WINDAR PHOTONICS PLC

Annual Report and
Financial Statements
For the year ended 31 December 2025

Contents

WINDAR PHOTONICS PLC

COMPANY INFORMATION

Directors	David George Lis *(Non-executive Chairman)* Andreas Berg Nielsen *(Chief Executive Officer)* Søren Belmar *(Chief Financial Officer and Chief Operating Officer)* Paul Joseph Hodges *(Non-executive Director)* Gavin Maxwell Manson *(Non-executive Director)*
Company Secretary	Edward Indran Ratnam FCA
Registered Office	85 Great Portland Street London W1W 7LT
Registered Number	09024532
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Nominated Adviser	Zeus Capital Limited 82 King Street Manchester M2 4WQ
Broker	Zeus Capital Limited 82 King Street Manchester M2 4WQ
Registrars	Share Registrars Limited 3 The Millennium Centre Crosby Way Farnham Surrey GU9 7XX

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

I am pleased to report that FY25 was a year of genuine commercial progress for Windar, even as we worked through a difficult period for the business. Following the restatement described below, revenue for the year was €5.7m (2024: €3.4m), an increase of 68.5%, while customer engagement reached the highest level in the Company's history, with ten Independent Power Producers running live tests across more than 10,000 turbines.

However, in finalising these results, the Board identified potential accounting irregularities relating to revenue recognised in 2024 and 2025, concerning two Chinese distributors where the bona fide nature of the sales and underlying documentation required further investigation. As a result, these results were not capable of being published by the 30 June 2026 deadline pursuant to Rule19 of the AIM Rules. These combined factors led the Board to request a temporary suspension of trading in the Company's shares and instigated a third-party investigation into the circumstances surrounding these orders, whilst allowing the Company to implement additional controls and processes.

The independent investigation has substantially progressed and the investigator has verbally confirmed that irregularities did occur in respect of certain Chinese orders placed during 2024 and 2025. The findings have been reported to and considered by the Board, the Company's NOMAD and the Auditors in finalising the treatment adopted in these accounts. A formal written report of the investigation will be available after these accounts.

In respect of the Chinese distributor revenues originally recognised in the announcement of expected FY25 revenue, no evidence has been identified demonstrating these orders to be bona fide and, as a result, the Board considers that the associated revenue should not have been recognised. Inventory valued at €0.6 million was shipped from Denmark to China to satisfy these supposed orders, and this inventory remains in a bonded warehouse in China, available for the Company to use to satisfy future orders.

The Board considers that the FY24 and further FY25 accounting irregularities relate to how revenue, trade receivables and contractual liabilities were recorded in respect of the Group's Chinese distributor customers as a result or earlier orders. Following a detailed, project-by-project reconciliation, informed by the Group's wider review of revenue recognition, the Board has determined that a restatement of the Group's results for FY24 was necessary and is reflected in these accounts.

These investigations and adjustments to FY24 have resulted in a provision of €0.6 million being made for inventory shipped to distributors but not yet installed. The Company will continue to seek payment for, or recovery of, this inventory but consider a provision appropriate at this stage..

The Board, having consulted with the Group's Auditors, considers the resulting position and the accounting treatment now adopted to be appropriate, albeit its application in achieving absolute clarity of the appropriate timing of revenue recognition for one distributor in China in limited by the available information.. Further detail of the investigation and accounting treatment is set out in Note 29.

These uncertainties relate entirely to the appropriate period for revenue recognition for one distributor spanning 2023, 2024 and 2024. These accounts reflect the Boards view of appropriate recognition over this period and internal and external processes are being put in place to avoid repetition. The Board is confident that the financial position of the Group as at 31 December 2025 is accurately reflected in these accounts.

Further roup inventory as at 30 June 2026 totalled €3.5 million, whilst net debt totalled €[0.6]million.

We have identified and are actively addressing a quality control issue affecting a number of units. Remediation is progressing according to plan and forms part of our broader approach to improving our quality management system. The issue relates only to the unit housing and seals, and has no bearing on the technical capabilities of Windar's core technology.

These issues however, alongside longer than expected timelines to convert two large customer orders worth over €6m, mean the Group enters FY26 with a more cautious outlook, and we now expect revenues of circa €1.8m for the year. However, the Board's confidence in the underlying strength of Windar's technology, and in the size of the market opportunity ahead, is undiminished.

This confidence is reflected in the Board's proposed participation in a fundraise now oversubscribed to be c£5.1m largely from existing shareholders. The fundraising will significantly strengthen the Group's balance sheet with approximately £2.1m cash available for general working capital purposes, important given the reduced level of trading receipts from those originally anticipated, and underpinning the Board's confidence in presenting these accounts on the basis of a going concern. The remaining £3m proceeds from EIS qualifying investors will support the development of targeted customers in the US and Europe. The fundraise will complete subject to the publication of these results and upon readmission of Windar's shares to trading on AIM.

The FY25 audit of Windar's main trading entity Windar A/S which comprises the vast majority of the Group's trading activities outside China – 99% of reported Group revenue and 87% of assets - was concluded positively in June 2026 by BDO Denmark with a clean audit opinion issued and is not impacted by the issues referenced above in China. The ongoing investigation into the circumstances of the posting of the orders in China referred to above resulted in the resignation of Windar's Group auditors, Gravita Audit Ltd. We are pleased to have appointed Buzzacott Audit LLP as Windar's new Group auditors to finalise the Group's audited accounts for 2025. We acknowledge that the difficulties in attributing revenue exactly between periods as required under

International Accounting Standards due to uncertain and conflicting data in respect of round sum payments from a distributor in

China have made it impossible for the company to provide unequivocal audit evidence to Buzzacott to support a firm opinion. The Board reiterate its confidence in the current position and future prospects of the Group.

Since his appointment as CEO on 1 June 2026, Andreas Berg Nielsen has moved quickly to strengthen financial governance, resolve the issues identified, reduce the cost base and set out a clear plan to reset the business, which is outlined below. Supported by the new capital raised from investors, I am confident Windar is well placed to convert its current pipeline of new business opportunities into sustainable, profitable growth.

Trading Results

Revenue for the twelve months to 31 December 2025 was €5.7m (2024: €3.4m), an increase of 68.5%, following the restatement described above. Gross margin was 54.2% (2024: 37.0%), reflecting the correction of the Chinese revenue recognition error described in Note 29. EBITDA loss was €1.0m (2024: €1.8m loss), reflecting increased overheads, and loss per share was 2.0 cents (2024: loss per share 2.8 cents).

The Company’s balance sheet reflects both the investment made during the year and the impact of the issues described above. Net cash at 31 December 2025 was €2.4m (2024: €5.6m), after significantly increasing stock carrying levels to meet anticipated demand, absorbing costs relating to the Group’s new manufacturing facility, and expanding the senior sales team. Inventory at the year-end was €2.0m (2024: €1.8m) and with significant purchase orders for raw materials placed further; the Board expects this position to unwind as new orders convert into revenue.

Since the year end, the Company has engaged in nine of its ten previously announced tests, together with one additional test in India, but continues to experience protracted timelines in converting pipeline opportunities into revenue; unaudited revenue in the six months to 30 June 2026 was approximately €315k, whilst gross cash and inventory as at 30 June 2026 were €34k and €3.5m respectively. The Company has significant working capital tied up in inventory and as new orders are received, existing inventory is expected to be used to satisfy those orders thereby minimising further cash outflows. In addition, the injection of working capital pursuant to the £5m equity fundraising will remove these recent cash constraints. The new capital will also ensure that our new CEO Andreas Berg Nielsen has the financial backing to pursue his three phase strategy to strengthen the base of the business as well as convert and expand the current new business pipeline.

Market Drivers

For governments throughout the world, the conflict in Iran and the resulting bottleneck in the Strait of Hormuz have served as a direct signal to pursue energy autonomy. This is likely to benefit the market environment for wind power and clean technology alternatives. Historically, the market was driven by the environmental agenda and political will to address climate change; now, in light of sharply rising energy costs affecting consumers globally, demand drivers for wind power are shifting towards governments’ desire for sovereignty and autonomy over energy supply. This represents an important structural change with the potential to become a significant additional tailwind for Windar.

The Board

In January 2026, Jørgen Korsgaard Jensen stepped down from the Board and his role as Chief Executive Officer. Andreas Berg Nielsen was appointed as CEO and took up the position on 1 June 2026. Andreas knows the Company well and brings with him significant commercial experience and deep knowledge of the wind power sector.

In addition, the Company also recently announced the appointment of Tove Feld as Senior Independent Director. Tove will take up her position upon completion of the fundraise. She has over 30 years of operational experience in global energy and infrastructure and will also take on the role of Chair of the Remuneration Committee.

On behalf of the Board, I very much welcome Tove, and I look forward to working with her and Andreas in his new role as Chief Executive Officer.

Outlook

Despite the challenges the Company has encountered recently, the Board wishes to emphasise that there has been no change in its view of the strength of Windar’s technology and product range, or their appeal to owners and operators of wind farms. There are currently more ongoing test orders involving major independent power producers than at any point in the Company’s history, and these are expected to convert into valuable new orders, although the timing remains difficult to predict with precision.

David Lis

David Lis
Chairman

Date: August 26 2026

CEO Statement

I am pleased to present my first statement to Windar shareholders as Chief Executive Officer.

Having observed the business closely as a Non-Executive Director, I have a clear view of the strength of our offering and of the changes required to unlock its full potential. Since taking up the role, I have worked with the Board and senior management team to complete a thorough review of our commercial position and use this to create a clear three-phase plan, moving first to stabilise and equip the business, then to build the foundations for scale, and ultimately to execute and grow.

From a market perspective, the industry is undergoing a structural shift. With capital constrained and the focus moving from new projects to maximising the performance of existing fleets, wind operators increasingly require accurate, independent and scalable solutions capable of improving turbine performance while reducing operational risk and cost.

Windar's technology is built for this environment as returns are tangible and quickly visible. Installation requires no controller modifications and no impact on turbine certification, allowing operators to capture value without adding complexity to their operations. I therefore believe this is an opportune time to be joining the business, as we have the right solutions for this market, the capital to support the changes we need to make and an immediate pipeline of commercial targets to focus on.

Product Portfolio

WindEye remains the cornerstone of our retrofit strategy, providing highly accurate, independent wind measurement directly at the turbine level. By improving yaw alignment and turbine control, WindEye enables operators to increase energy production, enhance asset longevity and generate attractive returns on investment, typically within two years.

Building on this foundation, WindTimizer extends the value proposition further by enabling non-invasive turbine control optimisation without requiring costly controller modifications or impacting turbine certification. This capability is particularly attractive for ageing fleets where operators are focused on maximising production while protecting long-term asset health.

Alongside our hardware offering, the launch of the Nexus Turbine Performance Management platform expected in 2026, marks an important strategic milestone for the Group. Nexus introduces a recurring software revenue model while broadening our addressable market into both retrofit and new-build opportunities. The platform combines LiDAR-derived analytics with turbine SCADA integration, providing customers with enhanced monitoring, operational insight and data-driven decision-making tools through a single independent platform. Bringing this pipeline to market through a more disciplined governed roadmap will be a key part of scaling the business over the next 18 months.

Three Phase Plan to Reset the Business

Since taking up the role, I have worked with the Board and senior management team to complete a detailed review of the business and to translate this into a clear, phased plan.

- **Wave 1: Stabilise & Equip (0–12 months)**

Our immediate priority is to establish solid operational foundations and build critical competencies. This means strengthening financial governance, including expanded monthly and quarterly management information provided to the Board, including expanded aged receivables analysis, inventory and cash flow reporting; resolving the accounts receivable issues identified during the year and closing out the FY25 accounts; and defining a clear capital runway and deployment plan. We are also strengthening our quality management capabilities, including third party testing and certification, implementing CRM and sales pipeline discipline, and applying a renewed focus on cost competitiveness across the organisation.

- **Wave 2: Build to Scale (6–18 months)**

Building on this foundation, we will reduce our reliance on manual processes, establish our presence in all relevant markets, and design the organisation for growth. This includes developing clear go to market strategies for Europe, the US and additional target regions, piloting alternative business models such as subscriptions, performance-based pricing and leasing, and governing our product roadmap through formal development projects with clear business cases and milestones.

- **Wave 3: Execute & Grow (18+ months)**

The final phase is one of commercial execution: growing revenue through disciplined, CRM led sales across all regions, launching new turbine compatible products from our governed roadmap, and building Windar's recognition as a trusted brand in global wind asset optimisation.

I am confident that this plan, combined with the strength of Windar's underlying technology, provides a clear path back to sustainable, profitable growth.

Strategic Report

The Directors present their Strategic Report and the audited financial statements for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES OF THE GROUP

Windar Photonics is a technology group that has developed LiDAR wind sensors and a related software suite designed to efficiently and cost effectively increase the power output and reduce the lifetime operating costs of electricity generating wind turbines. LiDAR wind sensors in general are designed to remotely measure wind speed and direction.

The Group's key physical products are the WindEYE™ and WindVISION™ sensors which measure the wind speed at different measuring points by scanning a laser beam ahead of the wind turbine. By measuring the wind speed a variety of wind information is derived such as wind direction, turbulence, wind shear, wind gust and wake detection. The products and various algorithms are designed for the general optimisation of wind turbines both in respect of increasing the Annual Energy Production and general load reduction options.

The Group has recently developed and implemented the first phase of its Nexus software platform to support the data driven management of the improvement of performance of individual wind turbines and in future turbine farms.

REVIEW OF THE BUSINESS

The Chairman's Statement includes a general review of the Group's business for the year.

FUTURE DEVELOPMENTS IN THE BUSINESS

Our customers, Independent Power Producers (IPPs) and Wind Park Operators are primarily interested in general optimisation of existing wind turbines thereby potentially increasing power output, reducing maintenance costs and extending turbine life. One method of achieving increased power output is by optimisation of the yaw alignment of the wind turbine, meaning that the wind turbine is better facing the wind. This can be obtained by fitting a LiDAR wind sensor such as the WindEYE™ sensor. To allow our customers to better understand the performance of individual turbines and entire windfarms Windar Photonics has developed its Nexus Turbine Optimisation and Monitoring software solutions. Windar will continue to sell its LiDAR hardware solutions but will increasingly offer customers the ability to truly understand the performance of individual turbines and entire farms. This will allow operators to optimise power output, reduce maintenance costs, extend turbine life and ultimately understand the factors influencing windfarm design for future implementation. The provision of these material value add ongoing services to our customers will allow Windar to grow through a combination of transactional LiDAR sales and the provision of ongoing services through software licensing and software enabled Turbine Optimisation and Monitoring services.

GROUP RESULTS AND DIVIDENDS

In the year ended 31 December 2025, Windar Photonics achieved revenue of €5.7 million (2024 restated: €3.4 million) from sales of WindEYETM and WindVISIONTM sensors and related services, an increase of 68.5% from 2024. The total gross profit for the year amounted to €3.1 million (2024 restated: €1.2 million), an increase of 147.3% from the prior year, reflecting the correction of the Chinese revenue recognition error described in Note 29.

The Group loss for the year before taxation and exceptional expenses was €2.2 million (2024 restated: a loss of €2.2 million).

No dividends are payable for the year under review (2024: No dividends payable).

PRINCIPAL RISKS AND UNCERTAINTIES

Sales cycle and product acceptance
As with many large projects the successful addition of a client and the successful installation of the Group's product for a potential client can entail a long sales cycle, which often also involves protracted negotiations and meeting detailed technical specifications and requirements, the length of which may adversely affect the Group's financial situation and cash flow and increase project costs. Furthermore, there can be no guarantee that the commencement of such negotiations will result in successful addition of a client and, as such, significant time may be spent, and expense may be incurred without return for the Group.

As the Group increases its presence in the market and is undertaking projects with IPP, Wind Farm Operators and OEMs the sales cycle risk is reduced, as there are more potential clients, and the non-conversion of any potential client is less of a risk to the business. As the Group continues to grow this risk will become a normal trading risk.

Products and services failure

The Group has not had to initiate a product recall. It became aware of a defect in window fixings in a number of finished units in 2026. The root cause is being addressed in the product design. The issue is being resolved in close dialogue with the relevant customers, while ensuring that new units will be delivered with the improved design. However, it may be exposed to product recalls if its products are faulty or if regulations are breached in future. If the Group must recall products, it may incur significant and unexpected costs and damage to its reputation. The Group has implemented quality control procedures to mitigate this risk.

Reliance on suppliers
The substantial part of subcomponents that are assembled into the WindEYE™ and WindVision™ sensors are manufactured and supplied by third parties. It may be difficult to replace any of these subcomponents if there was an interruption in the supply, consistency, quality or timely delivery or an increase in costs above the forecast levels, which could adversely affect the Group's operating results or harm its reputation. Any such interruption where the Group is unable to locate and engage an alternative within a reasonable time and at an acceptable cost may result in the Group being unable to offer its services or products or a material interruption in the provisions of its services or products, which in turn may have a material adverse effect on the Group's business and prospects.

Other commercial factors
The Group is still in an early business cycle stage and now entering the next higher growth cycle means that the Group will be exposed to a higher concentration of single customers and/or contracts. In 2025 this was illustrated by the fact that 1 customer accounted for 85.2% of the annual Group revenue. Our sales pipeline of potential new orders is expected to significantly reduce concentration in the medium term. The Directors are aware and are paying attention to the potential commercial risk this development brings. One of the ways to mitigate this risk going forward is to continue to focus strongly on both ongoing, but just as important, new OEM projects with the view over time to developing a broader customer base.

Being in an early business cycle the Group has been dependent on financing the business primarily through shareholder support and the raising of further equity to finance annual losses generated by the Group. The Group is aware of the risks associated with being dependent on such capital sources. The focus in the Group to mitigate this risk is to become cashflow operating breakeven and then profitable as soon as possible, such that any potential future equity placings would primarily be for investment and growth purposes, and not the financing of annual losses.

Reliance on key personnel
The Company's future success is substantially dependent on the Group's ability to attract, train, motivate and retain key management, commercial and technical personnel with the necessary skills and experience. There is no guarantee that the Group will be successful in attracting and/or retaining key personnel. The loss of any of these key personnel for whatever reason may have a material adverse effect on the future of the Group's business.

Confidentiality
In order to protect its proprietary technology and processes, the Group relies on confidentiality agreements with employees, licensees, independent contractors and other third parties. These agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of disclosure

of confidential information. Costly and time-consuming litigation could be necessary to enforce and determine the scope of the Group's proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect the Group's competitive business position.

SECTION 172 OF THE COMPANIES ACT 2006

The Directors are well aware of their duty under Section 172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

• the likely consequences of any decision in the long term;
• the interests of the Company's employees;
• the need to foster the Company's business relationships with suppliers, customers and others;
• the impact of the Company's operations on the community and the environment;
• the desirability of the Company maintaining a reputation for high standards of business conduct; and
• the need to act fairly between members of the Company.

The Board recognises that the long-term success of the Group requires positive interaction with stakeholders. Positive engagement with stakeholders will enable our stakeholders to better understand the activities, needs and challenges of the business and enable the Board to better understand and address relevant stakeholder views which will assist the Board in its decision making and to discharge its duties under Section 172 of the Companies Act 2006. The comprehensive interaction with stakeholder incorporates among others regulatory announcements as well as direct communication between Shareholders and the Board.

At Windar, we believe in building long-term corporate relationships, with suppliers, customers and development partners, which has been an essential part of our business, since the incorporation of the Group and is still today a fundamental part of our progress and development.

One of the biggest assets of the Group is our team members. Their hard work and personal commitment are highly valued and is the cornerstone for the continued positive future journey for the Group. We are committed to ensure their future development as it is linked directly to the success of the business.

KEY PERFORMANCE INDICATORS

The Group considers the revenue, EBITDA, cash balances, levels of debt, and employee numbers as the current key performance indicators of the business as it has been in a start-up phase.

Revenue for the year was €5.7 million (2024 restated: €3.4 million), an increase of 68.5%, and Gross Profit was €3.1 million (2024 restated: €1.2 million), an increase of 147.3%, reflecting the correction of the Chinese revenue recognition error described in Note 29.

EBITDA, representing the loss from operations before exceptional expenses and adding back the depreciation and amortisation charges of €0.5 million (2024 restated: €0.3 million), amounted to a loss of €1.0 million (2024 restated: a loss of €1.8 million).

At 31 December 2025 the Group had cash balances of €4.0 million (2024: €7.1 million).

Trade receivables at the end of the year decreased to €0.06 million (2024 restated: €2.1 million).

The Group's loans at 31 December 2025 amount to €0.95 million (2024: €1.4 million) of which €0.6 million (2024: €0.6 million) is classified as current.

Employee numbers at 31 December 2025 were 42 (2024: 29).

BY ORDER OF THE BOARD ON August 26, 2026

Andreas B Nielsen

Andreas Berg Nielsen

Director

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors present their report and the Financial Statements for the year ended 31 December 2025.

FUTURE DEVELOPMENTS

The future developments for the Group are discussed in the Chairman's Statement and the Strategic Report.

GROUP RESULTS AND DIVIDENDS

The Group results and dividends are shown in the Strategic Report.

DIRECTORS

The Directors of the Company during the year and up to the date of approval of these financial statements were:

Jørgen Korsgaard Jensen (resigned 5 January 2026)
Paul Joseph Hodges
Andrew John Richardson (resigned 1 August 2025)
David George Lis
Søren Belmar (appointed 20 October 2025)
Gavin Maxwell Manson
Andreas Berg Nielsen (appointed on 9 June 2025)

DIRECTORS' INTERESTS

	As at 31 December 2025			As at 26 August 2026		
	Ordinary Shares	Per cent	Options	Ordinary Shares	Per cent	Options
Jørgen Korsgaard Jensen (held by Pasinika Limited. see below)	5,649,864	5.9%	-	4,948,910	5.04%	-
David George Lis	2,020,984	2.1%	-	2,258,181	2.33%	-
Paul Joseph Hodges	3,370,318	3.5%	-	3,370,318	3.5%	-
Gavin Manson	484,839	0.5%	-	531,743	0.55%	-
Andreas Berg Nielsen	21,500	0.02%		99,019	0.10%	2,554,191

SIGNIFICANT SHAREHOLDERS

Shareholders who have notified the company of shareholdings in excess of 3% as at 31 December 2025 and at 26 August 2026 are as follows:

	As at 31 December 2025		As at 26 August 2026	
	Number of ordinary shares	Percentage	Number of ordinary shares	Percentage
Pasinika Limited	5,649,864	5.9%	4,948,910	5.04%
Octopus Investments	3,900,000	4.1%	3,900,000	3.97%
Maven Renovar VCT Plc	3,753,887	3.9%	3,653,887	3.72%
Paul Joseph Hodges	3,370,318	3.5%	3,370,318	3.5%
Janus Henderson	3,327,204	3.5%	3,327,204	3.39%
Unicorn AIM VCT PLC	2,925,000	3.0%	2,925,000	3.0%

DIRECTORS' BIOGRAPHIES

David George Lis (Non-Executive Chairman), aged 76

David is an experienced non-executive director within investment and fund management. David joined Norwich Union Investment Management in 1997 (later merging to form Aviva Investors), before becoming Head of Equities in 2012 and latterly Chief Investment Officer, Equities and Multi Assets, until his retirement in 2016. David is also currently the Chairman of WildLife Group Limited. He was until recently the Senior Independent Director of Melrose Industries plc, retiring at the end of 2025, having spent over nine years on the Board.

Paul Joseph Hodges, aged 66

Paul has had a career in the City of London, spanning 40 years, as an investment analyst, stockbroker and corporate financier. During this period, Paul has held prominent roles at S G Warburg, James Capel, Schroder Securities, Collins Stewart and Cenkos plc. Paul was a founding partner of Cenkos, a main board director and a central figure in the firm's landmark deals. He now acts as an independent consultant. Paul has a B.Sc(Economics) degree in Econometrics from the London School of Economics and a M.Sc degree in Management Science from Imperial College, London.

Gavin Maxwell Manson, aged 60

Gavin is an experienced non-executive director and CFO. He is currently CFO of global agricultural nutritional supplements group Fevara plc and is a Non-Executive Director of healthcare group Meallmore Ltd. He was previously Chairman of Hostmore plc until June 2023 and between 2016 and 2022 was Chief Financial and Operating Officer of Electra Private Equity PLC having previously held senior finance positions in a number of listed companies including Thomas Cook Group plc, Premier Farnell plc and Merck KGaA.

Andreas Berg Neilsen, aged 47

Andreas brings close to two decades of global leadership experience in the wind energy sector, with a proven track record in business development, strategic expansion, and commercial excellence across both European and North American markets. Joined as NED for Windar in 2025.

Previously Vice President at KK Wind Solutions, Andreas played a key role in the company's North American expansion and the integration of key business units. Prior to that, he also held senior roles at Siemens Gamesa Renewable Energy, where he successfully led cross-functional teams, drove revenue growth, and built strong client relationships. Andreas brings extensive expertise across the wind energy value chain and is actively involved in networks across the renewable energy sector.

Søren Karles Belmar, aged 36

Søren joined Windar in June 2025 as CFO of Windar Photonics A/S and Group CFO Designate. Appointed to Group CFO and Executive Director in October 2025. He has significant financial experience gained from senior financial leadership roles, and most recently worked as CFO for RAND Boats A/S, the manufacturer of Danish-designed electric boats, where he led the financial functions across Denmark and Croatia. Prior to this, he worked as Head of Finance at the international children's lifestyle company Liewood A/S. Earlier in his career, Søren spent several years at Royal Canin Nordics (MARS Inc.), progressing through a range of senior finance roles including Interim CFO and Financial Controller.

DIRECTORS' REMUNERATION

The value of all elements of remuneration received by each Director in the year was as follows:

	Wages and salaries	Fees	Share based payment	Total
	€	€	€	€
Year ended 31 December 2025				
Executive Directors				
Jørgen Korsgaard Jensen	212,072	-	-	212,072
Søren Karles Belmar	36,193	-	-	36,193
Non-executive Directors				
David George Lis	-	114,784	-	114,784
Paul Joseph Hodges	-	29,193	-	29,193
Andrew John Richardson	-	6,909	-	6,909
Andreas Berg Nielsen	-	38,261	-	38,261
Gavin Maxwell Manson*	-	62,714	-	62,714
Total	**238,265**	**251,861**	**-**	**500,126**
Year ended 31 December 2024				
Executive Directors				
Jørgen Korsgaard Jensen	200,000	-	-	200,000
Non-executive Directors				
David George Lis	-	100,000	-	100,000
Paul Joseph Hodges	-	28,868	-	28,868
Gavin Maxwell Manson*	-	142,134	-	142,134
Andrew John Richardson	-	28,868	-	28,868
Total	**200,000**	**299,870**	**-**	**499,870**

**** During the year a company associated with Gavin Manson received fees of €33,521 (2024: €113,266) in respect of services provided to the Company during the year. These fees were determined on an arm's length basis.***

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Company has put in place qualifying third party indemnity provisions for all of the directors of Windar Photonics Plc.

FINANCIAL INSTRUMENTS

Currency
The Group reports its revenues and costs in EUR, whilst some of these revenues and costs may arise in currencies other than this including, inter alia US Dollars, Pounds Sterling, Chinese Yuan and Danish Krone. As a result, the Group is exposed to risks associated with fluctuations in foreign currency exchange rates, which may adversely affect the Group's reported result or make its overseas contracts relatively less valuable. In particular, customers are invoiced in their local currency rate, which may give rise to material currency exposure risks. The Group does not currently engage in any currency hedging although as the business expands and foreign currency exposure increases the Group will consider options to mitigate the exposure to foreign currency movements.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, the Group finances its operations through a mix of equity and borrowings. The Group's objective is to provide funding for future growth and achieve a balance between continuity and flexibility through its bank facilities and future intergroup loans.

The Board receives cash flow projections on a regular basis as well as information regarding cash balances. At the end of the financial year these projections indicated that the Group is expected to have sufficient liquid resources for a period of at least twelve months from the date of signing of these financial statements, to meet its obligations. Accordingly, the Board has adopted the going concern basis. See note 3 for further details.

Credit risk

The Group regularly reviews and assesses the trade receivables for impairment and considers the market risk in respect of the trade receivables. As the Group trades with a concentrated number of customers the Group has reviewed trade receivables on an individual basis. The Group has identified certain previously recognized contracts as being presented incorrectly, which is currently under further investigation. The Group has made a provision against overdue trade receivables of € Nil (2024: € Nil). The Group considers the following events as indicators of an impairment:

- default of payments of the counterparty;
- financial difficulties of the counterparty;
- its becoming probable that the counterparty enters bankruptcy or other financial reorganisation;
- granting to the counterparty a concession that the Group will not otherwise consider.

EMPLOYMENT POLICIES

The Group is committed to employee involvement in the business and there are consultative procedures available for management and other employees to discuss matters of mutual interest.

The Group has a policy of non-discrimination in respect of sex, colour, religion, race, nationality or ethnic origin and the recruitment of disabled persons is only subject to any overriding consideration of access and safety.

TREASURY POLICY

The Group has adopted formal treasury policies to control its financial instruments. It is a Group Treasury policy not to undertake transactions of a speculative nature. Group cash flows are managed centrally, and surplus cash is invested in short-term financial instruments.

Compliance with these policies is monitored by the Board.

RESEARCH AND DEVELOPMENT

The Group continues to undertake R&D into LiDAR technology. During the year the Group spent €2,719,942 (2024: €1,567,985) on R&D of which €894,351 (2024: €573,093) has been capitalised as an intangible asset as shown in note 17 to the financial statements.

GOING CONCERN

The financial statements have been prepared assuming the Group and Company will continue as a going concern.

Based on the Group's latest trading expectations and associated cash flow forecasts, and taking into account the funding that will be available through a combination of a) the capital raises (as noted below) and b) the continued availability of the existing £20m equity drawdown facility with GEM, the directors have concluded that the Group and Company have sufficient resources available to meet their financial and other obligations for a period of not less than 12 months from the date of approval of these financial statements.

Immediately following the publication of these financial statements and relisting of the Company's shares on AIM the Company will conclude, subject to shareholder approval, a fully committed capital raise comprising two elements:

a) A c£2m capital raise for existing shareholders and the Board that based on the directors' forecasts will provide sufficient working capital to allow the business to continue to trade for the foreseeable future; and

b) A c£2m capital raise from EIS investors that is to provide the working capital necessary to develop the significant opportunities available to the business in the US and European markets that have been identified by management.

Following the approval of these financial statements, the directors anticipate the Company's shares will be relisted on AIM and subsequently that shareholder approval will be obtained for the capital raises referred to above. The directors are confident that the capital raises will be successful and have therefore concluded that the Group and Company are a going concern.

These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group and Company's ability to continue as a going concern.

The financial statements do not include any adjustments that would result if the Group and Company are unable to continue as a going concern.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group and company financial statements in accordance with UK-adopted international accounting standards ("IFRSs"). 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 company and of the profit or loss of the Group for that period. The Directors are also required to prepare financial statements in accordance with the AIM Rules for Companies.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the Group and Parent Company financial statements have been prepared in accordance with IFRSs as adopted by the United Kingdom, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

WEBSITE PUBLICATION

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

AUDIT INFORMATION

The Directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, there is no relevant audit information of which the Group's 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 the Group's auditor is aware of that information.

AUDITORS

A resolution to reappoint Buzzacott Audit LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD ON August 26, 2026

Søren Karles Belmar

Director

CORPORATE GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

The Group has elected to follow the QCA code 2023 in respect of Corporate Governance, which is also published on the Company's website.

In common with other organisations of a similar size, the Executive Director is heavily involved in the day-to-day running of the business. The Board of Directors meets regularly and is responsible for formulating strategy, and for the trading subsidiaries, monitoring financial performance and approving major items of capital expenditure. All Directors have access to the advice and services of the Company Secretary.

BOARD OF DIRECTORS

The Board includes a minimum of three Non-Executive Directors. The Board has scheduled meetings monthly for each year and others as required. During 2026, Board meetings begun being held monthly which will continue going forward. The Board retains full responsibility for the direction and control of the Group. No strategic powers have been delegated and for these reasons the Board did not have, during the year, a formal schedule of matters specifically reserved to it.

There is currently no formal agreed procedure for Directors in the furtherance of their duties to take independent professional advice as necessary at the Company's expense.

NON-EXECUTIVE DIRECTORS

The appointment of Non-Executive Directors is a matter for the Board as a whole based on recommendations from the Nominations Committee. Although recommended by the Code, there is currently no formal selection process. The Non-Executive Directors have contracts for services for an unspecified period. Non-Executive Directors are subject to re-election every three years.

Terms and conditions of appointment of the Non-Executive Directors are available for inspection.

EXECUTIVE DIRECTORS

Directors are appointed by the Board of Directors but stand for election by the shareholders at the Annual General Meeting. The Executive Directors are subject to re-election every three years.

The Company holds board meetings regularly throughout the year. Thirteen scheduled board meetings were held during the year, as well as one audit committee meeting, one remuneration committee meeting and one nomination committee meeting. Attendance by board members is shown below.

	Board	Audit Committee	Remuneration Committee	Nomination Committee
Number of meetings held	13	1	1	1
Executive board members				
Jørgen Korsgaard Jensen	12/13	N/A	N/A	N/A
Søren Karles Belmar	2/13	1/1	N/A	N/A
Non-executive board members				
David George Lis	12/13	N/A	1/1	1/1
Paul Joseph Hodges	12/13	1/1	1/1	1/1
Andrew John Richardson	7/13	-	-	-
Gavin Maxwell Manson	13/13	1/1	1/1	1/1
Andreas Berg Nielsen	6/13	1/1	-	1/1

In the event that Board approval is required between Board meetings, Board members are emailed the details, including supporting information in order to make a decision. The decision of each Board member is communicated and recorded at the following Board meeting. Board members are aware of the time commitment required when joining the Board.

BOARD COMMITTEES

Audit Committee
During the year to 31 December 2025, the Audit Committee comprised Gavin Manson and Paul Hodges and was chaired by Gavin Manson. The Audit Committee meets at least once a year and is responsible for reviewing the annual and half-yearly financial statements, the system of internal controls and risk management, and the terms of appointment and remuneration of the auditor. It is also the forum through which the auditor reports to the Board. The Audit Committee is also responsible for reviewing the objectivity of the external auditor and the terms under which the external auditor is appointed to perform non-audit services. Given the recent accounting irregularities identified, the Audit Committee expects to meet at least twice a year going forward.

The Group's auditor also attends the Audit Committee at its request and reports on its work procedures, the quality and effectiveness of the Group's accounting records and its findings in relation to the Group's statutory audit. The Audit Committee will meet with the auditor at least once a year.

During the year the committee worked with the Group auditors, on the findings of the 2024 audit as well as reviewing the Company's results for the year ended 31 December 2025 on behalf of the Board. It considered significant accounting policies, ensured compliance with accounting standards and considered reports from the external auditor on accounting topics of a judgemental nature requiring attention. The Committee, where necessary will have had separate discussions with the auditor without management being present on the adequacy of controls and any judgemental areas, as well as feedback on the audit.

Following the period end the Audit Committee has been heavily involved in the assessment of the financial impact and control implications over the irregularities identified in 2026, occurring in 2025 and in prior years with the resultant restatement of FY24 comparators.

Nomination Committee
The Nomination Committee comprises David Lis, Gavin Manson and Paul Hodges and is chaired by David Lis. It meets at least once a year and otherwise as required. The Nomination Committee considers the composition of the Board, retirements and appointments of additional and replacement directors and makes appropriate recommendations to the Board.

Remuneration Committee
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The Non-Executive Directors were awarded remuneration for their services during the year.

During the year no share options lapsed, and 88.333 options were granted during the year.

PERFORMANCE EVALUATION

There is currently no formal performance evaluation of the board, its committees, and its individual directors. A modus operandi for the evaluation of the board is currently under consideration but not implemented at the current stage of the Group's development, as the Group is still a fairly young and small business unit. However, given the events leading up to the suspension of the shares, the board will implement a formal evaluation process during 2026.

COMMUNICATION WITH SHAREHOLDERS

The Directors are available to shareholders at any time to discuss strategy and governance matters.

In addition, all Group announcements are published on the Group's website, together with financial results.

All shareholders have the opportunity to ask questions and express their views at the Company's Annual General Meeting, at which all Directors are available to take questions.

AUDIT AND INTERNAL CONTROL

The primary role of the Audit Committee is to keep under review the Group's financial systems and controls and its financial reporting procedures. In fulfilling this role, the Committee receives and reviews work carried out by the external auditors and their findings.

The Board has overall responsibility for operating and monitoring the system of internal control within the Group and for monitoring its effectiveness. The system includes an on-going process for identifying, evaluating and managing significant business risks. Although no system of internal control can provide absolute assurance against material misstatement or loss, the Group's system is designed to provide the directors with reasonable assurance that any material problems are identified on a timely basis and dealt with appropriately.

Guidance to Directors of UK Companies on internal control procedures and good practice on risk management is provided by the Financial Reporting Council.

The Audit Committee reviews the effectiveness of the Group's internal controls on an annual basis on behalf of the Board. The Committee is aware of certain issues identified during the year relating to the Group's governance and internal control arrangements and, other than in respect of those matters, considers that the Group complied throughout the year ended 31 December 2025 with those provisions of the [QCA] Code which it considers practicable and appropriate for a company of this size. In response, actions are being taken to strengthen the Group's governance and control environment, with progress overseen by the Audit Committee and reported to the Board on a regular basis. The key elements of the system, which are designed to meet the specific needs and business risks of the Group, include:

- clearly defined organisation structures with segregation of duties wherever practicable;
- agreement of Group short term financial objectives and business plans;
- quarterly review by the Board of Group management accounts and monitoring of results against budgets;
- Board control over treasury, taxation, legal, insurance and personnel issues;
- Board control over appraisal, review and authorisation of capital expenditure.

In common with organisations of similar size the Executive Directors are heavily involved in the day to day running of the business. The Directors believe that although the Group’s controls may be slightly less formal than those of larger groups, the close involvement of the Executive Directors more than compensates for this.

The Board recognises the benefits that an internal audit capability can bring. Given the size of the Group, rather than establish a dedicated in-house internal audit function, the Board has agreed to adopt a proportionate, lighter-touch internal audit process, under which periodic risk-based reviews of key areas of the business will be undertaken on behalf of the Audit Committee. The Board will keep the scope and formality of this function under review as the Group continues to grow. The Audit Committee considers the independence and objectivity of the external auditor on an annual basis, with particular regard to non-audit services. The split between audit and non-audit fees for the year and information on the nature of the non-audit fees appear in note 9 to the financial statements. The non-audit fees are considered by the Committee not to affect the independence or objectivity of the auditor. The Audit Committee monitors such costs in the context of the audit fee for the year, ensuring that the value of non-audit services does not increase to a level where it could affect the auditor’s objectivity and independence. The Audit Committee also received an annual confirmation of independence from the auditor.

Windar Photonics plc – QCA Code

As Chairman of the Board of Directors of Windar Photonics plc ("Windar Photonics", "the Company" or "the Group" as the context requires), it is my responsibility to ensure that the Company has both sound corporate governance and an effective Board.

As Chairman, my responsibilities include leading the Board effectively, overseeing the Company's corporate governance model, communicating with shareholders, and ensuring that good information flows freely between the Executive Directors and the Non-Executive Directors in a timely and efficient manner.

In line with the AIM Rules, which require all AIM-listed companies to adopt and comply with a corporate governance code, the Board of Windar Photonics plc has adopted the Quoted Companies Alliance Corporate Governance Code (the "QCA Code").

The QCA Code states that "the purpose of good corporate governance is to ensure that the company is managed in an efficient, effective and entrepreneurial manner for the benefit of all shareholders over the longer term."

It is the Board's responsibility to ensure that Windar Photonics plc is managed in the long-term interests of all shareholders and stakeholders in the business.

The Board believes a strong and effective corporate governance culture is critical in this respect as we endeavour to grow a resilient and sustainable business for the benefit of our shareholders and all stakeholders.

The Board considers that the Group complies with the QCA Code so far as it is practicable having regard to the size, nature and current stage of development of the Company, and will disclose any areas of material non-compliance.

The QCA code is constructed around 10 broad principles, and the report below sets out how we comply with the code at this time. Compliance with the code will be reviewed and updated annually.

David George Lis

Chairman

WINDAR PHOTONICS PLC

CORPORATE GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

QCA Code Principle	What we do and why
1. Establish a strategy and business model which promotes long-term value for shareholders *The board must be able to express a shared view of the company's purpose, business model and strategy. It should go beyond the simple description of products and corporate structures and set out how the company intends to deliver shareholder value in the medium to long-term. It should demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the company from unnecessary risk and securing its long-term future.*	Windar Photonics' primary vision is to be, and remain, the leading global supplier of nacelle LiDAR equipment for both the wind turbine OEM and retrofit markets. Windar's core strategy for achieving the vision is focused on the following core components: • **Competitiveness** • **Innovative technology** • **Cost-effective operation of the company** • **Power enhancement and cost reduction for the end user.** The OEM market is serviced directly by Windar Photonics, whereas the retrofit market is serviced through an external global dealership that provides Windar Photonics products to local Independent Power Producers (IPPs) and wind farm operators. The company's strategy and key challenges are detailed on pp. 6-8.
2. Seek to understand and meet shareholder needs and expectations *Directors must develop a good understanding of the needs and expectations of all elements of the company's shareholder base.* *The board must manage shareholders' expectations and should seek to understand the motivations behind shareholder voting decisions.*	The Board is committed to clearly navigating the company towards substantial growth and to ensure that the shareholder's expectations are met in this regard. Windar Photonics encourages two-way communication with both its institutional and private investors. Windar Photonics endeavors to respond swiftly to all queries received from its investors. The company's CEO is regularly in contact with the Group's institutional and retail shareholders and ensures that their views and concerns are communicated clearly to the Board. The Company also seeks to manage shareholder expectations through its regulatory disclosures. The Board recognizes the AGM as an important opportunity to meet private shareholders, and the Directors are available to listen to the views expressed by the company's shareholders in an informal context immediately following the AGM. The AGM invariably includes an update by the Chief Executive Officer and others on developments which have occurred since the Annual Report went to press. Where voting decisions are not in line with the company's expectations, the Board will engage with those shareholders to understand and address any issues. The key point of contact for all shareholders is Chief Financial Officer, Søren Karles Belmar, who can be contacted at sb@windarphotonics.com

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success *Long-term success relies upon good relations with a range of different stakeholder groups both internal (workforce) and external (suppliers, customers, regulators and others). The board needs to identify the company's stakeholders and understand their needs, interests and expectations.* *Where matters that relate to the company's impact on society, the communities within which it operates or the environment have the potential to affect the company's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the company's strategy and business model.* *Feedback is an essential part of all control mechanisms. Systems need to be in place to solicit, consider and act on feedback from all stakeholder groups.*	Windar Photonics is committed to sustainability and progress in all aspects of our business – for the environment, customers, suppliers and the communities we operate in. This is evidenced and underpinned by our vision and values: 1. Customers - Grow profitable sales 2. Quality – Operational excellence 3. Environment – Community impact 4. Innovation - Excellent product design 5. Teamwork – Engage our people Sustainability is essentially the foundation of Windar Photonics, as the company's overall business is to provide the market a commercially viable means of enhancing the production and effectiveness of renewable wind energy assets, which in turn contributes to increasing the economic viability and sustainability of the renewable energy sector. Windar Photonics via its global dealership, contributes to increasing the competitiveness of the emerging wind energy sector. Windar Photonics is based in United Kingdom, Denmark and China, and the company conforms to the local laws and standards for social responsibilities in relation to the company's employees. Windar Photonics encourages an open dialogue with its employees and conduct individual employee consultations, to attain feedback on all aspects of employment with Windar Photonics. Furthermore, employee representatives meet in forums to discuss business related issues. Windar Photonics encourages customers feedback through trade account managers and direct engagement with individual customers via customer service teams and social media communication, such as LinkedIn.
4. Embed effective risk management, considering both opportunities and threats, throughout the organization *The board needs to ensure that the company's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy; the company needs to consider its extended business, including the supply chain, from key suppliers to end- customers. Setting strategy includes determining the extent of exposure to the identified risks that the company is able to bear and willing to take (risk tolerance and risk appetite).*	A detailed analysis of the risks faced by the company, and the measures taken to minimize the identified risks, are detailed on pp. 6-8, along with an assessment of any changes to the potential risks during the previous reporting period. The Company formally reviews and documents the principal risks to the business at least annually. Likewise, the executive directors have agreed to act with risk-prevention in mind during the daily operation of the company. The board is responsible for evaluating potential risks and meets regularly to identify and review risks in relation to the ongoing trading, and the company's budgets and forecasts. Likewise, the Board considers risk to the business at every board meeting, and both current and future potential risks are registered and assessed during each meeting.

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5. Maintain the board as a well-functioning, balanced team led by the chair

The board members have a collective responsibility and legal obligation to promote the interests of the company and are collectively responsible for defining corporate governance arrangements.
Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board.

The board (and any committees) should be provided with high quality information in a timely manner to facilitate proper assessment of the matters requiring a decision or insight.

The board should have an appropriate balance between executive and non-executive directors and should have at least two independent executive directors. Independence is a board judgement.

The board should be supported by committees (e.g. audit, remuneration, nomination) that have the necessary skills and knowledge to discharge their duties and responsibilities effectively. Directors must commit the time necessary to fulfill their roles.

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The Board consists of Directors with a varied set of skills and substantial experience within their respective fields, which complement each other well in relation to directing the company and making informed decisions for encouraging the growth of the company.

Andreas Berg Nielsen, the company's Chief Executive Officer, has the executive responsibility for running the company's business and implementing the company's strategy.
The Company is managed by the Board of Directors, NED's and Executive Directors David George Lis, Gavin Maxwell Manson, Andreas Berg Nielsen, Paul Hodges and Søren Karles Belmar. Non-executive Director is responsible for the running of the Board, and overseeing the long term strategy of the Company.

The Board is comprised of two Executive Directors and a number of Non-Executive Directors. The Board considers that all Non-executive Directors bring an independent judgement to bear notwithstanding the varying lengths of service:

- **David George Lis** (Non-Executive Chairman)
- **Søren Belmar** (Executive Director
- **Paul Hodges** (Non-Executive Director)
- **Gavin Manson** (Non-Executive Director
- **Andreas Berg Nielsen** (Chief Executive Officer) (Appointed 1 June 2026)

Detailed profiles for the Directors on the Board are available on
p. 10.

All Directors receive regular and timely information concerning the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. In addition, minutes of the meetings are circulated to the Company's Board of Directors.
The Board has a formal schedule of matters reserved for it and is supported by the Audit, Remuneration and Nomination Committee. The Schedule of Matters Reserved and Committees Terms of Reference are available on the Company's website and can be accessed on the "*Corporate governance*" page of the website.

The Board meets at least six times per annum. The Audit Committee will meet at least once a year, The Nomination Committee will meet at least once a year and otherwise as required and finally the Remuneration Committee meets at least once a year.

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6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

The board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. The board should understand and challenge its own diversity, including gender balance, as part of its

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The Nomination Committee of the Board oversees the process and makes recommendations to the Board regarding all new Board appointments. Where new appointments for the Board are considered, the search for candidates is conducted, and appointments are made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board, including gender. The Nomination Committee also considers succession planning as part of their responsibility to ensure the consistency of the Boards activities.

The current board is comprised of directors with expertise within their respective fields, thus providing the company the benefits of a broad spectrum of knowledge and experience:

David George Lis (Non-Executive Chairman) Experienced non-

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composition. *The board should not be dominated by one person or a group of people. Strong personal bonds can be important but can also divide a board.* *As companies evolve, the mix of skills and experience required on the board will change, and board composition will need to evolve to reflect this change.*	executive director with investment and fund management background. **Paul Hodges** (Non-Executive Director) Comprehensive corporate finance and investment experience. **Gavin Manson** (Non-Executive Director Experienced listed company CFO). **Andreas Berg Nielsen** (Chief Executive Director, appointed 1st June 2026) Global Leadership experience in the wind energy sector. Detailed profiles for the Directors on the Board are available on p.10.
7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement *The board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors.* *The board performance review may be carried out internally or, ideally, externally facilitated from time to time. The review should identify development or mentoring needs of individual directors or the wider senior management team.* *It is healthy for membership of the board to be periodically refreshed. Succession planning is a vital task for boards. No member of the board should become indispensable.*	A modus operandi for the evaluation of the board is currently under consideration but not implemented at the current stage of the company's development, as the company is still a fairly young and small business unit. All directors are subject to re-election by the shareholders by rotation. The company has not adopted a specific policy on succession planning but the board has a regular focus and discussion on this subject. The Non-executive Directors are, however, required to give three months' notice under their employment contracts if they wish to leave the company and the Executive Directors are required to give nine months' notice. The Board is confident that the Company's middle management team has the strength to ensure the Company's business is not adversely impacted in the period between an Executive Director leaving and a replacement being recruited. The Nomination Committee is required to recommend and review nominees as new directors to the Board where there are vacancies or where it is felt that additional directors should be appointed. For new appointments, the search for candidates is conducted and appointments made on merit against objective criteria and with due regard for the benefits of diversity on the board. Any senior management appointments are also required to be approved by the Nomination Committee.
8. Promote a corporate culture that is based on ethical values and behaviours *The board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage.* *The policy set by the board should be visible in the actions and decisions of the chief executive and the rest of the management team. Corporate values should guide the objectives and strategy of the company.* *The culture should be visible in every aspect of the business, including recruitment, nominations, training and*	Windar Photonics is a fairly small and young company, and the corporate ethical values have not yet been formally described. A description of the ethical values that underpin the company will be formulated and made public during 2026. Nonetheless, the company operates on a sound foundation of ethical principles: • A high degree of transparency and non-hierarchical communication between the various positions in the company • Entrepreneurial spirit and a high degree of employee influence • A diverse workplace with a wide representation of different cultures, which is considered a boon for the company. Furthermore, the company has provided training and information concerning anti- bribery and work-place safety to its employees. The company is also committed to providing a safe and secure environment for its employees, with its policies and procedures enshrined in its health and safety guidance to employees.

engagement. The performance and reward system should endorse the desired ethical behaviours across all levels of the company. *The corporate culture should be recognizable throughout the disclosures in the annual report, website and any other statements issued by the company.*	
9. Maintain governance structures and processes that are fit for purpose and support good decision- making by the board *The company should maintain governance structures and processes in line with its corporate culture and appropriate to its:* • *size and complexity; and* • *capacity, appetite and tolerance for risk.* *The governance structures should evolve over time in parallel with its objectives, strategy and business model to reflect the development of the company.*	The company's governance structure is described in pp. 14-22. It is also included under the biographies of the directors and committees of the Board on our website. A description of the matters of the board, titled "25 Board reserved matters", is made public on the website and is available on the page "*Corporate governance".*
10.Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders. *A healthy dialogue should exist between the board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the company.* *In particular, appropriate communication and reporting structure should exist between the board and all constituent parts of its shareholder base.* *This will assist:* *the communication of shareholders' views to the board; and the shareholders' understanding of the unique circumstances and constraints faced by the company.* *It should be clear where these communication practices are described (annual report or website).*	Windar Photonics encourages two-way communication with both its institutional and private investors. Likewise, Windar Photonics endeavors to respond swiftly to all queries received from its investors. The company's CEO is regularly in contact with the Group's main shareholders and ensures that their views and concerns are communicated clearly to the Board. The Board recognizes the AGM as an important opportunity to meet private shareholders, and the Directors are available to listen to the views expressed by the company's shareholders in an informal context immediately following the AGM.

Independent auditor's report to the members of Windar Photonics Plc
For the year ended 31 December 2025

Disclaimer of Opinion
We were engaged to audit the financial statements of Windar Photonics Plc ('the company') and its subsidiaries (together 'the group') for the year ended 31 December 2025 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards.
We do not express an opinion on the accompanying financial statements of the group. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.
Basis for disclaimer of opinion
As at 31 December 2024, a deminimus quantity and value inventory was previously reported in the Consolidated Statement of financial position, and no stock count was therefore performed by the group at that date. Following the prior period restatement (as set out in note 29), restated inventory at 31 December 2024 is €1,786,000. We were unable to satisfy ourselves concerning the inventory quantities or valuation of inventory held at 31 December 2024.

As a consequence of the issues discussed in the Chairmans statement and in note 29 to the financial statements in respect of the group's Chinese operations (Windar Photonics (Shanghai) Co. Ltd), we were unable to satisfy ourselves concerning the restatement of revenues and related cost of sales and the allocation of the restated amounts between the years ended 31 December 2025, 31 December 2024 and for the period to 31 December 2023. We were also unable to satisfy ourselves as to the accuracy and completeness of trade receivables and contract liabilities at 1 January 2024 or 31 December 2024.

Notwithstanding satisfactory completion of our audit procedures in relation to the consolidated statement of financial position at 31 December 2025, as a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of revenues. cost of sales and reported losses and loss per share for the years ended 31 December 2024 or 31 December 2025, and in respect of inventories, accounts receivable and contract liabilities at 1 January 2024 and 31 December 2024. We were therefore also unable to determine if any adjustments to the consolidated statement of changes in equity and consolidated statement of cash flows was necessary.
Given the pervasiveness of these matters and the significance of these items to the overall financial statements, we cannot express an opinion on the accompanying financial statements of the group.

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

	Financial statements
Overall materiality	€74,000
How we determined it	Based on 1.5% of revenue
Rationale for benchmark applied	We believe that revenue is the primary measure used by the shareholders in assessing the performance of the group. This benchmark is considered the most appropriate because the group is a trading group.

We agreed with the Directors that we would report to them misstatements identified during our audit above €3,700 as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.
We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality has been set at 60% of overall materiality. The performance materiality was set at €44,000 for the Group. We determined performance materiality with reference to factors such as our understanding of the Group and its complexity, the quality of the control environment and ability to rely on controls.

An overview of the scope of our audit
As part of designing our audit we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas where the Directors were required to make significant judgements and estimates, for example in respect of the valuation intangibles and inventory and revenue recognition and considered future events that are inherently uncertain. As in all our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

How we tailored the audit scope
The UK operations and consolidation are accounted for in the UK. We conducted a full scope audit of the Group and key components whilst carrying out targeted audit procedures on non-significant components.

The Group financial statements are a consolidation of four companies, consisting of the parent company, Windar Photonics A/s ('WPAS'), intermediate holding company, and two trading companies, being WPS and Windar Denmark Aps ('WDA'). The principal trading companies are located in Denmark and China, and the head office and main accounting location is in Denmark.

Our Group audit scope focused on the Group's principal trading companies, The component audit of WDA was performed by BDO Denmark, with Buzzacott actively involved in reviewing their work, ensuring it met the necessary standards, and using it as part of our overall audit approach. WPS and WPAS were subject to targeted audit testing on specific areas that were material or related to significant risks and analytical review. This work was carried out by Buzzacott, alongside the additional procedures performed concerning the audit of the parent company, the consolidation, and going concern.

Audits of the subsidiary companies were performed at lower levels of materiality compared to group materiality and determined by us to be appropriate to the relative size of the company concerned. As part of our audit strategy detailed group audit instructions were issued to the component auditor and the Group audit team reviewed the complete audit file for the main trading company. Virtual communications were used to verify certain aspects of our audit.

Opinions on other matters prescribed by the Companies Act 2006
Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether based on the work undertaken in the course of the audit:
• the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
• the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which the auditor is required to report by exception
Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the group and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the strategic report or the directors' report.
Arising from the limitation of our work referred to above:
• we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
• we were unable to determine whether adequate accounting records have been kept.
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:
• returns adequate for our audit have not been received from branches not visited by us; or
• the financial statements are not in agreement with the accounting records and returns; or
• certain disclosures of directors' remuneration specified by law are not made.

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

Auditor's responsibilities for the audit of the financial statements
Our responsibility is to conduct an audit of the group financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report.

However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other matters – Extent to which the audit was considered capable of detecting irregularities including fraud

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

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the Group through discussions with the directors and other management at the planning stage;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations; and
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group including the Companies Act 2006, AIM rules, employment legislation and taxation legislation.

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal expenditure and correspondence throughout the year for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

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

- determined the susceptibility of the Group financial statements to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process;
- performed analytical procedures to identify any large, unusual or unexpected transactions and tested any large variances from the prior period;
- tested journal entries, including manual journals to revenue, and the rationale behind significant or unusual transactions; and
- tested accounting estimates and evaluated where judgements or decisions made by management indicated bias on the part of the Group's management, in particular the valuation of intangible fixed assets and inventory and the application of the group's revenue recognition polices.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

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

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

Buzzacott Audit LLP

Philip Westerman (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

26 August 2026

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

Opinion

We have audited the financial statements of Windar Photonics Plc ('the Company') for the year ended 31 December 2025 which comprise the Company Statement of Financial Position, the Company Statement of Cash Flows, the Company Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the parent company's affairs as at 31 December 2025;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act2006.

Basis for opinion

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

Material uncertainty related to going concern

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

We draw attention to note 3 in the financial statements, which indicates that the company is reliant on the shares being successfully readmitted to trading on AIM, the planned equity issue being approved by shareholders, and the raise generating sufficient funds to enable them to meet their obligations and liabilities as they fall due over the going concern assessment period. The directors are confident that sufficient funds will be raised and have therefore concluded that the company is a going concern. As stated in note 3, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

The procedures performed in order to evaluate the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting are as follows:

- understanding the quantum of the expected additional fund raising from existing and new shareholders;
- assessing the likelihood of the readmission of the company shares to trading on AIM and shareholder approval of the proposed equity issues;
- assessing management's estimate of the Group's cash position and cash requirements for a period of at least 12 months from the approval of these financial statements;
- verifying consistency of key inputs in the forecasts relating to the future costs and revenues to other financial and operational information obtained during audit; and
- performing sensitivity analysis on management's "worst case" scenario assumptions.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

- Carrying value of inter-company receivables

This is explained in more detail below.

Key Audit Matter	How the scope of our audit responded to the key audit matter
Recoverability of intercompany receivables We identified a risk that the inter-company receivables of the parent company with its subsidiaries (subsidiaries are listed within note 16) may be impaired. At the end of each reporting period, the directors are required to assess whether there is any indication that the amounts receivable from subsidiary undertakings as shown in the parent company may be impaired. Management's assessment of the recoverable amount of inter-company receivables with subsidiaries requires estimation and judgement around assumptions used, including the cash flows to be generated from continuing operations. Changes to assumptions could lead to material changes in the estimated recoverable amount, impacting on the value of the amount's receivable from subsidiaries and impairment charges. The directors have not identified any indicators of impairment in relation to the inter-company receivables from the subsidiary undertakings and as a result have not carried out an impairment review. This area was significant to our audit because the director's exercised judgement in determining the underlying assumptions used in this calculation.	We have performed the following audit procedures: • reviewed management's assessment of future operating cashflows and indicators of impairment; • compared the carrying value of the inter-company receivables at the year end to the net assets and expected future profits of each subsidiary; • assessed the reasonableness of the key assumptions used in management's estimates of recoverable value, in line with the economic and industry statistics relevant to the business; • challenged cash inflows from revenue generating activities and the key assumptions applied in arriving at these; • assessed the reasonability of cash outflows, including contracted delivery costs, and research and capital spend; • considered the appropriateness of the Parent Company's disclosures in relation to any impairment in the Company only financial statements; and • ensured that disclosures of the key judgements and assumptions, and sensitivity of the impairment loss recognised was appropriately disclosed. Based on the audit work carried o**ut**, we are satisfied that the management have assessed and considered if impairment is required in respect of the inter-company receivable from subsidiary undertakings in the Parent Company financial statements.

Our application of materiality

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

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

	Financial statements
Overall materiality	€55,500 (this has been capped in relation to group materiality).
How we determined it	Based on 1% of gross assets
Rationale for benchmark applied	We believe that gross assets are the primary measure used by the shareholders in assessing the performance of the Company. This benchmark is considered the most appropriate as the Company is a holding company.

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality has been set at 60% of overall materiality. The performance materiality was set at €33,000. We determined performance materiality with reference to factors such as our understanding of the Company and its complexity, the quality of the control environment and ability to rely on controls.

An overview of the scope of our audit

As part of designing our audit we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas where the Directors were required to make significant judgements and estimates, for example in respect of recoverability of amounts due to the parent company from subsidiaries and considered future events that are inherently uncertain. As in all our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

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.

Opinion 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 Group 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 Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- 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
- we have not obtained all the information and explanations that we considered necessary for the purposes of our audit; or
- we were unable to determine whether adequate accounting records have been kept by the parent company; or
- certain disclosures of directors' remuneration specified by law are not made.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

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

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

How the audit was considered capable of detecting irregularities including fraud

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

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the company through discussions with the directors and other management at the planning stage;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations; and
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company including the Companies Act 2006, AIM rules, employment legislation and taxation legislation.

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal expenditure and correspondence throughout the year for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

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

- determined the susceptibility of the Company financial statements to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process;
- performed analytical procedures to identify any large, unusual or unexpected transactions and tested any large variances from the prior period;
- tested journal entries, and the rationale behind significant or unusual transactions; and
- tested accounting estimates and evaluated where judgements or decisions made by management indicated bias on the part of the Company's management, in particular the recoverability of amounts due to the parent company from subsidiaries.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

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

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

Use of our report

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

Buzzacott Audit LLP

Philip Westerman (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

26 August 2026

WINDAR PHOTONICS PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	**Year ended 31 December 2025 €**	Year ended 31 December 2024 €
Revenue from contracts with customers	8	**5,677,189**	3,369,249
Cost of goods sold		**(2,597,753)**	(2,123,922)
Gross profit		**3,079,436**	1,245,327
Administrative expenses		**(4,570,015)**	(3,433,049)
Exceptional expenses	29		(221,557)
Loss from operations	9	**(1,490,579)**	(2,409,279)
Finance expense	12	**(757,355)**	(37,426)
Loss before taxation		**(2,247,934)**	(2,446,705)
Taxation	13	**353,437**	215,840
Loss for the year attributable to the ordinary equity holders of Windar Photonics Plc		**(1,894,497)**	(2,230,865)
Other comprehensive income			
Items that will or may be reclassified to profit or loss:			
Exchange gains arising on translation of foreign operations		**111,754**	(35,757)
Total comprehensive loss for the year attributable to the ordinary equity holders of Windar Photonics Plc		**(1,782,743)**	(2,266,622)
Basic loss per share attributable to the ordinary equity holders of Windar Photonics Plc			
Basic and diluted, cents per share	14	**(2.0)**	(2.8)

All activities relate to continuing operations.

The notes on pages 41 to 59 form part of these financial statements.

WINDAR PHOTONICS PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	**31 December 2025**	Restated 31 December 2024
		€	€
Assets			
Non-current assets			
Intangible assets	17	**2,313,772**	1,764,959
Property, plant & equipment	18	**467,354**	419,069
Right of use assets	19	**643,398**	28,839
Deposits		**59,201**	40,684
Total non-current assets		**3,483,725**	2,253,551
Current assets			
Inventory	20	**1,984,571**	1,785,678
Trade receivables	21	**63,241**	2,130,019
Other receivables	21	**231,960**	242,011
Tax credit receivables	21	**369,089**	246,377
Prepayments		**506,825**	164,866
Cash and cash equivalents	22	**4,039,278**	7,066,338
Total current assets		**7,194,964**	11,635,289
Total assets		**10,678,689**	13,888,840
Equity			
Share capital	27	**1,167,248**	1,163,251
Share premium	28	**27,808,122**	27,635,201
Merger reserve	28	**2,910,866**	2,910,866
Foreign currency reserve	28	**17,509**	(94,245)
Accumulated losses	28	**(24,593,571)**	(22,805,129)
Total equity		**7,310,174**	8,809,944
Non-current liabilities			
Warranty provisions	31	**35,347**	36,997
Holiday Allowance provisions	32	**150,991**	142,697
Loans	25	**319,067**	804,822
Lease liabilities	26	**556,542**	-
Total non-current liabilities		**1,061,947**	984,516
Current liabilities			
Trade payables	24	**387,749**	395,386
Other payables and accruals	24	**570,597**	650,248
Contract liabilities	24	**620,025**	2,201,150
Lease liabilities	26	**98,324**	30,257
Provisions	29	**-**	221,557
Loans	25	**629,873**	595,782
Total current liabilities		**2,306,568**	4,094,380
Total liabilities		**3,368,515**	5,078,896
Total equity and liabilities		**10,678,689**	13,888,840

The financial statements were approved and authorised for issue by the Board of Directors on August 26, 2026, and were signed below on its behalf by: *Søren Karles Belmar, Director*

The notes on pages 41 to 59 form part of these financial statements.

WINDAR PHOTONICS PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 1 JANUARY 2024 (restated)

	Note	As at 1 January 2024 €
Assets		
Non-current assets		
Intangible assets	17	**1,343,361**
Property, plant & equipment	18	**330,799**
Deposits		**38,262**
Total non-current assets		**1,768,427**
Current assets		
Inventory	20	**718,983**
Trade receivables	21	**152,521**
Other receivables	21	**135,088**
Tax credit receivables	21	**151,015**
Prepayments		**129,551**
Cash and cash equivalents	22	**152,180**
Total current assets		**1,439,338**
Total assets		**3,207,765**
Equity		
Share capital	27	**834,771**
Share premium	28	**16,479,150**
Merger reserve	28	**2,910,866**
Foreign currency reserve	28	**(58,488)**
Accumulated losses	28	**(20,718,764)**
Total equity		**(552,465)**
Non-current liabilities		
Warranty provisions	31	**25,493**
Holiday Allowance provisions	32	**138,538**
Loans	25	**1,287,697**
Lease liabilities	26	**31,711**
Total non-current liabilities		**1,483,439**
Current liabilities		
Trade payables	24	**572,234**
Other payables and accruals	24	**472,810**
Contract liabilities	24	**675,314**
Lease liabilities	26	**25,648**
Provisions	29	**-**
Loans	25	**530,785**
Total current liabilities		**2,276,791**
Total liabilities		**3,760,230**
Total equity and liabilities		**3,207,765**

This third statement of financial position as at 1 January 2024 is presented in accordance with IAS 1.40A, because the retrospective restatement described in note 29 to these financial statements had a material effect on the statement of financial position at the beginning of the preceding period. It reflects only the correction of the prior period error; there is no other restatement, reclassification, or change in accounting policy.

The financial statements were approved and authorised for issue by the Board of Directors on August 26 2026, and were signed below on its behalf by Søren Karles Belmar, Director:

The notes on pages 41 to 59 form part of these financial statements.

WINDAR PHOTONICS PLC

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	**31 December 2025 €**	31 December 2024 €
Assets			
Non-current assets			
Investments in subsidiaries	16	**–**	–
Total non-current assets		**–**	–
Current assets			
Other receivables	21	**16,842**	49,074
Prepayments		**29,138**	7,481
Intragroup receivables	21	**13,237,830**	12,703,637
Cash and cash equivalents	22	**39,426**	23,838
Total current assets		**13,323,236**	12,784,030
Total assets		**13,323,236**	12,784,030
Equity			
Share capital	27	**1,167,248**	1,163,251
Share premium	28	**27,808,122**	27,635,201
Merger reserve	28	**658,279**	658,279
Accumulated losses	28	**(16,623,337)**	(17,027,377)
Total equity		**13,010,312**	12,429,354
Current liabilities			
Trade payables	24	**12,713**	109,588
Other payables and accruals	24	**300,211**	245,088
Total liabilities		**312,924**	354,676
Total equity and liabilities		**13,323,236**	12,784,030

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent Company for the year was €297,985 (2024 loss after tax of €83,406).

The financial statements were approved and authorised for issue by the Board of Directors on August 26 2026, and were signed below on its behalf by:

Søren Karles Belmar, Director
The notes on pages 41 to 59 form part of these financial statements.
Company number: 09024532

WINDAR PHOTONICS PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Year ended 31 December 2025 €	Restated Year ended 31 December 2024 €
Profit/(Loss) for the period before taxation		**(2,247,934)**	(2,446,705)
Adjustments for:			
Finance expense/(income)	12	**757,355**	37,426
Amortisation	17	**369,309**	269,578
Depreciation – property, plant and equipment	18	**53,612**	40,808
Depreciation – right of use assets		**79,902**	28,236
Taxes received/(paid)		**230,725**	120,478
Foreign exchange gain/(losses)		**111,754**	(35,757)
Share option and warrant costs		**106,055**	144,500
		(539,219)	(1,841,436)
Movements in working capital			
Changes in inventory		**(198,893)**	(1,066,695)
Changes in receivables		**2,076,829**	(2,084,421)
Changes in prepayments		**(341,959)**	(35,316)
Changes in deposits		**(18,517)**	(2,422)
Changes in trade payables		**(7,637)**	(176,846)
Changes in contract liabilities		**(1,581,125)**	1,525,836
Changes in warranty provisions		**(1,650)**	11,504
Changes in other payables and provisions		**(292,914)**	403,154
Cash flow from operations		**(905,085)**	(3,266,643)
Investing activities			
Payments for intangible assets	17	**(920,631)**	(573,093)
Payments for tangible assets	18	**(105,139)**	(277,422)
Grants received	17	**-**	29,894
Cash flow from investing activities		**(1,025,770)**	(820,621)
Financing activities			
Proceeds from issue of share capital		**176,917**	12,340,702
Costs associated with the issue of share capital		**-**	(856,171)
Lease payments		**(82,177)**	(29,625)
Repayment of loans		**(527,795)**	(417,878)
Interest paid		**(669,747)**	(34,535)
Cash flow from financing activities		**(1,102,802)**	11,002,493
Net increase/(decrease) in cash and cash equivalents		**(3,033,657)**	6,915,229
Exchange differences		**6,597**	(1,071)
Cash and cash equivalents at the beginning of the year		**7,066,338**	152,180
Cash and cash equivalents at the end of the year	22	**4,039,278**	7,066,338

The notes on pages 41 to 59 form part of these financial statements.

WINDAR PHOTONICS PLC

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	**Year ended 31 December 2025**	Year ended 31 December 2024
		€	€
Profit/(Loss) for the period before taxation		**297,985**	(83,406)
Adjustments for:			
Finance Expenses and currency losses / (Income)		**(841,369)**	(243,775)
Share based payment charge		**106,055**	
		(437,329)	(327,181)
Movements in working capital			
Changes in receivables		**32,232**	(36,562)
Changes in prepayments		**(21,657)**	(7,481)
Changes in trade payables		**(96,874)**	65,961
Changes in other payables and provisions		**55,123**	68,462
Cash flow from operations		**(468,505)**	(236,801)
Investing activities			
Loans to subsidiary		**308,409**	(11,141,745)
Cash flow from investing activities		**308,409**	(11,141,745)
Financing activities			
Proceeds from issue of share capital		**176,917**	12,340,702
Cost associated with the issue of share capital		**–**	(856,171)
Interest expenses and currency losses during the year / (Expense)		**(1,233)**	(81,721)
Cash flow from financing activities		**175,684**	11,402,810
Net Increase/(decrease) in cash and cash equivalents		**15,588**	24,264
Cash and cash equivalents at the beginning of the year		**23,838**	(426)
Cash and cash equivalents at the end of the year	22	**39,426**	23,838

The notes on pages 41 to 59 form part of these financial statements.

WINDAR PHOTONICS PLC

CONSOLIDATED AND COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Share Capital	Share Premium	Merger reserve	Foreign currency reserve	Accumulated Losses	Total
	€	€	€	€	€	€
Group						
At 1 January 2024	**834,771**	**16,479,150**	**2,910,866**	**(58,488)**	**(19,901,376)**	**264,923**
Prior period adjustment (correction of error – see note 29)	**–**	**–**	**–**	**–**	**(817,388)**	**(817,388)**
At 1 January 2024 (restated)	**834,771**	**16,479,150**	**2,910,866**	**(58,488)**	**(20,718,764)**	**(552,465)**
New shares issued	328,480	12,012,222	–	–	–	12,340,702
Cost associated with capital raise	–	(856,171)	–	–	–	(856,171)
Share option and warrant costs	–	–	–	–	–	–
Transaction with owners	**328,480**	**11,156,051**	**–**	**–**	**–**	**11,484,531**
Loss for the year	–	–	–	–	(2,230,865)	(2,230,865)
Exchange gains/(losses) arising on translation of foreign operations	–	–	–	(35,757)	–	(35,757)
Total comprehensive loss	**–**	**–**	**–**	**(35,757)**	**(2,230,865)**	**(2,266,622)**
Share based payment charge	–	–	–	–	144,500	144,500
At 31 December 2024 (as previously stated)	***1,163,251***	***27,635,201***	***2,910,866***	***(94,245)***	***(20,663,066)***	***10,952,007***
Prior period adjustment (correction of error – see note 29)					**(2,142,063)**	**(2,142,063)**
At 31 December 2024 (restated)	**1,163,251**	**27,635,201**	**2,910,866**	**(94,245)**	**(22,805,129)**	**8,809,944**
New shares issued	3,997	**172,921**	–	–	–	**176,918**
Transaction with owners	**3,997**	**172,921**				**176,918**
Loss for the year	–	–	–	–	(1,894,497)	(1,894,497)
Exchange gains/(losses) arising on translation of foreign operations	–	–	–	111,754	–	111,754
Total comprehensive loss	**–**	**–**	**–**	**111,754**	**(1,894,497)**	**(1,7882,743)**
Share based payment charge	–	–	–	–	106,055	106,055
At 31 December 2025	1,167,248	**27,808,122**	**2,910,866**	**17,509**	**(24,593,571)**	**7,310,174**

WINDAR PHOTONICS PLC

CONSOLIDATED AND COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

Company

	Share Capital	Share Premium	Merger reserve	Foreign currency reserve	Accumulated Losses	Total
At 1 January 2024	**834,771**	**16,479,150**	**658,279**	**–**	**(17,088,471)**	**883,729**
New shares issued	328,480	12,012,222	–	–	–	12,340,702
Cost associated with capital raise	–	(856,171)	–	–	–	(856,171)
Transactions with owners	**328,480**	**11,156,051**	**–**	**–**	**–**	**11,484,531**
Loss for the year	–	–	–	–	(83,406)	(83,406)
Total comprehensive profit	**–**	**–**	**–**	**–**	**(83,406)**	**(83,406)**
Share based payment charge					144,500	144,500
At 31 December 2024	**1,163,251**	**27,635,201**	**658,279**	**-**	**(17,027,377)**	**12,429,354**
New shares issued	3,997	172,921	–	–	–	176,918
Transactions with owners	**3,997**	**172,921**	**–**	**–**	**–**	**176,918**
Profit for the year	–	–	–	–	297,985	297,985
Total comprehensive profit	**–**	**–**	**–**	**–**	**297,985**	**297,985**
Share based payment charge					106,055	106,055
At 31 December 2025	**1,167,248**	**27,808,122**	**658,279**	**-**	**(16,623,337)**	**13,010,312**

The notes on pages 41 to 59 form part of this financial statement.

1. General information

The Company is a public limited company domiciled in the United Kingdom and incorporated under registered number 09024532 in England and Wales. The Company's registered office is 85 Great Portland Street, London, W1W 7LT.

The Group was formed when the Company acquired on 29 August 2014 the entire share capital of Windar Photonics A/S, a company registered in Denmark through the issue of ordinary shares.

Basis of preparation
The consolidated financial statements comprise the consolidated financial information of the Group as at 31 December 2025 and are prepared under the historic cost convention, except for the following:

- Share-based payments and share option and warrant costs

The principal accounting policies adopted in the preparation of the financial information are set out below.

The Group and Company financial statements have been prepared in accordance with UK-adopted International Accounting Standards ("IFRSs").

2. Adoption of new and revised International Financial Reporting Standards

New and amended standards adopted by the Group and Company.

Several amendments and interpretations apply for the first time in 2025.

New standards and interpretations

From 1 January 2025 the following became effective and were adopted by the Group and Company:

- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements (effective 1 January 2025)
- Amendment to IFRS 16 - Lease Liability in a Sale and Leaseback (effective 1 January 2025)
- Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current (effective 1 January 2025)
- Amendments to IAS 1 - Non-current Liabilities with Covenants (effective 1 January 2025)
- Amendments to IAS 21 – Lack of Exchangeability (effective 1 January 2025)

Their adoption did not have a material effect on the Group or Company's loss for the year or equity.

New standards, amendments and interpretations issued but not yet effective and not early adopted

- IFRS 18 - Presentation and Disclosure in Financial Statements (effective 1 January 2027)
- IFRS 19 Subsidiaries without Public Accountability (effective 1 January 2027)

It is not considered that the above standards and amendments will have a significant effect on the results or net assets of the Group or Company.

With exception to IFRS 18 there are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group and Company.

3. Going Concern
The financial statements have been prepared assuming the Group and Company will continue as a going concern.

Based on the Group's latest trading expectations and associated cash flow forecasts, and taking into account the funding that will be available through a combination of a) the capital raises (as noted below) and b) the continued availability of the existing £20m equity drawdown facility with GEM, the directors have concluded that the Group and Company have sufficient resources available to meet their financial and other obligations for a period of not less than 12 months from the date of approval of these financial statements.

Immediately following the publication of these financial statements and relisting of the Company's shares on AIM the Company will conclude, subject to shareholder approval, a fully committed capital raise comprising two elements:

3. Going Concern (Continued)

a) A c£2m capital raise for existing shareholders and the Board that based on the directors' forecasts will provide sufficient working capital to allow the business to continue to trade for the foreseeable future; and
b) A c£2m capital raise from EIS investors that is to provide the working capital necessary to develop the significant opportunities available to the business in the US and European markets that have been identified by management.

Following the approval of these financial statements, the directors anticipate the Company's shares will be relisted on AIM and subsequently that shareholder approval will be obtained for the capital raises referred to above. The directors are confident that the capital raises will be successful and have therefore concluded that the Group and Company are a going concern.

These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group and Company's ability to continue as a going concern.

The financial statements do not include any adjustments that would result if the Group and Company are unable to continue as a going concern.

4. Accounting policies

4.1 Investment in subsidiaries
Investments in subsidiaries are stated at cost less provision for impairment. The cost of Windar Photonics A/S was measured at the carrying amount of the Company's share of the equity in Windar Photonics A/S at 30 June 2014. In 2022, the Company established a new 100% owned Danish holding company which holds all outstanding shares in Windar Photonics A/S.

4.2 Capital contribution
Amounts forwarded to subsidiary entities which are not due to be repaid are treated as a capital contribution and an increase to the cost of the investment.

4.3 Functional and presentation currency
Items included in the Financial Statements are measured using the currency of the primary economic environment in which each entity operates ("the functional currency") which is considered by the Directors to be Euro for the Parent Company, Danish Kroner DKK for Windar Photonics A/S and Windar Denmark ApS, and Renminbi RMB for Windar Photonics Shanghai Co. Ltd. The Group Financial Statements have been presented in Euro's which represent the dominant economic environment in which the Group operates.

4.4 Foreign currency
Transactions entered by Group entities in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss. Exchange rates apply for the annual accounts 2025:

	Year end 2025	Average 2025	Year end 2024	Average 2024
Euro/DKK	7,4689	7,4634	7,4600	7,4589
Euro/RMB	8,2220	8,1046	7,6231	7,7858

On consolidation, the results of overseas operations are translated into Euros at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income and accumulated in the foreign exchange reserve.

4.5 Revenue
Revenue arises from the sale of the WindEYE™, and WindVISION™ products and related services that measures remote wind speed measurements. Revenue is recognised exclusive of VAT and other taxes and when the Group has performed the specific obligations under the contract with customers.

Revenue arises from three areas of the business and is recognised as follows:

- Product sale. Revenue is recognised when the obligation of delivery of the product to the customer is complete at full contract value.
- Installation. Revenue is recognised when the obligation of acceptance of installation is complete at full contract value.
- Sale under performance obligation. Where there is a requirement to prove performance of product within the contract in respect of the increase in output from the turbines, revenue is recognised at a point in time when each of the distinct performance obligations are satisfied which vary from customer to customer but is broadly 40% on delivery of product, 30% on installation and 30% when the performance obligation in terms of generated output is met.

Where payment for installation and other performance services is received before the installation and other services have been completed, revenue is deferred and included within creditors and released on completion of the installation and service obligations.

No adjustment is made to the revenue recognised in respect of any financing component of the contract.

4. Accounting policies (continued)

Where products are sold with warranties revenue is recognised in the period where the products are shipped and an appropriate provision for claims under warranty is based on past experience is accounted for in accordance with IAS 37. This is shown as an expense in the Consolidated Statement of Profit and Loss and Other Comprehensive Income.

4.6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the board of directors.

4.7 Financial assets and liabilities

Financial instruments

The Group classifies all its financial instruments into the amortised cost category. The Group's accounting policy for each category is as follows:

- Trade and loan receivables: Trade receivables are initially recognised by the Group and carried at original invoice amount less an allowance for any uncollectible or impaired amounts. An impairment provision is calculated by considering the trade receivables and expected credit losses. The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. The expected loss rates are based on the Group's historical credit losses experienced over the three-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on factors affecting the Group's customers. An estimate for doubtful debts is also made when collection of the full amount is no longer probable. Debts are written off when they are identified as being uncollectible. Trade receivables and other receivables are recognised at fair value. Loan receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the intercompany loans; Impairment of loan receivables is calculated utilising the lifetime expected credit losses of these loans and the changes in the credit risk of the counterparty.
- Cash and cash equivalents in the statement of financial position comprise cash at bank, cash in hand.
- Financial liabilities. The Group treats its financial liabilities in accordance with the following accounting policies: Trade payables and other short-term monetary liabilities are recognised at fair value and subsequently at amortised cost
- Loans are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. "Interest expense" in this context includes initial transaction costs and premiums payable on redemption, as well as any interest payable while the liability is outstanding.

4.8 Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability.

The Company's ordinary shares are classified as equity instruments.

4.9 Borrowing costs

Borrowing costs are recognised in the Statement of Comprehensive Income in the period in which they are incurred.

Current taxation

The current tax is based upon the taxable profit for the period together with adjustments, where necessary, in respect of prior periods. The Group's asset or liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the financial period end date.

Current tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the Statement of Financial Position differs from its tax base.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors and paid. In the case of final dividends, this is when approved by the shareholders at the annual general meeting.

Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost and subsequently stated at cost less accumulated depreciation and, where appropriate, provision for impairment in value or estimated loss on disposal. The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

4. Accounting policies (continued)
Depreciation is provided on all items of property, plant and equipment to write off their carrying value, less its residual value, over their expected useful economic lives. It is provided at the following rates:

Plant and equipment	over 3 – 5 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Intangible assets – Development projects
Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- Technical feasibility of completing the intangible asset so that it will be available for use or sale
- The intention to complete the intangible asset and use or sell it
- The ability to use or sell the intangible asset
- How the intangible asset will generate probable future economic benefits
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in Statement of Comprehensive Income in the period in which it is incurred. Capitalised development costs comprise costs, including wages and salaries. Amortisation or other finance expenses are not recognized.

After initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

Depreciation is provided based on the assets' residual value and an assessment of the assets' expected useful lives, however, no more than 5 years from finishing the technology or receival of the first milestone-payment.

Impairment of non-financial assets
Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

Deposits
Deposits in respect of property rentals are recorded as separately identifiable assets and recognised at historical cost.

Inventory
Cost of raw materials and consumables consists of purchase price. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables and direct labour costs.
Inventories are initially recognised at cost and subsequently at the lower of cost and the net realisable value of inventories where the net realisable value is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Provisions
Provisions are recognised for liabilities of uncertain timing or amounts that have arisen because of past transactions and are discounted at a pre-tax rate reflecting current market assessments of the time value of money and the risks specific to the liability. Product warranty provisions are based on 4% of the total products delivered, using an average repair cost per product.

Share based payments
The Group operates an equity-settled share-based compensation plan under which the entity receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of the equity instruments is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the instruments granted. At the end of each reporting period, the Group revises its estimates of the number of instruments that are expected to vest based on the non-market vesting conditions and service conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

Employee benefits
Employees in the Group typically have variating holiday benefits. At the end of each reporting period the Group accrue these holiday liabilities.

4. Accounting policies (continued)

Leases

At the commencement date of the lease, the Group recognises a right-of-use asset and a corresponding lease liability which is measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below €5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

5. Basis of consolidation

The consolidated financial statements incorporate the results of Windar Photonics plc and all its subsidiary undertakings as of 31 December 2025 using the acquisition or merger method of accounting as required. Where the acquisition method is used, the results of subsidiary undertakings are included from the date of acquisition.

Where the company has control over an investee, it is classified as a subsidiary. The company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the company considers all relevant facts and circumstances, including:

- The size of the company's voting rights relative to both the size and dispersion of other parties who hold voting rights.
- Substantive potential voting rights held by the company and by other parties.
- Other contractual arrangements.
- Historic patterns in voting attendance.

The consolidated financial statements present the results of the company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The acquisition of the subsidiary Windar Photonics A/S in 2014 was deemed to be a business combination under common control as the ultimate control before and after the acquisition was the same. As a result, the transaction was outside the scope of IFRS 3 and has been included under the principles of merger accounting by reference to UK GAAP. In 2022, the direct ownership of the subsidiary was changed whereafter the 100% owned subsidiary Windar Denmark ApS holds the 100% direct ownership of Windar Photonics A/S.

Under the merger method, the income, expense, assets and liabilities of Windar Photonics A/S and Windar Denmark ApS have been included in the consolidated financial statements of Windar Photonics plc as if it had always been a member of the Group, considering the original acquisition date of the wider Group. The amounts attributed to the assets (including goodwill) and liabilities of Windar Photonics A/S therefore reflect their book values as of 1 January 2013. Any difference between the consideration paid for the acquisition of Windar Photonics A/S by the Company and the net book value of the assets (including attributed goodwill) and liabilities acquired of €1.5m has been treated as an adjustment in the merger reserve.

6. Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and assumptions are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group has made no significant judgements other than described below. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below. The Group considers that these risks relate to the next financial period and those in the future by the nature of those judgements.

(a) Useful lives of intangible assets

6. Critical accounting estimates and judgements (continued)

Intangible assets with finite useful life are amortised or depreciated over their useful lives. Useful lives are based on the management's estimates of the period that the assets will generate revenue, which are periodically reviewed for continued appropriateness. Changes to estimates can result in significant variations in the carrying value and amounts charged to the Statement of Comprehensive Income in specific periods. The useful life of all development projects has been estimated at five years from the date of capitalisation. The carrying value at the end of the period was €2,313,772 and a change in the estimate of useful life from 5 to 3 years would reduce this amount by €428,406 and the amortisation charged to the Statement of Comprehensive income for the year would have increased by €243,164. More details are included in note 17.

(b) Impairment of intangible assets

In assessing impairment, Management estimates the recoverable amount of cash generating units based on expected future cash flows and uses the weighted average cost of capital to discount them. At the end of each reporting period Management reviews a four year forward looking financial projection including a terminal value for the Group. The Management has further evaluated the terminal growth expectations and the applied discount rate applicable to derive a Net Present Valuation (NPV) of the Group. If the NPV of the Group shows a lower valuation than the net assets of the company cost of investment in subsidiary an impairment will be made. Based on this evaluation including Management's estimates and assumptions no impairment was made during the reporting period. Estimation uncertainty relates to assumptions about future operating results in particular sales volumes and the determination of a suitable discount rate.

(c) Valuation of amounts receivable from subsidiaries (parent company)

In assessing the recoverability of receivables due to the parent company from its subsidiaries, management has considered the forecast trading and cash flow expectations, and concluded that subject to the successful completion of the equity raise that these amounts are fully recoverable and that no provision is required. Estimation uncertainty relates to assumptions about future operating results.

(d) Estimation of the expected credit losses or trade receivables

In assessing the expected credit losses, in respect of the trade receivables under IFRS 9, the Group considers the past performance of the receivable book along with future factors, that may affect the credit worthiness of the entire trade receivables. Estimations have therefore been made within these assumptions which could affect the carrying value of the trade receivables.

(e) Warranty provision

In the current year, the Group has maintained its estimate for the warranty provision related to its product sales. The estimate is based on 4% of the total products delivered, with an average repair cost per product. The estimates are confirmed by the latest data in 2025 based on deliveries of more than 180 systems. The deliveries show a warranty percentage of 3.3% year to date FY25 and
a repair cost per unit with 95% accuracy to the estimates. The warranty cases are continuously monitored, and estimates will be reassessed during the third quarter of the year.

7. Financial instruments – Risk Management

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Liquidity risk

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

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

The principal financial instruments used by the Group, from which financial instrument risk arises, include Trade and other receivables, Cash and cash equivalents, loans and Trade and other payables.

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

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

Credit risk

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only major independently rated parties with minimum rating "A" are accepted.

The Group does not enter into derivatives to manage credit risk.

7. Financial instruments – Risk Management (continued)

Fair value and cash flow interest rate risk

The Growth Fund borrowing from the Danish public institution, Vækstfonden, initially bore interest at a fixed annual rate of 12%. In prior years, the terms for the borrowing were renewed whereafter the interest rate was reduced to 7% p.a. and the loan to be repaid on a quarterly basis instalment over the period from 1 January, 2023 until 1 October, 2027.

In 2020, the Group obtained an additional Covid-19 loan the Growth Fund borrowing from the Danish public institution, Vækstfonden carrying an interest rate of CIBOR plus 5% and the loan to be repaid on a quarterly basis instalment over the period from 1 October 2021 until 1 October 2026. In the event the CIBOR rate changes by 5% p.a. the interest expenses charged to the Profit and Loss statement would change by €12,589 p.a.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's presentation currency) and the Group's net investments in foreign subsidiaries (translation risk).

The Group is aware of its non-Euro exposures but does not consider that at present a hedging program be required. Raw materials and capital expenditure are primarily in Euro, US Dollars and RMB. whilst the target revenue market is Asia, Europe and the USA. Any divergence from this would be considered by management with a view to putting cover in place.

The Group has significant operations in the following currencies: Euro (€), Danish Kroner (DKK) and Chinese Yuan (RMB).

Liquidity risk

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

The Board receives cash flow projections on a regular basis as well as information regarding cash balances. At the end of the financial year, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations.

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

	Up to 3 months	**Between 3 and 12 months**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total**
	€	**€**	**€**	**€**	**€**	**€**
At 31 December 2025						
Trade payables	387,749	–	–	–	–	**387,749**
Other payables and accruals	570,597	–	–	–	–	**570,597**
Lease liabilities	31,354	96,841	135,006	482,986	–	**746,187**
Loans	131,852	395,332	440,401	–	--	**967,585**
Total financial liabilities	**1,121,552**	**492,173**	**575,407**	**482,986**	–	**2,672,118**
At 31 December 2024 Restated						
Trade payables	395,386	–	–	–	–	**395,386**
Other payables and accruals	650,248	–	–	–	–	**650,248**
Lease liabilities	7,942	23,827	–	–	–	**31,769**
Loans	132,009	396,026	968,739	–	–	**1,496,774**
Total financial liabilities	1,185,585	419,854	968,739	–	–	**2,574,177**

More details regarding the line items are included in note 24 and 25.

Capital Disclosures

The Group monitors capital, which comprises all components of equity (i.e. share capital, share premium, merger reserve and accumulated retained earnings).

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

8. Revenue

Revenue from contracts with customers:	**Year ended 31 December 2025 €**	Restated Year ended 31 December 2024 €
Sale of products and installation	**5,465,641**	3,292,781
Rendering of services	**211,548**	76,468
Revenue	**5,677,189**	3,369,249

Revenue from contracts with customers is split by product as follows:

	Year ended 31 December 2025 €	Restated Year ended 31 December 2024 €
WindEye™	5,465,641	2,502,211
WindVision™	**-**	790,570
Rendering of services	**211,548**	76,468
Revenue	**5,677,189**	3,369,249

Contract liabilities of €620,025 (2024: €2,201,150) relates to performance obligation under contracts that have not yet been completed and are expected to be met in 2026.

9. Loss from operations
Loss from operations is stated after:

	Year ended 31 December 2025 €	**Year ended 31 December 2024 €**
Staff costs (note 11)	**2,520,182**	2,098,854
Expensed research and development costs	**1,825,591**	994,892
Amortisation[1]	**369,309**	269,578
Depreciation – property, plant and equipment	**53,612**	40,808
Depreciation – right of use assets	**79,902**	28,236
Short term lease payments and property maintenance costs	**128,195**	29,625
Other operating income	**–**	–
Remuneration received by the Company's auditor:		
- Audit of parent company	**11,839**	16,284
- Audit of consolidated financial statements	**37,997**	37,997
- Taxation compliance services	**4,371**	1,796

[1] Amortisation charges on the Group's intangible assets are recognised in the administrative expenses line item in the consolidated statement of comprehensive income.

10. Segment information

Operating segments are reported as reported to the chief operation decision maker.

The Group has one reportable segment being the sale of LiDAR Wind Measurement and therefore segmental results and assets are disclosed in the consolidated income statement and consolidated statement of financial position.

In 2025, 1 customer accounted for approximately 90.4% of the revenue (2024: 3 customers accounted for 88% of revenue). The total amount of revenue from this customer amounted to €4,501,190 (2024: €4,027,661).

Revenue by geographical location of customer:

	Year ended 31 December 2025 €	Restated Year ended 31 December 2024 €
Europe	**169,306**	98,440
Americas	**4,667,215**	1,523,375
Australia	**–**	**–**
China	**736,675**	1,742,434
Asia (excluding China)	**103,993**	5,000
Revenue	**5,677,189**	**3,369,249**

Geographical information
The parent company is based in the United Kingdom. The information for the geographical area of non-current assets is presented for the most significant area where the Group has operations being Denmark.

	As at 31 December 2025 €	As at 31 December 2024 €
Denmark	**3,452,166**	2,178,709

Non-current assets for this purpose consist of property, plant and equipment, intangible assets and long-term deposits.

11. Directors and employees

	2025 Average	2024 Average
Number of employees excluding directors		
Sales and Services	**6**	4
Research and development	**20**	17
Production	**6**	6
Administration	**6**	5
	38	32

Group	**2025 €**	**2024 €**
Staff costs		
Wages and salaries	**2,211,399**	1,824,516
Social security costs	**202,728**	129,838
	2,414,127	1,954,354
Warrant and Option expense	**106,055**	144,500
	2,520,182	2,098,854

The highest Director's pay is €212,072 (2024: €200,000). The highest paid Director is Jørgen Korsgaard Jensen.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Group, and are considered to be directors of the company.

The value of all elements of remuneration received by key management in the year was as follows:

	Wages and salaries and fees €	Fair value of warrant costs €	Pension contributions €	Total €
Year ended 31 December 2025				
Directors	**500,126**	**-**	**-**	**500,126**
Year ended 31 December 2024				
Directors	499,870	-	-	499,870

12. Finance expense

	Year ended 31 December 2025 €	Year ended 31 December 2024 €
Finance income	**199,293**	-
Foreign exchange (loss)/gain	**(755,283)**	38,225
Interest expense on leases	**(12,389)**	(3,019)
Interest expense on financial liabilities measured at amortised cost	**(188,976)**	(72,632)
Finance expense	**(757,355)**	(37,426)

13. Income tax

		Year ended 31 December 2025 €	Restated Year ended 31 December 2024 €
(a)	**The tax credit for the year:**		
	UK Corporation tax	**-**	-
	Foreign Research and Development tax credit	**353,437**	215,840
(b)	**Tax reconciliation**		
	Loss on ordinary activities before tax	**(2,247,934)**	(2,446,705)
	Loss on ordinary activities at the UK standard rate of corporation tax 25% (2024: 25%)	**(561,983)**	(611,676)
	Effects of:		
	Expenses non-deductible for tax purposes	**(300,584)**	85,221
	Research and Development tax allowance	**(36,539)**	(22,860)
	Adjustment to not recognized deferred taxes in previous periods	**(187,236)**	(92,476)
	Unrecognised tax losses	**704,522**	137,459
	Different tax rates applied in overseas jurisdictions	**(17,824)**	23,605
	Change in tax rate	**(18,875)**	267,246
	Exchange rate differences	**65,083**	(2,359)
	Research and Development Tax credit for the year	**(353,437)**	(215,840)

The tax credit is recognised as 22%. (2024: 22%) of the company's deficit that relates to research and development costs. Companies in Denmark, who conduct research and development and accordingly experience deficits can apply to the Danish tax authorities for a payment equal to 22% (2024: 22%) of deficits relating to research and development costs up to DKK 25 million.

(a) Deferred tax – Group
In view of the tax losses carried forward and other timing differences, there is a deferred tax asset of approximately €3,591,900 (2024: €3,288,567) which has not been recognised in these Financial Statements, given uncertainty around timing and availability of sufficient taxable profits in the relevant Company.

(b) Deferred tax – Company
In view of the tax losses carried forward and other differences there is a deferred tax asset of approximately €536,587 (2024: €639,192) which has not been recognised in these Financial Statements, given uncertainty around timing and availability of future profit against which the losses will be able to be used.

All taxes recognised in the statement of Comprehensive income arise in Denmark.

14. Loss per share

The loss and weighted average number of ordinary shares used in the calculation of basic loss per share are as follows:

	Year ended 31 December 2025 €	Restated Year ended 31 December 2024 €
Loss for the year	**(1,894,497)**	(2,230,865)
Weighted average number of ordinary shares for the purpose of basic earnings per share	**96,202,848**	78,937,487
Basic gain/(loss) and diluted, cents per share	**(2.0)**	(2.8)

There is no dilutive effect of the outstanding share options (note 27) as the dilution would reduce the loss per share.

15. Dividends

No dividends were proposed by the Group during the period under review (2024: €Nil).

16. Investment in Subsidiaries

Company	€
At 1 January 2024	**–**
Capital subscriptions in the year	**–**
Capital contribution in the year	**–**
Write down investment in subsidiary	**–**
As at 31 December 2024	–
Capital contribution in the year	–
Write down investment in subsidiary	–
As at 31 December 2025	**–**

The subsidiaries of Windar Photonics Plc are as follows:

Name	Country of incorporation	Ownership	Registered Office	Nature of business
Windar Denmark ApS	Denmark	100%	Baldersbækvej 24C DK-2635 Ishøj	Holding company
Windar Photonics A/S	Denmark	100% indirect	Baldersbækvej 24C DK-2635 Ishøj	Develop and commercialise wind turbine technology
Windar Photonics (Shanghai) Co. Ltd.	China	100% indirect	Room 1201-1, 2nd Floor, No. 108 Ludalu Road, Pudong, Shanghai	Commercialise wind turbine technology

In 2022, the Company established Windar Denmark ApS and owns 100% of the issued share capital of Windar Denmark ApS (comprising shares of DKK 40,000 of 1 DKK each) with CVR number 43615947.

In November 2022, the Company transferred all outstanding shares in Windar Photonics A/S (CVR number 32157688) to Windar Denmark ApS. Following the transaction, the existing share capital in Windar Photonics A/S of DKK 9,380,392 (comprising A Shares of DKK 5,737,800 of 1 DKK each and B Shares of DKK 3,642,592 of 1 DKK each) were reduced to DKK 400,000 without any difference in share classes.

Windar Photonics A/S was incorporated on 28 December 2008 in Denmark and acquired by the Company in August 2014.

Windar Photonics A/S owns 100% of the issued common stock of Windar Photonics (Shanghai) Co.Ltd. Windar Photonics (Shanghai) Co. Ltd. was incorporated on 18 May 2016 in China with a registered fully paid capital of USD 200,000.

17. Intangible assets

Group	Development projects €
Cost	
At 1 January 2024	**4,515,561**
Material asset transferred to intangible asset	166,602
Additions	573,093
Grants received	(29,894)
Exchange differences	(4,537)
At 31 December 2024	**5,220,825**
Additions – internally developed	894,351
Grants receivable	26,280
Exchange differences	(6,899)
At 31 December 2025	**6,134,557**
Accumulated amortisation	
At 1 January 2024	**3,172,200**
Material asset transferred to intangible asset	17,165
Charge for the year	269,578
Exchange differences	(3,077)
At 31 December 2024	**3,455,866**
Charge for the year	369,312
Exchange differences	(4,393)
At 31 December 2025	**3,820,785**
Net carrying value	
At 1 January 2024	1,343,361
At 31 December 2024	1,764,959
At 31 December 2025	**2,313,772**

The Group has received public Research and Development Grants of €nil (2024: €29,894) in respect of the capitalised research and development. At the end of the year nil development projects are ongoing which are supported by public Research and Development Grants and outstanding grants which can be claimed in the coming two years amount to € nil (2024: €nil).

The development projects relate to the development of improved performance and functionality of the Group's product offerings. Measurement of the development projects are based on expected contributions to forward looking business plans and budgets.

The directors carried out a review of the intangible assets for any potential impairment and concluded that no impairment provisions were required against the valuation of intangible assets at 31 December 2025.

18. Property, plant & equipment

Group	Property, plant and equipment €
Cost	
At 1 January 2024	**590,289**
Material asset transferred to intangible asset	(166,602)
Additions	277,422
Disposed	(2,254)
Exchange differences	(3,026)
At 31 December 2024	**695,829**
Additions	105,139
Disposed	–
Exchange differences	(3,691)
At 31 December 2025	**797,277**
Accumulated depreciation	
At 1 January 2024	**259,490**
Material asset transferred to intangible asset	(17,165)

Charge for the year	40,808
Disposed	(2,254)
Exchange differences	(4,119)
At 31 December 2024	**276,760**
Charge for the year	53,612
Disposed	–
Exchange differences	(449)
At 31 December 2025	**329,923**
Net carrying value	
At 1 January 2024	330,799
At 31 December 2024	419,069
At 31 December 2025	**467,354**

19. Right of use assets

Group	**Right of use assets €**
Cost	
At 1 January 2024	**84,743**
Additions	–
At 31 December 2024	**84,743**
Additions	696,648
Disposed	(78,570)
Exchange differences	(6,686)
At 31 December 2025	696,135
Accumulated depreciation	
At 1 January 2024	**28,738**
Charge for the year	28,236
Exchange rate differences	(1,070)
At 31 December 2024	**55,904**
Charge for the year	79,902
Disposed	(78,570)
Exchange differences	(4,499)
At 31 December 2025	**52,737**
Net carrying value	
At 1 January 2024	56,005
At 31 December 2024	28,839
At 31 December 2025	**643,398**

20. Inventory

		Group	
	As at 31 December 2025	**As at 31 December 2024 (restated)**	**As at 1 January 2024 (restated)**
	€	**€**	**€**
Raw material	**1,047,886**	484,483	414,160
Work in progress	**143,069**	79,904	63,355
Finished goods	**793,616**	1,221,291	241,468
Inventory	**1,984,571**	1,785,678	718,983

The cost of inventory sold and recognised as an expense during the year was €2,319,534 (2024: €2,123,922).

21. Trade and other receivables

	Group			Company	
	As at 31 December 2025 €	As at 31 December 2024 (restated) €	As at 1 January 2024 (restated) €	**As at 31 December 2025 €**	As at 31 December 2024 €
Trade receivables	**63,241**	2,130,019	152,521	**–**	–
Receivables from subsidiary undertakings	**–**	–	–	**13,237,830**	12,703,637
Tax receivables	**369,089**	246,377	151,015	**–**	–
Other receivables	**231,960**	242,011	135,088	**16,842**	49,074
Total trade and other receivables	**664,290**	2,618,407	438,624	**13,254,672**	12,752,711

The Directors consider that the fair value of trade and other receivables approximate to their carrying value.
The directors carried out a review of the recoverability of receivables from subsidiary undertakings and have concluded that based on the subsidiary company trading forecasts and expected future cash flows that no provision is required at 31 December 2025.

22. Cash and cash equivalents

Cash and cash equivalents comprise the following balances with original maturity less than 90 days:

	Group		Company	
	As at 31 December 2025 €	As at 31 December 2024 €	**As at 31 December 2025 €**	As at 31 December 2024 €
Cash at bank	**4,039,278**	7,066,338	**39,426**	23,838

23. Notes supporting statement of cash flows

	Non-current loans and borrowings €	Current loans and borrowings €	**Total €**
As at 1 January 2024	1,287,697	530,785	**1,818,482**
Repayment of loans	–	(389,214)	**(389,214)**
Loans and borrowings classified as non-current in previous period becoming current in this period	(595,782)	595,782	**–**
Accrued interests on non-current loans	112,907	–	**112,907**
New long-term borrowings in the period	–	(141,066)	**(141,066)**
Foreign exchange rate differences	–	(505)	**(505)**
As at 31 December 2024	**804,822**	**595,782**	**1,400,604**
Loans and borrowings classified as non-current in previous period becoming current in this period	(485,755)	485,755	**–**
Accrued interests on non-current loans	–	77,469	77,469
Repayments	–	(527,795)	**(527,795)**
Foreign exchange rate difference	–	(1,338)	**(1,338)**
As at 31 December 2025	**319,067**	**629,873**	**948,940**

The Company does not have any long- or short-term loans or borrowings.

24. Trade and other payables

	Group			Company	
	As at 31 December 2025 €	As at 31 December 2024 (restated) €	As at 1 January 2024 (restated) €	**As at 31 December 2025 €**	As at 31 December 2024 €
Trade payables	**387,749**	395,386	572,234	**12,713**	109,588
Other payables and accruals	**352,257**	438,042	368,607	**81,871**	32,882
Payables to Directors	**218,340**	212,206	104,203	**218,340**	212,206
Contract liabilities	**620,025**	2,201,150	675,314	–	**–**
Total trade and other payables	**1,578,371**	3,246,784	1,720,358	**312,924**	354,676
Classified as follows:					
Current Portion	**1,578,371**	3,246,784	1,720,358	**312,924**	354,676

There is no material difference between the net book value and the fair values of current trade and other payables due to their short-term nature.

25. Borrowings

The carrying value and fair value of the Group's borrowings for the Vækstfond loan are as follows:

	Group Carrying and Fair value	
	As at 31 December 2025 €	As at 31 December 2024 €
Loans		
Growth Fund and COVID-19 loans	**948,940**	1,400,604
Current portion of Growth Fund and COVID-19 loans	**(629,873)**	(595,782)
Total non-current financial liabilities measured at amortised costs	**319,067**	804,822

As announced in 2020, terms for the borrowing were renewed during the year whereafter the interest rate was reduced to 7% p.a. and the loan to be repaid in quarterly instalments over the period from 1 January, 2022 until 1 October, 2026. The loan agreement was further amended in 2022 whereby interests payable until September 2022 were further accrued to the loan principal hereafter the loan principal to be repaid in quarterly instalments over the period from 1 October 2023 until 1 October 2027. In November 2022 the loan was transferred to Windar Denmark ApS.

A new Covid-19 loan was further obtained during 2020 from Vækstfonden which carries an interest rate of CIBOR plus 5% p.a. and to be repaid in quarterly instalments over the period from 1 October 2021 until 1 October 2026.

In relation with the changes to the existing Growth Fund borrowing and the new offered loan, the lender now has security of the assets of Windar Photonics A/S, subsidiary undertaking, to an amount of DKK12.6m. In relation to the additional Covid-19 loan the following terms and conditions are in place:

- There is an early exit fee set at a maximum DKK600k (EUR 80.3k)
- No dividends or corporate bond interest will be paid. Dividend distributions from Windar Photonics A/S to Windar Photonics PLC has been restricted until full repayment of the borrowing to the Growth Fund.
- No payment of inter-company debts from Windar Photonics A/S. Windar Photonics PLC has entered into an agreement to resign from repayments of any outstanding amounts owned by Windar Photonics A/S to Windar Photonics PLC until full repayment of the borrowing to the Growth Fund.
- The loan is secured up to a value of DKK12.6M (EUR1.7k) on certain assets of Windar Photonics A/S, subsidiary undertaking.

Both loans are denominated in Danish Kroner.

The Company had no borrowings.

26. Lease liabilities

	Group As at 31 December 2025	As at 31 December 2024
	€	€
Lease liabilities – current portion	98,324	30,257
Lease liabilities – non-current portion	556,542	–
Lease liabilities	**654,866**	30,257

The total cash outflow in respect of lease liabilities was €82,177 (2024; €29,625) while the related interest expenses recognised in the year was €12,418 (2024 €2,954).

Future lease payments are due as follows:

	Lease payments 2025	Future interest 2025	Present value 2025
	€	€	€
Within one year	127,795	(29,471)	98,324
Within two to five years	617,992	(61,450)	556,542
More than five years	–	–	–
Total lease payments	745,787	(90,921)	654,866

27. Share capital

	Number of shares issued and fully paid 2025	2025 €	Number of shares issued and fully paid 2024	2024 €
Shares at 1 January	**96,037,870**	**1,163,251**	68,361,444	834,771
Issue of shares for cash	329,956	3,997	27,676,426	328,480
Shares at 31 December	**96,367,826**	**1,167,248**	96,037,870	1,163,251

At 31 December 2025 the share capital comprises 96,367,826 shares of 1 pence each.

Share options
Share options are granted to employees.

During the year no share options lapsed, and no new share options were granted during the year.

Share options issued in 2017, 2019, 2021 and 2023 are valued using the Black-Scholes pricing model and no performance conditions are included in the fair value calculations. The options were issued at a strike price of 100p in respect of share options granted in 2017 and 2019 and a strike price of 40p for options granted in 2021. In 2023 1,056,956 option were issued at a strike price of 21.85p and 1,200,000 at 30.0p. All share options granted with a third vesting on each anniversary for the first three years whereafter the options have a 10-year life. The price of the share at the time of issue used equals the actual market price of the share at issue. The risk-free rate was 4%. The expected volatility is based on historical volatility of the AIM market over the last three years and is estimated to be 90%.

The average share price during the year was 51,76 pence (2024: 43,27 pence). At the year end the Company had the following options outstanding:

	Number of options					
	At 31 December 2024	Granted	Lapsed	At 31 December 2025	Exercise price (£ pence)	Exercise date
Options	3,278,263	600,000	511,667	3,366,596	35.47	16/11/18 to 01/09/38
	3,278,263	600,000	511,667	3,366,596		

The number of share options exercisable at 31 December 2025 are 2,593,128 (2024: 2,221,667).

The weighted average remaining contractual life for the share options outstanding as at 31 December 2025 is 7.63 years (2024: 9.99 years).

28. Reserves

The following describes the nature and purpose of each reserve within equity

Reserve	Description and purpose
Share premium	Amount subscribed for share capital in excess of nominal value.
Merger reserve – Group	Represents the difference between the consideration paid for the acquisition of Windar Photonics A/S by the Company and the net book value of the assets and liabilities acquired.
Merger reserve - Company	Represents the difference between the fair value and the nominal value of the shares issued for the acquisition of Windar Photonics A/S.
Foreign currency reserve	Gains and losses on the retranslating the net assets from the functional currencies to the reporting currency of €.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

29. Exceptional items and provisions - Group

	2025	2024
	€	€
Legal provisions	–	221,557
Total exceptional items and provisions	-	221,557

The provision at 31 December 2024 related to a dispute with a previous customer in China. The case was concluded in 2025. During the year the Group carried out a detailed, project-by-project reconciliation of its Chinese trade receivables and contract liabilities, informed by the wider review of revenue recognition described in the Chairman's Statement and Note 3. That reconciliation established that certain Chinese sales and trade receivables only arise for the amount due following satisfaction of the contractual performance obligations, being final installation; cash received from customers ahead of final payment is reported as a contract liability, and should not be recognised as revenue. Applying that basis, the Group determined that the Chinese trade receivables previously recognised, amounting to €2,174,380 at 31 December 2024 did not represent unpaid, completed sales and should not have been included. Additionally there was cash received at 31 December 2024 relating to uncompleted projects of €391,780 that had not been deferred. As part of this review, holdings of inventory in China of €424,097 at 31 December 2024 were also identified as having been incorrectly accounted for as sold in the year ended 31 December 2024 financial statements.

Effect of correction of prior period error

The following disclosure is given in accordance with IAS 8 paragraph 49, showing the effect of the correction described above on each affected line item and period.

Consolidated statement of financial position

At 1 January 2024

	As previously reported	Correction	As restated
	€	€	€
Trade receivables	546,273	(393,752)	152,521
Contract liabilities	251,678	423,636	675,314
Inventory	718,983	–	718,983
Total assets	**3,601,517**	**(393,752)**	**3,207,765**
Total liabilities	**3,336,594**	**423,636**	**3,760,230**
Total equity	**264,923**	**(817,388)**	**(552,465)**

At 31 December 2024

	As previously reported	Correction	As restated
	€	€	€
Trade receivables	4,304,399	(2,174,380)	2,130,019
Contract liabilities	1,809,370	391,780	2,201,150
Inventory	1,361,581	424,097	1,785,678
Total assets	**15,639,123**	**(1,750,283)**	**13,888,840**
Total liabilities	**4,687,116**	**391,780**	**5,078,896**
Total equity	**€10,952,007**	**€(2,142,063)**	**€8,809,944**

29. Exceptional items and provisions – Group (continued)

The figures above tie throughout to the balance sheet on the preceding pages and to the corresponding rows of the consolidated statement of changes in equity.

Consolidated statement of comprehensive income

	FY2024 previously reported	Correction	FY2024 restated
	€	€	€
Revenue	4,560,515	(1,191,266)	3,369,249
Cost of goods sold	(1,990,513)	(133,409)	(2,123,922)
Gross profit	**2,570,002**	**(1,324,675)**	**1,245,327**
Exceptional items	(221,557)	–	(221,557)
Loss from operations	**(1,084,604)**	**(1,324,675)**	**(2,409,279)**
Loss before taxation	**(1,122,030)**	**(1,324,675)**	**(2,446,705)**
Loss for the year	**(906,190)**	**(1,324,675)**	**(2,230,865)**
Basic and diluted, cents per share	(1.1)	(1.7)	(2.8)

30. Short term leases

The Company has no leasing commitment with maturity under 12 months. The commitment has a value of €nil (2024: €31,770).

31. Warranty provision - Group

	2025	2024
	€	**€**
Provision at the beginning of reporting period	**36,997**	25,493
Provision charged to the profit and loss account	**(1,650)**	11,530
Utilised in year	**–**	–
Foreign exchange rate movements	–	(26)
	35,347	36,997

The Group typically provides a two-year warranty period to customers on products sold. Warranty expenses/(income) charged to the Statement of Comprehensive Income amounted to €1,650 (2024: (€11,530)) corresponding to a warranty cost percentage of Nil % (2024: Nil%) relative to the prior two years revenue. However, due to the early business stage of the Group and the uncertainty following this the Group has adopted a policy to accrue a 4% provision based on the prior two years deliveries calculated with the cost of goods sold at the end of the period.

32. Holiday allowance provision - Group

	2025	2024
	€	**€**
Provision at the beginning of reporting period	**142,697**	138,538
Increase holiday allowance provision in year	**–**	–
Accrued interest	**8,294**	4,159
	150,991	142,697

33. Related Party Transactions

At the end of the year, there were amounts outstanding to the Directors as follows: Jorgen Korsgaard Jensen €nil (2024: €nil), David George Lis €114,784 (2024: €100,000), Andreas Berg Nielsen €38,261 (2024: €Nil), Paul Hodges €29,193 (2024: €29,925) and Gavin Manson €29,193 (2024: €29,925). Outstanding amounts to directors are fees being satisfied post period by share issues. Fees paid to a company owned by Gavin Manson, amounted to €33,521 (2024: €113,266).

Intercompany transactions.

At 31 December 2025, there exists an intercompany loan between Windar Photonics PLC and its directly or indirectly held subsidiaries Windar Denmark ApS and Windar Photonics A/S.

Windar Photonics PLC has a receivable at €13,237,830 (2024: €12,752,711) and interest added during 2025 amounts to €842,602 (2024: €325,496) with Windar Photonics A/S and Windar Denmark ApS.

The interest rate for 2025 is Bank of England base rate + 2.5% p.a. (2024: Base rate + 2.5% p.a.).

34. Financial Instruments

a) Assets

	Group 2025 €	Group 2024 (restated) €	**Company 2025 €**	Company 2024 €
Trade & Other Receivables	**295,201**	2,372,030	**13,254,672**	12,752,711
Cash & Cash Equivalents	**4,039,278**	7,066,338	**39,426**	23,838
Total	**4,334,479**	9,438,368	**13,294,098**	12,776,549

Assets in the analysis above are all categorised as ‘other financial assets at amortised cost’ for the Group and Company

b) Liabilities

	Group 2025 €	Group 2024 €	**Company 2025 €**	Company 2024 €
Trade & Other Payables	**958,346**	1,045,634	**312,924**	354,676
Loans	**948,940**	1,400,604	**—**	—
Lease liability	**654,866**	30,257	**—**	—
Total	**2,562,152**	2,476,495	**312,924**	354,676

Liabilities in the analysis above are all categorised as ‘other financial liabilities at amortised cost’ for the Group and Company

35. Controlling Parties

In the opinion of the directors, there is no ultimate controlling party of the Company.

36. Subsequent events and outstanding lawsuits

On 5 January 2026, Jørgen Korsgaard Jensen resigned as Group CEO and from the Board of Directors. David Lis stepped in as Interim Executive Chairman. On 1 June, when Mr. Andreas Berg Nielsen joined as CEO, David Lis returned to his role as Non-executive Chairman.

On 26 March 2026, the Group issued 358,944 shares at a weighted average subscription price of 51.08p per share in satisfaction of fees due to Non-Executive Directors in respect of 2024.

On 1 June 2026, the Group announced the appointment of Mr. Andreas Berg Nielsen as CEO. Having been on the Board as Non-Executive Director since May 2025 Andreas comes into the role with extensive insight into the business.

WINDAR PHOTONICS PLC

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “AGM”) of Windar Photonics Plc (the “Company”) will be held at Zeus Capital Limited, 125 Old Broad Street, London, EC2N 1AR at 10.00 a.m. on 30 September 2026 for the purpose of considering and, if thought fit, passing the resolutions below.

Resolution 12 will be proposed as a special resolution. All other resolutions will be proposed as ordinary resolutions.

As Ordinary Resolutions:

1. To receive and adopt the Company's annual accounts for the financial year ended 31 December 2025 together with the Directors' report and the auditors' report on those accounts (the "**2025 Annual Report and Accounts**").
2. To re-elect David Lis who retires by rotation pursuant to the articles of association of the Company and who, being eligible, offers himself for re-election as a Director.
3. To re-elect Paul Hodges who retires by rotation pursuant to the articles of association of the Company and who, being eligible, offers himself for re-election as a Director.
4. To re-elect Gavin Manson who retires by rotation pursuant to the articles of association of the Company and who, being eligible, offers himself for re-election as a Director.
5. To re-elect Søren Karles Belmar who retires by rotation pursuant to the articles of association of the Company and who, being eligible, offers himself for re-election as a Director.
6. To re-elect Andreas Berg Nielsen who is not retiring by rotation pursuant to the articles of association of the Company and who, being eligible, offers himself for re-election as a Director.
7. To appoint Tove Feld as a Director, who was appointed by the board since the last AGM.
8. To approve the Directors' remuneration as set out in the directors' report in the 2025 Annual Report and Accounts.
9. To re-appoint Buzzacott Audit LLP as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which the accounts are laid before the Company.
10. To authorise the Directors to agree the remuneration of the auditors of the Company.
11. That, in substitution for all subsisting authorities to the extent unused, the Directors be generally and unconditionally authorised for the purpose of section 551 of the Companies Act 2006 (the ‘CA 2006’) to exercise all the powers of the Company to allot ordinary shares in the Company and grant rights to subscribe for, or to convert any security into such ordinary shares (such ordinary shares and rights to subscribe for or to convert any security into ordinary shares being relevant securities) up to an aggregate nominal amount of £655,456, with such authorisation to expire upon the earlier of the conclusion of the next annual general meeting or six months after the Company’s accounting reference date, being 30 June 2027 (unless renewed, varied or revoked by the Company prior to or on that date) after the date of this resolution (save that the Company may before such expiry make an offer or agreement which would or might require relevant securities allotted, or rights to be granted, after such expiry and the directors may allot relevant securities, in pursuance of such offer or agreement as if the authorisation conferred hereby had not expired).

As a Special Resolution

12. That, subject to the passing of resolution 11 above and in substitution for all subsisting authorities to the extent unused, the Directors be generally empowered pursuant to sections 570 and 573 of the CA 2006 to allot equity securities (as defined in section 560 CA 2006) pursuant to the authority referred to in resolution 11, as if section 561(1) CA 2006 did not apply to any such allotment, provided that the power was:
    - limited to the allotment of equity securities in connection with an offer of equity securities:
        a. to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
        b. to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary.
    - limited to the allotment of equity securities in connection with an offer of equity securities limited to the allotment of equity securities up to an aggregate nominal amount of £196,637, and shall expire on the earlier of the conclusion of the next annual general meeting or six months after the Company’s accounting reference date, being 30 June 2027 (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company, may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power hereby conferred had not expired.

Dated 26 August 2026

By Order of the Board

Andreas Berg Nielsen
Director Andreas B Nielsen

Registered Address: 85 Great Portland Street, London W1W 7LT Registered Number: 09024532

Explanatory Notes to the Notice of Annual General Meeting (“AGM”)

The notes on the following pages explain the proposed resolutions. Resolutions 1 to 11 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolution 12 is proposed as a special resolution. This means that for this resolution to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1: Approval of the annual report and accounts

The Company is required to present its report and accounts to shareholders at its AGM. This provides an opportunity to discuss the performance of the Company during the year, its management and prospects for the future.

Resolutions 2 through 7: Re-election and appointment of directors

The board proposes all of the directors for re-election or appointment (as applicable) as Directors of the Company. Biographical details of all directors can be found on page 10 of the 2025 Annual Report and Accounts and on page 4, in relation to Tove Feld.

Resolution 8: Directors' remuneration

Shareholders are asked to approve the Directors' remuneration set out in the directors' report in the 2025 Annual Report and Accounts. This vote is advisory and the Directors entitlement to receive remuneration in not conditional on it. [If the advisory vote is not carried the Remuneration Committee will consult the shareholders before implementing any changes to the Directors' remuneration.]

Resolutions 9 and 10: Auditors reappointment and remuneration

It is a requirement that the Company’s auditor must be reappointed at each general meeting at which financial statements are laid, in effect, at each AGM. After considering relevant information, the Audit Committee recommended to the Board the appointment of Buzzacott Audit LLP Resolution 9 proposes Buzzacott Audit LLP– see page 18 and Resolution 10 authorises the Directors to determine their remuneration.

Resolution 11: Directors' power to allot relevant securities

Under section 551 of the Companies Act 2006, relevant securities may only be issued with the consent of the shareholders, unless the shareholders pass a resolution generally authorising the Directors to issue shares without further reference to the shareholders. This resolution authorises the general issue of shares up to an aggregate nominal value of £655,456, which is equal to approximately one third of the nominal value of the issued share capital of the Company as at the date of the AGM. Such authority will expire at the conclusion of the next AGM of the Company or six months after the Company’s accounting reference date, being 30 June 2027 (whichever is the earlier).

Resolution 12: Disapplication of pre-emption rights on equity issues for cash

Section 561 of the Companies Act 2006 requires that a company issuing shares for cash must first offer them to existing shareholders following a statutory procedure which, in the case of a rights issue, may prove to be both costly and cumbersome. This resolution excludes that statutory procedure as far as rights issues are concerned. It also enables the Directors to allot shares up to an aggregate nominal value of £196,637, which will be equal to approximately 10% of the nominal value of the issued share capital of the Company as at the date of the AGM, assuming resolution 11 being passed. The Directors believe that the powers provided by this resolution will maintain a desirable degree of flexibility. Unless previously revoked or varied, the disapplication will expire on the conclusion of the next AGM of the Company or six months after the Company’s accounting reference date, being 30 June 2027 (whichever is the earlier).

Action to be taken in respect of the Annual General Meeting

You can vote in respect of your shareholding by attending the Annual General Meeting or by appointing one or more proxies to attend the meeting and vote on your behalf. If you appoint a proxy, you may still attend and vote at the Annual General Meeting in person should you decide to do so.

Whether or not you propose to attend the Annual General Meeting in person, you are requested to appoint a proxy who will be able to vote for you if you are prevented from attending.

You can register your vote(s) for the Annual General Meeting either:

- by visiting www.shareregistrars.uk.com, clicking on the "Proxy Vote" button and then following the on-screen instructions;

- by post or by hand to Share Registrars Limited, 3 The Millennium Centre, Crosby Way, Farnham, Surrey GU9 7XX using the proxy form accompanying this notice;

- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in notes 6 – 9 in the Notes to the Notice of Annual General Meeting below.

In order for a proxy appointment to be valid the proxy must be received by Share Registrars Limited by 10.00 a.m. on 28 September 2026
.

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), the Company specifies that only shareholders entered on the register of members of the Company at 10.00 a.m. on 28 September 2026 (or in the event that this meeting is adjourned, on the register of members at 10.00 a.m. on the day preceding the date fixed for the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares of the Company registered in their name at that time. Changes to the register after the relevant time shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Appointment of proxies

2. A shareholder is entitled to appoint one or more proxies to exercise all or any of his or her rights to attend and to speak and vote at the meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.

3. The appointment of a proxy will not preclude a shareholder from attending in person at the meeting and voting if he or she wishes to do so.

Appointment of proxy using the accompanying proxy form

4. A proxy form is enclosed. To appoint more than one proxy, please photocopy the form. Please state each proxy's name and the number of shares in relation to which each proxy is appointed (which, in aggregate, should not exceed the number of shares held by you) in the boxes indicated on the form. Please also indicate if the proxy form is one of multiple forms being returned. All proxy forms must be signed and should be returned together in the same envelope. In the case of joint shareholders, the signature of any one of them will suffice, but the names of all joint holders should be stated.

5. To be valid, a duly completed proxy form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be delivered by hand or sent by post to the offices of the Company's registrars, Share Registrars Limited ("***registrar***"), 3 The Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX, so as to be received not less than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the meeting or any adjournment of the meeting (as the case may be).

Appointment of proxy through CREST

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

7. In order for a proxy appointment made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("Euroclear") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by

registrar (ID 7RA36) no later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the meeting or any adjournment of the meeting (as the case may be). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which *registrar* is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

8. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member, or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

9. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Changing proxy instructions

10. To change your proxy instructions, simply submit a new proxy appointment using one of the methods set out above. Note that the cut-off time for receipt of proxy appointments also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. If the Company receives more than one appointment of a proxy in respect of any one share, the appointment received last revokes each earlier appointment and the Company's decision as to which appointment was received last is final.

Termination of proxy appointments

11. In order to revoke a proxy appointment you must notify the Company of the termination at least three hours before the commencement of the meeting.

Joint shareholders

12. In the case of joint shareholders, the vote of the senior who tenders a vote, whether in person (including by corporate representative) or by proxy, shall be accepted to the exclusion of the votes of the other joint shareholders. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members.

Corporate representatives

13. A corporation which is a shareholder may, by resolution of its directors or other governing body, authorise one or more persons to act as its representative at the meeting. Corporate representatives should bring with them to the meeting: (i) an original or certified copy of the resolution authorising them; or (ii) an original letter on the shareholder's letterhead, signed by an authorised signatory, confirming that they are so authorised.

Issued shares and total voting rights

14. As at the date of this notice of general meeting, the Company's issued share capital comprised 96,726,770 ordinary shares of £0.01 each fully paid. The Company does not hold any shares in treasury. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at the date of this notice of general meeting is 96,726,770.

Communication

15. Shareholders who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):

    (a) calling the registrar's shareholder helpline on 01252 821390. Calls to this number are charged at network providers' standard rate and may be included within free allowances (please check with your network provider). Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open during business hours (8.30 a.m. to 5.00 p.m. Monday to Friday, excluding public holidays in England and Wales); or

    (a) in writing to the Company 85 Great Portland Street, First Floor, London, England, W1W 7LT.

16. You may not use any electronic address provided in this notice of general meeting or in any related documents (including the accompanying proxy form) to communicate with the Company for any purposes other than those expressly stated.

WINDAR PHOTONICS PLC

(incorporated and registered in England and Wales under number 09024532)

FORM OF PROXY FOR ANNUAL GENERAL MEETING TO BE HELD ON 30 SEPTEMBER 2026

I/We (names in full)____
PLEASE USE BLOCK CAPITALS

of____

being Member(s) of **Windar Photonics Plc** (the "**Company**") appoint the Chairman of the meeting or (see note 2)

____

as my/our proxy to attend, speak and vote on my/our behalf at the Annual General Meeting of the Company to be held at the offices of Zeus Capital Limited, 12th floor, 125 Old Broad Street, London EC2N 1AR on 30 September 2026 at 10.00 a.m. and at any adjournment of the meeting.

I/We direct my/our proxy to vote on the following resolutions as I/we have indicated by marking the appropriate box with an 'X'. If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is properly put before the meeting.

	ORDINARY RESOLUTIONS	**For**	**Against**	**Vote Withheld**
1	To receive the Company's annual accounts for the financial year ended 31 December 2025 together with the Directors' report and the auditors' report on those accounts (the "**2025 Annual Report and Accounts**")			
2	To re-elect David Lis as a director			
3	To re-elect Paul Hodges as a director			
4	To re-elect Gavin Manson as a director			
5	To re-elect Søren Belmar as a director			
6	To re-elect Andreas Berg Nielsen as a director			
7	To appoint Tove Feld as a director			
8	To approve the Directors' remuneration as set out in the 2025 Annual Report and Accounts			
9	To re-appoint Buzzacott Audit LLP as auditors			
10	To authorise the directors to fix the remuneration of the auditors of the Company			

11	To authorise the directors to allot securities for the purposes of section 551 of the Companies Act 2006			
	SPECIAL RESOLUTION			
12	To enable the directors to disapply statutory pre-emption rights in respect of equity securities pursuant to section 561 of the Companies Act 2006			

Signature	**Date**

PLEASE INSERT INTO REPLY-PAID ENVELOPE SUPPLIED
SEE NOTES OVERLEAF

NOTES:

1 As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

2 A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box. If you sign and return this Form of Proxy with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.

3 You may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact Share Registrars Limited on 01252 821390, overseas callers should call +44 1252 821390.

4 To direct your proxy how to vote on the resolutions, please mark the appropriate box next to each resolution with an “X”. To abstain from voting on a resolution, select the relevant "Vote Withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting instruction is given, your proxy will vote or abstain from voting as he/she sees fit in his/her absolute discretion in relation to each resolution and any other matter which is put before the meeting.

5 To appoint a proxy using this form, the form must be, completed and signed, sent or delivered to Share Registrars Limited, 3 The Millennium Centre, Crosby Way, Farnham, Surrey GU9 7XX received by the Registrars no later than 10 a.m. on 28 September 2026, or in the event of the meeting being adjourned, no later than 48 hours (excluding non-working days) before the time of the adjourned meeting, at which it is to be used.

6 In the case of a member which is a company, this Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which this Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.

7 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company’s register of members in respect of the joint holding (the first-named being the most senior).

8 If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

9 All alterations made to this Proxy Form must be initialled by the signatory.

10 The Company specifies that only those Shareholders entered on the Register of Members of the Company as at 10 a.m. on 30 September 2026, or in the event that the Annual General Meeting is adjourned, on the Register of Members 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting, shall be entitled to attend or vote at the Annual General Meeting in respect of the number of Shares registered in their name at that time. Changes to the entries on the Register of Members after 10 a.m. on 28 September 2026, in the event that the Annual General Meeting is adjourned, in the Register of Members 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting.

11 CREST members who wish to appoint a proxy or proxies by using the CREST electronic appointment service should refer to the notes to the notice of the General Meeting.