the CARES Act to provide financial relief to eligible employers impacted by COVID-19, and takes the form of a refundable tax credit applied to certain payroll costs incurred in 2020 and 2021. \$1,851k of the total receivable was received in 2025 and the balance of \$224k was received early in 2026 and has been accrued as a receivable as at 31 December 2025. It is possible that the IRS could carry out a review as to the validity of the claims; however the directors are satisfied that the amounts are valid claims. The full amount has been recorded as Other income in the Consolidated Statement of Comprehensive Income in these financials in accordance with the Group's accounting policy set out in Note 1q, and is made up as follows:

	<b>\$'000</b>
ERTC Credits	1,899
Credit interest	320
Claim preparation fees	(143)
<b>Total</b>	<b>\$2,076</b>

**7. Finance expense**

	<b>Year ended 31 December 2025 \$'000</b>	<b>Year ended 31 December 2024 \$'000</b>
Term loan interest	293	239
IFRS16 lease interest	18	27
<b>Total finance expense</b>	<b>\$311</b>	<b>\$266</b>

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**8. Finance income**

	Year ended 31 December 2025 \$'000	Year ended 31 December 2024 \$'000
Interest income	141	176
	<u>\$141</u>	<u>\$176</u>

**9. Taxation**

	Year ended 31 December 2025 \$'000	Year ended 31 December 2024 \$'000
Current tax	(335)	708
Deferred tax (Note 23)	2,993	1,173
	<u>\$2,658</u>	<u>\$1,881</u>

**Tax reconciliation:**

Profit on ordinary activities before tax	10,526	4,799
Tax at UK income tax rate of 25% (2024: 25%)	2,632	1,200
<b>Effects of:</b>		
UK losses not recognised	266	230
Differences in tax rates	(154)	(229)
State tax deductions benefit	159	(97)
Prior year adjustments	(187)	588
Other	(58)	189
<b>Total tax charge</b>	<u>\$2,658</u>	<u>\$1,881</u>

**10. Earnings per share**

The calculation of earnings per ordinary share is based on the profit after tax attributable to shareholders of \$7,868k (2024: profit \$2,918k) and the weighted average number of ordinary shares outstanding of 191,858,408 (2024: 191,858,408). After including the weighted average effect of dilutive share options of 4,592,000 (2024: 3,773,400) the diluted weighted average number of ordinary shares outstanding was 196,451,308 (2024: 195,631,808).

**11. Intangible assets (Group)**

Details of intangible assets are set out below:

<b>Intangible assets</b>	<b>WET® patent</b>	<b>Customer relationships</b>	<b>Patent portfolio</b>	<b>EPA registrations</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cost</b>					
<b>At 1 January 2024</b>	2,700	661	187	271	3,819
<b>At 31 December 2024 &amp; 2025</b>	<b>\$2,700</b>	<b>\$661</b>	<b>\$187</b>	<b>\$271</b>	<b>\$3,819</b>
<b>Accumulated amortization</b>					
<b>At 1 January 2024</b>	2,597	661	187	271	3,716
Charge for the year	103	-	-	-	103
<b>At 31 December 2024 &amp; 2025</b>	<b>\$2,700</b>	<b>\$661</b>	<b>\$187</b>	<b>\$271</b>	<b>\$3,819</b>
<b>Carrying amounts</b>					
At 31 December 2023	\$103	-	-	-	\$103
<b>At 31 December 2024 &amp; 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Intangible assets were acquired in the acquisition of H&S Chemical in 2009, and are now fully amortized.

**WET® Patent**

The WET® Patent technology employs two different iodine extraction methods depending on brine chemistry for optimal efficiency. We utilised a with and without analysis, a variation of the discounted cash-flow method, to estimate the fair value of a WET® Patent at date of acquisition. The methodology compared the cash flow generating capacity of Iofina Chemical assuming it was operating without the benefit of the WET® Patent to the projected cash flow with the benefit of the patent. The contractual life of the patent is in excess of 20 years; however, the useful life of the patent was estimated at 15 years based on the following:

- Management's expectation for the expected viability of the technology
- Management's expectations regarding the timing of significant substitute technology
- The lack of comparable substitute technologies as of the valuation date.

**12. Goodwill (Group)**
**Carrying amounts**

At 31 December 2023, 31 December 2024 and 31 December 2025

**\$'000**

**\$3,087**

Goodwill arose on the acquisition of H&S Chemical in 2009 and is wholly allocated to Iofina Chemical. Goodwill impairment testing is conducted annually, based on projected cash flow to be generated.

The Chemical business has been in operation for 40 years, and much of its products and customer base are long established. For impairment testing, a long term growth rate of 1.00% per annum was applied to budgeted and projected cash flows over the next five years and a discount rate of 5.73% per annum was used. On this basis the net present value of cash flow exceeded the goodwill amount of \$3,087k.

## 12. Goodwill (Group) (continued)

### Sensitivity analysis

Projections based on the above assumptions show headroom of \$26.7m between the value in use of the business of \$36.1m and the carrying value of \$9.4m, comprising goodwill of \$3.1m and fixed assets of \$6.3m. In order for the value in use to equal the carrying value it would be necessary for the discount rate to rise to 20.7% or the long term growth rate to be 45.0% negative or projected EBITDA to be lower by 52.5%. Based on the results of this impairment testing management are satisfied that a reasonably possible change in assumptions would not lead to an impairment.

## 13. Property, plant and equipment (Group)

	Freehold Land \$'000	Buildings \$'000	Right of use \$'000	Equipment and Machinery \$'000	Construction in Progress \$'000	Total \$'000
<b>Cost</b>						
<b>At 1 January 2024</b>	<b>\$209</b>	<b>\$2,770</b>	<b>\$752</b>	<b>\$33,568</b>	<b>\$1,785</b>	<b>\$39,084</b>
Additions	–	(30)	–	1,484	8,080	9,534
Transfers	–	469	–	7,976	(8,445)	–
Disposals	–	–	–	(257)	(43)	(300)
<b>At 31 December 2024</b>	<b>\$209</b>	<b>\$3,209</b>	<b>\$752</b>	<b>\$42,771</b>	<b>\$1,377</b>	<b>\$48,318</b>
Additions	–	(52)	–	1,297	7,138	8,382
Transfers	–	138	–	7,173	(7,311)	–
<b>At 31 December 2025</b>	<b>\$209</b>	<b>\$3,295</b>	<b>\$752</b>	<b>\$51,241</b>	<b>\$1,204</b>	<b>\$56,700</b>
<b>Accumulated depreciation</b>						
<b>At 1 January 2024</b>	–	<b>\$717</b>	<b>\$509</b>	<b>\$13,074</b>	–	<b>\$14,300</b>
Charges for the year	–	131	104	2,250	–	2,485
Disposals	–	–	–	(257)	–	(257)
<b>At 31 December 2024</b>	–	<b>\$848</b>	<b>\$613</b>	<b>\$15,067</b>	–	<b>\$16,528</b>
Charges for the year	–	212	104	2,814	–	3,130
<b>At 31 December 2025</b>	–	<b>\$1,060</b>	<b>\$717</b>	<b>\$17,881</b>	–	<b>\$19,658</b>
<b>Carrying amounts</b>						
<b>At 31 December 2023</b>	\$209	\$2,054	\$242	\$20,495	\$1,785	\$24,784
<b>At 31 December 2024</b>	\$209	\$2,361	\$139	\$27,704	\$1,377	\$31,790
<b>At 31 December 2025</b>	<b>\$209</b>	<b>\$2,235</b>	<b>\$35</b>	<b>\$33,360</b>	<b>\$1,204</b>	<b>\$37,042</b>

### Right-of-use assets

Right-of-use assets relate to the Group's lease on office premises in Denver, Colorado, which expires in April 2026. Liabilities for future payments are shown in Note 19.

**14. Inventories**

<b>Group</b>	<b>31 December 2025 \$'000</b>	<b>31 December 2024 \$'000</b>
Raw materials	6,553	6,546
Work in progress	1,751	3,449
Finished goods	94	65
	<b><u>\$8,398</u></b>	<b><u>\$10,060</u></b>

At year end, there were no provisions against the carrying value of inventories (2024: nil). During the year, the cost of inventories recognised as expense and included in 'cost of sales' amounted to \$47,316k (2024: \$40,207k).

**15. Financial instruments**

The Board of directors determines, as required, the degree to which it is appropriate to use financial instruments to mitigate risks. The main risks for which such instruments may be appropriate are interest rate risk, foreign currency risk, credit risk, investment risk, liquidity risk and commodity risk. The Group's principal financial asset is cash, which is invested with major banks. The Group has two loans from First Financial Bank and no other borrowings currently drawn (see Note 20).

**Financial assets and liabilities**

<b>Group</b>	<b>Loans and receivables at amortised cost \$'000</b>	<b>Financial liabilities at amortised cost \$'000</b>	<b>Swap asset at fair value \$'000</b>	<b>Total \$'000</b>
<b>2025</b>				
Cash and cash equivalents	11,731			11,731
Trade receivables	17,044			17,044
Interest rate swap asset			28	28
				<b><u>\$28,803</u></b>
Trade payables		4,042		4,042
Accrued liabilities		8,893		8,893
Lease liabilities		156		156
Bank loans		6,501		6,501
				<b><u>\$19,592</u></b>
<b>2024</b>				
Cash and cash equivalents	6,857			6,857
Trade receivables	10,640			10,640
Interest rate swap asset			92	92
				<b><u>\$17,589</u></b>
Trade payables		2,962		2,962
Accrued liabilities		7,837		7,837
Lease liabilities		330		330
Bank loans		3,928		3,928
				<b><u>\$15,057</u></b>

**15. Financial instruments (continued)**

Company	Loans and receivables at amortised cost	Financial liabilities at amortised cost	Total
<b>2025</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Cash and cash equivalents	176		176
Other receivables	8		8
Due from subsidiaries	17,475		17,475
			<b>\$17,659</b>
Accruals		332	332
			<b>\$332</b>
<b>2024</b>			
Cash and cash equivalents	224		224
Other receivables	8		8
Due from subsidiaries	18,395		18,395
			<b>\$18,627</b>
Accruals		258	258
			<b>\$258</b>

The interest rate swap liability at fair value is valued on the basis of Level 2 inputs as defined in IFRS 13.

**Interest rate risk**

Surplus funds are held within the Group's checking and savings accounts. The benefit of fixing rates for the longer term is kept under review, having regard to forecast cash requirements and the levels of return available. Given the short-term nature of Iofina's surplus funds, the Group has limited interest rate risk. As of 31 December 2025, all surplus funds were invested in checking and savings accounts that had no terms and were 100% liquid. Bank facilities have variable interest rate terms and therefore there is an exposure to increases in interest rates. This is mitigated by the use of an interest rate swap to fix the rate on the majority of the term loan. Also, the interest on the revolving credit facility (if drawn) is reduced by arrangements to sweep surplus funds into that account.

**Foreign currency risk**

The Group has potential transactional currency exposure in respect of items denominated in foreign currencies relating to the Group's administration in the UK. The balance of cash held in foreign currency was \$176k (GBP £130k) as of year-end, and provides a hedge against GBP denominated UK expenses.

Sales transactions are denominated in US Dollars, which is the operating currency. Other impacts of foreign currency risk are not deemed material to these financial statements.

**15. Financial instruments (continued)**
**Credit risk**

The maximum exposure is reflected by the carrying amount of financial assets. Because the counterparties to Iofina's holdings of cash and cash equivalents are prime financial institutions, Iofina does not expect any counterparty to fail to meet its obligations. Additionally, the Group is exposed to marginal credit risk in the form of receivables for product sales. Credit risk in this regard is mitigated through long-term customer payment history, extensive credit analysis of large purchasers, use of letters of credit, and the requirement for partial or total payment prior to shipment for some customers.

**Liquidity risk**

The Group raises funds as required on the basis of forecast expenditure and cash inflows over the next 12 months. When necessary, the scope and rate of activity are adjusted to take account of the funds available. There is a risk that the Group may not be able to raise sufficient funds to repay loans at their maturity.

The following table sets out the contractual maturities (representing undiscounted contractual cash flows) of financial liabilities:

<b>Group</b>	<b>Up to 3 months</b>	<b>Between 3 and 12 months</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 6 years</b>
<b>At 31 December 2025:</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Trade payables	4,042	–	–	–
Accrued liabilities	3,254	4,409	1,230	–
Lease liabilities	19	57	76	5
Bank loans	357	1,500	1,643	3,002
	<b>\$7,672</b>	<b>\$5,966</b>	<b>\$2,949</b>	<b>\$3,007</b>

  

<b>Group</b>	<b>Up to 3 months</b>	<b>Between 3 and 12 months</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 6 years</b>
<b>At 31 December 2024:</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Trade payables	2,962	–	–	–
Accrued liabilities	2,788	3,947	1,101	–
Lease liabilities	40	120	160	10
Bank loans	357	1,071	1,429	1,071
	<b>\$6,147</b>	<b>\$5,138</b>	<b>\$2,690</b>	<b>\$1,081</b>

**Commodity risk**

The Group is exposed to movements in the price of raw iodine. Sales of iodine based products were \$59,342k (2024: \$46,663k). The effects of changes in the price of iodine on 2025 revenue and profits are set out in the Financial Review on pages 8 to 9. Iodine is produced internally and is the most significant cost component for iodine based products.

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**16. Trade and other receivables**

**Group**

	<b>31 December 2025 \$'000</b>	<b>31 December 2024 \$'000</b>
Trade receivables	17,044	10,640
Prepayments and other receivables	1,871	1,256
	<b><u>\$18,915</u></b>	<b><u>\$11,896</u></b>

**Company**

	<b>31 December 2025 \$'000</b>	<b>31 December 2024 \$'000</b>
Prepayments and other receivables	8	8
	<b><u>\$8</u></b>	<b><u>\$8</u></b>

All receivables and prepayments are short term in nature. The carrying values are considered a reasonable approximation of fair value. There are no expected material credit losses.

The Group and the Company have not received a pledge of any assets as collateral for any receivable or asset.

**17. Cash and cash equivalents**

**Group**

	<b>31 December 2025 \$'000</b>	<b>31 December 2024 \$'000</b>
Cash in US Dollar accounts	11,555	6,633
Cash in GB Pound Sterling accounts	176	224
	<b><u>11,731</u></b>	<b><u>\$6,857</u></b>

**Company**

	<b>31 December 2025 \$'000</b>	<b>31 December 2024 \$'000</b>
Cash in GB Pound Sterling accounts	176	224
	<b><u>\$176</u></b>	<b><u>\$224</u></b>

**IOFINA PLC**
**18. Trade and other payables**

Group	31 December	31 December
	2025	2024
	\$'000	\$'000
Trade payables	4,042	2,962
Accrued expenses and deferred income	8,893	7,838
	<b>\$12,935</b>	<b>\$10,800</b>

  

Company	31 December	31 December
	2025	2024
	\$'000	\$'000
Accrued expenses	332	258
	<b>\$332</b>	<b>\$258</b>

All trade and other payables are considered short term. The carrying values are considered to be a reasonable approximation of fair value.

Except as regards the bank facilities described in Note 20, the Group and Company have not pledged any assets as collateral for any liabilities or contingent liabilities.

**19. Lease liabilities**

Group	31 December 2025			31 December 2024		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Total	Office Lease	Vehicles	Total	Office Lease	Vehicles
Lease liabilities – current	75	35	40	160	124	36
Lease liabilities – non-current (due in 2-5 years)	81	-	81	170	49	121
	<b>\$156</b>	<b>\$35</b>	<b>\$121</b>	<b>\$330</b>	<b>\$173</b>	<b>\$157</b>

  

Movements:	2025			2024		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Total	Office Lease	Vehicles	Total	Office Lease	Vehicles
Opening balance	330	173	157	482	291	191
Payments	(192)	(141)	(51)	(178)	(127)	(51)
Interest accrued	18	4	14	26	9	17
	<b>\$156</b>	<b>\$36</b>	<b>\$120</b>	<b>\$330</b>	<b>\$173</b>	<b>\$157</b>

Lease liabilities relate to:

- 1) The Group's lease on office premises in Denver, Colorado, which runs until 30 April 2026;
- 2) The acquisition of vehicles on credit terms over the five years to 15 September 2028 for use at the Group's Oklahoma plants.

**20. Bank loans and facilities**

<b>Group</b>	<b>Term loan \$'000</b>	<b>Project loan \$'000</b>	<b>TOTAL \$'000</b>
<b>At 1 January 2024</b>	<b>\$5,357</b>	-	<b>\$5,357</b>
Term loan instalment repayments	(1,429)	-	(1,429)
<b>At 31 December 2024</b>	<b>\$3,928</b>	-	<b>\$3,928</b>
Drawn during year	-	4,002	4,002
Term loan instalment repayments	(1,429)	-	(1,429)
<b>At 31 December 2025</b>	<b>\$2,499</b>	<b>\$4,002</b>	<b>\$6,501</b>
Due within one year	\$1,428	\$365	\$1,793
Due after one year	\$1,071	\$3,638	\$4,709

The above bank facilities, with First Financial Bank of Ohio, are fully secured by fixed and floating charges and the principal terms are:

**Term loan**

a) The term loan balance of \$2.5m (2024: \$3.9m) relates to a \$10.0m loan drawn down in September 2020 and repayable in full by equal monthly instalments over the seven years to 30 September 2027. The interest rate on \$7 million of the loan has been fixed to maturity by a swap contract at 3.99%, and the interest rate on the balance is variable monthly at 2.50% above the one month Secured Overnight Financing Rate ("SOFR"), subject to a minimum SOFR rate of 1.00%. Repayment of all or part of the loan may be made at any time without penalty.

**Revolving loan facility**

b) The revolving loan facility is for \$6.0m over the period to 31 December 2026, and may be drawn and repaid in variable amounts at the Group's discretion. Amounts that may be drawn are subject to a borrowing base of sufficient eligible discounted monthly values of receivables and inventory. The interest rate is variable monthly at 2.11% above SOFR, subject to a minimum SOFR rate of 1.00%. No amounts were drawn and outstanding at 31 December 2025. Documentation is in progress to extend the period of the facility from 31 December 2026 to 31 December 2027.

**Project loan facilities**

c) Drawings of \$4.0m were made in 2025 against a project loan facility of \$10m. The drawdown period for that facility expired in March 2026, and the \$4.0m drawn is repayable in even monthly instalments of principal and interest over the seven years to March 2033. Documentation is in progress to finalise a further \$10m project loan facility with a drawdown period of 18 months and subsequent repayment in even monthly instalments over seven years. The interest rate applicable to the \$4.0m drawn is 2.25% above SOFR (1 month Secured Overnight Financing Rate) subject to a minimum SOFR rate of 1%, and a similar rate is expected to apply to the further \$10.0m project loan facility. Repayment of all or part of these loans may be made at any time without penalty.

**20. Bank loans and facilities (continued)**
**Bank covenants**

d) Compliance in respect of all amounts outstanding in respect of the above facilities is required on a quarterly basis in respect of trailing 12 months financial covenant ratios of 1) a maximum multiple of 2.5 total debt to EBITDA, and 2) a minimum multiple of 1.2 EBITDA net of unfinanced capital expenditure, dividends and cash taxes to the total of principal and interest payments on the total debt.

**Swap contract**

e) The derivative asset resulting from the swap contract described above has been revalued at \$28k as at 31 December 2025 (2024: \$92k) by reference to market expectations for future SOFR rates, and included in the balance sheet. An amount of \$65k has been charged to comprehensive income (2024 \$68k). During the year the swap contract generated a net reduction of interest otherwise payable of \$65k (2024: \$125k).

**21. Net cash**

Net cash excludes lease liabilities totalling \$156k (2024: \$330k) and is made up as follows:

<b>Group</b>	<b>2025 \$'000</b>	<b>2024 \$'000</b>
Bank loans	(6,501)	(3,928)
Cash and cash equivalents	11,731	6,857
Net cash at 31 December	<u><b>\$5,230</b></u>	<u><b>\$2,929</b></u>

**22. Share capital**

		<b>31 December 2025</b>	<b>31 December 2024</b>
Authorised:			
Ordinary shares of £0.01 each	- number of shares	1,000,000,000	1,000,000,000
	- nominal value	£10,000,000	£10,000,000
Allotted, called up and fully paid:			
Ordinary shares of £0.01 each	- number of shares	191,858,408	191,858,408
	- nominal value	£1,918,584	£1,918,584

There was no change in share capital in 2025.

**23. Share premium**

The balance of \$60,686,895 on the Company's Share premium account was cancelled as of 10 July 2025 in accordance with section 648 of the Companies Act 2006. The amount of the balance has been used to offset the parent company's retained losses, and has created distributable reserves in that company totalling \$34.7m as at 31 December 2025. The effect is shown in the Company Statement of Changes in Shareholders' Equity on page 61.

**24. Share based payments**

No options were granted in 2025 nor have been to date in 2026. There are 5,677,100 options outstanding in total, representing 2.96% of shares in issue. The total options expense for 2025 was \$24,037 (2024: \$122,676).

Options granted to directors and key employees and outstanding at 31 December 2025 are as follows:

Date of Grant	Number of Options	Vesting Date	Share Price £	Exercise Price £	Exercise Price	Exercise Price
					2025 \$	2024 \$
13 June 2018	825,000	13 June 2019	0.162	0.162	0.22	0.20
13 June 2018	825,000	13 June 2020	0.162	0.162	0.22	0.20
25 July 2019	409,750	25 July 2020	0.213	0.213	0.29	0.27
25 July 2019	409,750	25 July 2021	0.213	0.213	0.29	0.27
16 December 2020	519,600	16 December 21	0.125	0.125	0.17	0.16
16 December 2020	519,600	16 December 22	0.125	0.125	0.17	0.16
9 March 2022	542,100	9 March 2023	0.176	0.176	0.24	0.22
9 March 2022	542,100	9 March 2024	0.176	0.176	0.24	0.22
27 April 2023	542,100	27 April 2024	0.318	0.318	0.43	0.40
27 April 2023	542,100	27 April 2025	0.318	0.318	0.43	0.40
	<b>5,677,100</b>		<b>£0.19</b>	<b>£0.19</b>	<b>\$0.26</b>	<b>\$0.24</b>

The weighted average contractual life of options outstanding at 31 December 2025 was 4.7 years (2024 5.7 years).

Exercise prices for 2025 shown in USD are based on the US Dollar/Pounds Sterling exchange rate at 31 December 2025 of 1.35 (2024 1.25). Options outstanding at 31 December 2025 expire the earlier of ten years from grant date or 90 days after the termination of service to the Company.

	2025 Number of Options	Weighted average exercise price		2024 Number of Options	Weighted average exercise price	
		£	\$		£	\$
<b>Options outstanding</b>						
At 1 January	<b>5,677,100</b>	<b>£0.19</b>	<b>\$0.24</b>	<b>6,197,100</b>	<b>£0.20</b>	<b>\$0.25</b>
Granted	-	-	-	-	-	-
Forfeited	-	-	-	(520,000)	£0.20	\$0.25
At 31 December	<b>5,677,100</b>	<b>£0.19</b>	<b>\$0.26</b>	<b>5,677,100</b>	<b>£0.19</b>	<b>\$0.24</b>
<b>Options exercisable</b>						
At 1 January	<b>5,135,000</b>	<b>£0.18</b>	<b>\$0.23</b>	<b>4,402,050</b>	<b>£0.16</b>	<b>\$0.20</b>
Vested	542,100	£0.32	\$0.43	1,197,700	£0.25	\$0.31
Forfeited	-	-	-	(463,750)	£0.20	\$0.25
At 31 December	<b>5,677,100</b>	<b>£0.19</b>	<b>\$0.26</b>	<b>5,135,000</b>	<b>£0.18</b>	<b>\$0.23</b>

**24. Share based payments (continued)**

Movements in the Share-based payment reserve were as follows:

	<b>31 December 2025 \$'000</b>	<b>31 December 2024 \$'000</b>
Balance 1 January	2,411	2,367
Share-based payment charge	24	123
Forfeited options transferred to retained losses	-	(79)
Balance 31 December	<u><b>\$2,435</b></u>	<u><b>\$2,411</b></u>

**25. Deferred tax**

<b>Group</b>	<b>2025 \$'000</b>	<b>2024 \$'000</b>
At 1 January (liability)/asset	(932)	240
Fixed asset timing differences	(4,360)	1,108
Tax losses available against US Federal tax liabilities	918	(552)
R&D business credits recognized/(utilized)	430	(856)
Other timing differences	19	(595)
State loss adjustments	-	(277)
At 31 December (liability)	<u><b>\$(3,925)</b></u>	<u><b>\$(932)</b></u>

**26. Related party transactions**

Transactions between group companies were as follows:

	<b>2025 \$'000</b>	<b>2024 \$'000</b>
<b>Iofina Resources to/(from) Iofina Chemical:</b>		
Crystallised iodine sales	42,175	30,460
Expenses recharged	(1,600)	(1,271)
<b>Iofina Plc to/(from) Iofina Resources:</b>		
Management fee	50	50
Funding payments	(1,000)	(1,000)
Expenses recharged	-	(4)
Share based payments contribution	-	14
<b>Iofina Plc to/(from) Iofina Chemical:</b>		
Management fee	50	50
Expenses recharged	(20)	(25)
Share based payments contribution	-	23

In both 2024 and 2025 all iodine produced by Iofina Resources was sold to Iofina Chemical.

**26. Related party transactions (continued)**

Related party transactions with directors, who are considered to be key management personnel, are set out in the Corporate Governance Statement on page 28. Option grants as described in note 24 are to employees and Directors.

The Company has entered into a number of unsecured related party transactions with its subsidiary undertakings. The most significant transactions carried out between the Company and its subsidiary undertakings are financing.

**27. Capital management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. The Group defines capital as being share capital plus reserves as shown in the balance sheet. The Directors continue to monitor the level of capital as compared to the Group's commitments and adjust the level of capital as is determined to be necessary by issuing new shares. Iofina plc is not subject to any externally imposed capital requirements. The Directors consider the capital of the Group to be the total equity attributable to the equity holders of the parent of \$55.7 million as at 31 December 2025 (2024: \$47.8 million).

**28. Subsidiary undertakings**
**Investment in subsidiaries**

	<b>Investment in subsidiaries \$'000</b>
<b>Company</b>	
Balance at 31 December 2023, 2024 and 2025	<u>\$17,199</u>

**Due from subsidiaries**

	<b>2025 \$'000</b>	<b>2024 \$'000</b>
<b>Company</b>		
At 1 January	18,395	19,286
Management fees	100	100
Funding from subsidiaries	(1,000)	(1,000)
Expenses recharged to Plc	(20)	(28)
Share based payments contributions	-	37
At 31 December	<u>\$17,475</u>	<u>\$18,395</u>

The Group's debt arrangements are on a joint and several basis with all Group companies excluding dormant subsidiaries. The principal beneficiary of these arrangements is Iofina Resources, Inc., and therefore the debt is accounted for in that company and in the consolidated balance sheet, and does not appear in the balance sheet of Iofina Plc.

**28. Subsidiary undertakings (continued)**

<b>Company</b>	<b>Country of incorporation and operation</b>	<b>Principal activity</b>	<b>Interest in ordinary shares and voting rights</b>
Iofina, Inc.	United States/CO	Holding company	100%
Iofina Resources, Inc.	United States/CO	Iodine production	100%
Iofina Chemical, Inc.	United States/DE	Specialty chemical	100%
IofinaEX, Inc.	United States/KY	Dormant	100%
Iofina Resources, LLC	United States/CO	Dormant	100%
Iofina Resources, LLC	United States/TX	Dormant	100%

Iofina, Inc. was established in February 2006 and is a wholly owned subsidiary of Iofina plc. Iofina, Inc. owns the whole of the issued share capital of Iofina Resources, Inc., Iofina Chemical, Inc. and IofinaEX, Inc. Other entities are subsidiaries of Iofina Resources, Inc., the iodine production company.

The registered offices of the above companies are as follows:

<b>Company</b>	<b>Registered office</b>
Iofina, Inc.	8480 East Orchard Road, Greenwood Village CO 80111, USA
Iofina Resources, Inc.	8480 East Orchard Road, Greenwood Village CO 80111, USA
Iofina Chemical, Inc.	306 W. Main Street, Frankfort, KY 40601, USA
IofinaEX, Inc.	212 N 2nd St., Suite 100, Richmond, KY 40475
Iofina Resources, LLC (CO)	8480 East Orchard Road, Greenwood Village CO 80111, USA
Iofina Resources, LLC (TX)	815 Brazos Street, Austin TX 78701, USA

**29. Capital commitments**

At 31 December 2025 the Group had capital commitments amounting to approximately \$8m in respect of the construction of IO#12 plant.

**30. Post balance sheet events**

There were no significant post balance sheet events.

**31. Contingent liabilities**

The Group considers that a contingent liability exists in respect of overdue interest on amounts that may be due in relation to certain iodine related property rights. The theoretical exposure is estimated at approximately \$600k, but in light of considerable past experience the Company believes that amounts actually paid will be a very small proportion of that amount.

**32. Ultimate controlling party**

There is no ultimate controlling party of the Group.

**Iofina and the environment**

Iofina promotes, wherever possible, environmental sustainability in its working practices and seeks to minimise, mitigate, or remedy any harmful effects from the Group's operations on the environment at each of its operational sites. To continue that effort through all aspects of business, this report has been produced to minimise its effect on the environment by using thinner paper, fewer pages, smaller type set, and non-colour printing as much as possible. As part of this effort Iofina is trying to move attention to its online annual reports available at [www.iofina.com](http://www.iofina.com). By being a better steward of the environment, Iofina saves valuable shareholder funds instead of producing glossy magazine pages throughout the whole document.

This page does not form part of the statutory financial statements.



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