ALDER AND FINCH LTD.

Registered in England and Wales, No. 08142260

Quarterly Financial Report

First Quarter Results

Q1 2026

Unaudited condensed financial statements for the three months ended March 31, 2026

REPORTING PERIOD	January 1, 2026 to March 31, 2026
CURRENCY	GBP, in thousands
BASIS OF PREPARATION	IFRS, condensed
STATUS	Unaudited

Prepared by **Naomi Clarke**, *Group Financial Controller*

Issued April 22, 2026

I. FINANCIAL HIGHLIGHTS

All amounts are in GBP, in thousands. Changes compare Q1 2026 with Q1 2025.

Revenue	**16,870**	*+9.2% vs. prior*
Operating income	**3,080**	*margin 18.3%*
Net income	**2,160**	*+29.7% vs. prior*
Cash at period end	**2,510**	*+41.8% vs. prior*

II. MANAGEMENT COMMENTARY

Revenue grew 9.2% to £16.87 million, driven by subscriptions, which rose 12.4%.

Operating income increased 25.7% to £3.08 million. Operating margin improved to 18.3% as costs grew more slowly than revenue.

Cash rose to £2.51 million after paying £1.11 million in dividends and repaying £0.19 million of long-term debt.

III. KEY RATIOS

RATIO	Q1 2026	Q1 2025	HOW IT IS MEASURED
Gross margin	**64.8%**	64.0%	*Revenue less cost of sales, as a share of revenue*
Operating margin	**18.3%**	15.9%	*Operating income as a share of revenue*
Net margin	**12.8%**	10.8%	*Net income as a share of revenue*
Current ratio	**2.15**	1.92	*Current assets divided by current liabilities*
Liabilities to equity	**0.94**	1.18	*Total liabilities divided by total equity*

IV. NOTES TO THE STATEMENTS

1. The condensed statements follow the same accounting policies as the audited annual accounts for the year ended December 31, 2025.
2. Financing activities include dividends of £1.11 million and repayments of long-term debt of £0.19 million.
3. Income tax is estimated at the expected annual effective rate of 25%.

IMPORTANT NOTICE

These statements have not been audited or reviewed by the company's external auditors. Figures may be rounded, so totals may not add exactly.

V. INCOME STATEMENT

GBP, in thousands	Q1 2026	Q1 2025	CHANGE
Revenue			
Product sales	8,850	8,200	+7.9%
Subscriptions	5,810	5,170	+12.4%
Professional services	2,210	2,080	+6.3%
Total revenue	**16,870**	**15,450**	**+9.2%**
Operating expenses			
Cost of sales	5,930	5,560	+6.7%
Salaries and benefits	4,810	4,530	+6.2%
Marketing	1,170	1,090	+7.3%
General and administrative	1,280	1,240	+3.2%
Depreciation and amortization	600	580	+3.4%
Total operating expenses	**13,790**	**13,000**	**+6.1%**
Operating income	**3,080**	**2,450**	**+25.7%**
Interest expense	200	230	−13.0%
Income tax	720	555	+29.7%
Net income	**2,160**	**1,665**	**+29.7%**

VI. CASH FLOW SUMMARY

GBP, in thousands	Q1 2026	Q1 2025	CHANGE
Cash from operating activities	2,790	2,150	+29.8%
Cash used in investing activities	(750)	(600)	−25.0%
Cash used in financing activities	(1,300)	(1,000)	−30.0%
Net change in cash	740	550	+34.5%
Closing cash balance	**2,510**	**1,770**	**+41.8%**

VII. BALANCE SHEET

GBP, in thousands	At March 31, 2026	At March 31, 2025
Assets		
Cash and cash equivalents	2,510	1,770
Trade receivables	1,750	1,620
Inventory	1,330	1,290
Property and equipment	3,740	3,600
Intangible assets	710	740
Total assets	**10,040**	**9,020**
Liabilities		
Trade payables	1,080	1,030
Accrued expenses	600	570
Deferred revenue	920	840
Long-term debt	2,260	2,450
Total liabilities	**4,860**	**4,890**
Equity		
Share capital	1,400	1,400
Retained earnings	3,780	2,730
Total equity	**5,180**	**4,130**
Total liabilities and equity	**10,040**	**9,020**

VIII. APPROVAL

The financial statements above were reviewed and approved for issue on April 22, 2026.

Chief Financial Officer

Jonathan Reeves
Alder and Finch Ltd.

Date: _____

Chief Executive Officer

Amelia Stanton
Alder and Finch Ltd.

Date: _____