

Croma Security Solutions Group PLC
("CSSG", "Croma", the "Company", or the "Group")

Final Results

Croma (AIM:CSSG), the AIM listed innovation and service-focused security solutions provider, is pleased to announce its final results for the twelve months to 30 June 2024 ("FY24" or the "Year").

Group Highlights

- Group revenue for the Period of £8.74 million, up 8.9% (FY 23: £8.03 million)
- First year of new business operating under new strategy has delivered, with revenues up on a like for like basis by 6.3%
- EBITDA on continuing operations of £1.06 million (FY23: £0.95 million) up 12%
- EBITDA margin on continuing operations of 12.1 %, (FY23:11.6%)
- Acquired two locksmith businesses in Peterborough and Worthing with revenues of £0.21 million, taking total number of Croma security centres to 16
- Strong balance sheet with cash and cash equivalents of £2.14 million (FY23: £2.14 million) and on 6 July 2024, a further £1.76 million including interest was received in relation to the sale of Vigilant and a further £0.45 million in September 2024.
- Proposed final dividend of 2.3 p per share (FY2023: 2.2 p)

Outlook

- FY25 trading has started well with good demand from commercial customers and consumers looking to increase their security, underlined by recent events over the summer
- To date, the Company has received £3.6m of the £6.5m of proceeds from the Vigilant sale with the balance due over the next 7 quarters
- Strong acquisition pipeline and ambition to acquire 3-5 security centres per year, with a ROI target per annum on each store acquired of at least 15%

Croma Chairman, Jo Haigh commented:

"We have had a very successful twelve months, focusing on driving the Croma Locksmiths business and Fire and Security business forward through delivering high levels of innovation and service as well as seeking to increase our share of customer spend with a broader range of security services. We have considerable financial resources, and our acquisition pipeline is extremely promising. We therefore have a significant opportunity to add value to acquired business given our expertise and experience. I have no doubt that the next twelve months will be pivotal in further transforming the Group into an established and trusted name in security solutions.

I would like to take this opportunity to thank Roberto and his team for their dedication and hard work over the last year."

For further information visit www.cssgplc.com or contact:

Croma Security Solutions Group Plc
Roberto Fiorentino, CEO
Teo Andreeva, CFO

Tel: +44 (0)1489 566 166

Zeus
(Nominated Adviser and Broker)
Mike Coe
Sarah Mather

Tel: +44 (0)203 829 5000

Novella
Tim Robertson
Claire de Groot
Safia Colebrook

Tel: +44 (0)203 151 7008

Chairman's Statement

The 12 months to the 30 June 2024 marks the end of my first financial year as non-executive Chairman of Croma, as well as the completion of the first year of operating the business under our new strategy: to refocus on our core businesses - Croma Locksmiths and Croma Fire & Security - and to expand our security centres into a national network through new store acquisitions.

I am delighted to say that it has been a successful trading year for the business as we have delivered on management expectations, repositioned the Company following the successful disposal of the lower margin man guarding Vigilant division for a total consideration of £6.5 million (plus interest on balance sheet over £1 million) and expanded our network of security centres

£0.5 million plus intercompany balances or just over £1 million, and expanded our network of security centres.

Our priority is to continue our good progress and create significant further value for our shareholders, through:

- Pursuing a strategy of reinvesting the proceeds from the sale of Vigilant into generating a higher return by growing Croma into a national security brand;
- This will be achieved primarily through an acquisition-led roll-out of the Group's security centre network;
- The Board aim to acquire modestly valued, independent locksmith stores, and add value by converting them to security centres with a broader product range, securing cost savings and thus delivering significantly greater earnings potential;
- The acquisition and conversion model is well-established with a good pipeline of opportunities ahead and an annual ROI target of at least 15%.

The civil unrest which has dominated news headlines over the summer, while extremely undesirable, served as a reminder to all of the importance of good security for individuals, their homes and their businesses. Criminality is constantly evolving and so, therefore, must security. Technology is critical to keeping pace with change and it is a key driver to our ambition to establish a nationwide security brand. Currently, there is no such national security brand in the UK.

In the 12-month period under review, we acquired two locksmith businesses in Peterborough and Worthing, with a combined revenue of £0.21 million since 2 January 2024, taking our total number of Croma security centres to 16. Both acquisitions have bedded down well and are performing according to plan. We have a strong pipeline to support our aim of acquiring 3-5 additional locksmith businesses to our network per annum. We are confident of achieving this target and as the Group currently has a strong cash position and no borrowings, we are well-placed to fund the Group's expansion.

I am pleased to report that the Group will maintain the same level of ESG disclosure reporting as begun in the past year. This is despite our requirements significantly reducing following the sale of Vigilant. We continue to monitor our greenhouse gas emissions, energy consumption and energy efficiency actions closely.

Trading in FY25 has begun well and I am hopeful we can complete further acquisitions in the coming months. Demand from consumer and commercial customers is steady and perhaps underpinned by a sense of the need for good security given the summer unrest. Overall, Croma is in a very strong financial position, backed by a solid asset base with no bank borrowings, and a clear and proven strategy to expand our UK security network.

The Board is pleased to recommend a final dividend to shareholders of 2.3p per share and subject to approval at the Annual General Meeting to be held on 4 December 2024, the final dividend will be paid on 18 December 2024 to all shareholders on the register at the close of business on 6 December 2024. The shares will be marked ex-dividend on 5 December 2024.

J Haigh - Chairman

1 November 2024

CEO'S Statement and Operational Review

I am pleased to present the Group's FY24 results. This was a good trading period and represents the successful completion of our first year following the sale of Vigilant and the transition of the Group to being focused on the higher margin Croma Locksmiths and Croma Fire and Security divisions.

Revenue in FY24 increased by 8.9% to £8.74 million (FY23: £8.03 million) with consistently solid growth across both of our business divisions. The underlying business performance was strong, with EBITDA for the Group 11% up to £1.06 million (FY23: £0.95 million). We have maintained the EBITDA margin at 12%. The Group have ended FY24 with a strong cash position of £2.14 million (FY23: £2.14 million). Our financial strength has since been enhanced by further payments from Vigilant of £1.76 million at the beginning of July 2024 and a further payment of £0.45 million on 30 September 2024.

From an operational perspective, the business has developed well during the course of FY24 through key new business wins with the likes of NHS Trust security contracts, the addition of new security technology such as AJAX systems and the expansion of our security centre network.

Acquisition led growth strategy

Our strategy to expand our Locksmiths business is founded on our ability to acquire modestly valued locksmiths retail stores and transform them into modern security centres. We are able to deliver material sales synergies between our two businesses as outlined above, as well as within our network of locksmiths, where an expanded product range across a wider network can provide innovation and an enhanced range of client solutions. These cross-selling opportunities, coupled with central cost synergies and shared expertise mean that returns are typically improved, and we aim for a minimum ROI on acquisitions of 15% per annum.

There is no shortage of potential acquisitions. Whilst there are 6,500 Locksmiths in the UK, many of them are sole traders from home and we are focused on the independent retail locksmith stores in the UK. The market is highly fragmented, and made up largely of small, family-run operations. Using a strict criteria and our decades of industry experience, we have collected an attractive pipeline of opportunities. This pipeline is researched on a frequent basis and is larger than at the beginning of FY24, therefore our focus is now on converting these opportunities.

Our target is to complete 3-5 acquisitions per annum. We are seeking to acquire independent stores operating on low single digit EBITDA margins. Through transforming them into modern security centres with a significantly broadened product range and Croma's inbuilt advantages in terms of software, central purchasing and cost duplication elimination, the Group is aiming to lift these EBITDA margins to

those currently achieved by the Group.

In our opinion, Croma is now more than ever ideally positioned to develop its profile and brand as a leading nationwide UK security business.

Roberto Fiorentino - CEO

1 November 2024

Financial and Operational Review

The Directors present the Group Strategic Report for Croma Security Solutions Group plc and its subsidiary companies for the year ended 30 June 2024.

Group sales were up 8.9% to £8.74 million, (FY23: £8.03 million), reflecting acquisitions made during the year as well as strong organic growth within the core businesses of 6.3%.

Gross margins on continuing businesses marginally reduced by 0.9% to 45.8% (FY23: 46.7%). EBITDA on the trading businesses before central costs for the Period was £1.73 million (FY23: £1.60 million), an increase of 8%. Adjusting for central Group overheads, EBITDA was up 11.6% at £1.06 million (FY23: £0.95 million).

Group net profit from continuing operations for the year was £0.54 million (FY23: £0.17 million) and EPS from continuing operations was 3.95p (FY23: 1.11p).

Over the year, we invested £0.07 million on acquisitions of two locksmith centres and one freehold property in Peterborough for £0.36 million. These investments reflect our long-term belief in the prospects of our security centre network.

The solid underlying cash generation enabled us to end the year ungeared, with cash and cash equivalents of £2.14 million (FY23: £2.14 million). A further £1.76 million due from Vigilant was received at the beginning of July 2024, bringing our cash balances to over £4 million as per the publication date of these accounts, despite the further investments in acquisitions and capital expenditure. Our cash position and no bank debt allows us to continue our stated strategy of acquiring locksmiths and building out our security centres network where there is scope to enhance the offering and deliver synergies.

Croma Locksmiths

The Croma Locksmiths business delivers one-stop-shop security solutions to both commercial and residential customers and now comprises 16 security centres across the UK.

The division recorded a good trading period with sales up 8.5% to £5.10 million (FY23: £4.70 million), while EBITDA of £1 million was up 3.2% from £0.97 million.

The security centres are all former locksmith stores and have been converted into a network servicing not only local communities but also national accounts. Larger commercial customers within this division encompass a broad spread of industries including Travel, Utilities, Housing Associations and Student Housing, Healthcare and Defence.

The individual security centres generally have very loyal customer bases and good recurring revenues. This is partly due to locks being a very reliable product with very low fail rates which tends to build customer trust. Alongside this, providing master key services, a significant source of revenue, requires long-term support as changing a master key set-up is costly and time consuming. This enables the centres to build long-term relationships with commercial customers and enjoy repeat custom.

In the student housing market, sales of the innovative mobile phone powered door lock called ILOQ, continue to grow and the pipeline for the current year looks promising. Croma is the preferred supplier of ILOQ in the UK and it is an excellent example of a modern technology solution improving security.

Building on the strong relationships and customer confidence in the security centres, the Group seeks to introduce to these customers additional services provided by the Fire and Security business. Importantly, spend on locksmithing services usually forms a small part of any overall corporate security budget, typically 10% - 20%, so there is a much bigger potential share of the locksmith customer wallet to tap into for our Fire and Security business.

Croma Fire and Security

Croma Fire and Security provides a full range of electronic security solutions and services to commercial and individual customers and has strong commercial relationships across the public health and hospitality sectors.

Croma Fire and Security recorded sales for the Period of £3.80 million (FY23: £3.48 million) up 9.2%. EBITDA for the period was up 16% to £0.73 million (FY23: £0.63 million).

Operating out of Southampton and Bury (Manchester), an experienced team of specialist engineers supports a range of commercial and domestic customers.

This business also boasts a loyal base of clients. In the Entertainment sector, Croma has long-standing relationships and a constant flow of work across a national network of entertainment venues. The healthcare sector is also key for the business, with both existing and new customers. A key win during the year was securing an access control upgrade order worth £0.4 million. Alongside this, we successfully retained an additional three-year NHS Trust contract. The healthcare sector is a key area of future opportunity which we hope to develop alongside the Group's geographical expansion.

Technology is at the forefront for innovators in this market. Today, the majority of alarm systems continue to focus on internal activation, whereas Croma's solutions focus on a combination of externally and internally activated alarms, thereby seeking to prevent threats from even entering a property. In September 2023, Croma became an approved agent of the market-leading AJAX systems. Fast to install, providing accurate external sensors able to differentiate between a human and another objects, and operating from a single app - this system represents a strong driver of future revenues.

In May 2024, the Company entered into new a partnership with bSafe Group to bring to the UK market the Croma bSafe personal security App. Already a success in its domestic market, Norway, as well as in the US, the personal protection App offers round-the-clock protection and voice activated technology, a market-first security solution available to the UK public.

Proceeds from Vigilant sale

In June 2023, the Group sold its manned guarding business Vigilant for £6.5 million, in order to focus on the Group's core businesses, Croma Locksmiths and Croma Fire & Security. The proceeds from the Vigilant sale are staggered over 10 quarterly instalments from 31 March 2024. By 30 June 2024 the Company had received £1.5 million as part of the consideration for the sale. The 30 June 2024 payment for £1.7 million arrived in the first week of July 2024, and then at the end of September 2024 a further £0.43 million was received.

As of the date of these accounts, from the total £6.5 million consideration, £3.6 million has been received with a further £2.9 million to be received over the next 7 quarters.

Group financials

	FY2024	FY2023
	Continuing operations	Continuing operations (as restated)
Revenue	£8,737k	£8,025k
Gross profit	£3,999k	£3,749k
Gross margin %	45.8%	46.7%
Administrative expenses	£3,395k	£3,325k
EBITDA	£1,061k	£954k
Operating profit	£607k	£427k
Profit for the year from continuing operations	£543k	£166k
Earnings per share from continuing operations	3.95p	1.11p
Net assets	£15,224k	£15,151k
Cash generated from operations	£723k	£1,274k
Cash and cash equivalents	£2,142k	£2,144k
Dividends per share in relation to the year	2.3p	2.2p

	Croma Locksmiths	Croma Fire & Security	Group	Total
	£000s	£000s	£000s	£000s
EBITDA	999	728	(666)	1,061

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 2024

	Notes	2024		2023	
		£000s	£000s	(as restated) £000s	£000s
Revenue			8,737		8,025
Cost of sales			<u>(4,738)</u>		<u>(4,276)</u>
Gross profit			3,999		3,749
Administrative expenses			(3,395)		(3,325)
Other operating income			<u>3</u>		<u>3</u>
Operating profit			607		427
Analysed as:					
Earnings before interest, tax, depreciation and amortisation (EBITDA)			1,061		954
Amortisation of intangible assets			(62)		(60)
Depreciation			<u>(392)</u>		<u>(467)</u>
			607		427
Financial expenses			(27)		(24)
Interest receivable			217		-
Profit before tax			797		403
Tax	5		<u>(254)</u>		<u>(237)</u>
Profit for the year from continuing operations			543		166
Discontinued operations					
Profit after tax for the year from discontinued operations			<u>-</u>		<u>3,534</u>
Profit after tax and total other comprehensive income			<u>543</u>		<u>3,700</u>
Earnings per share					
Basic and diluted earnings per share (pence) from continuing operations	6		3.95		1.11
Basic and diluted earnings per share (pence) from discontinued operations	6		-		23.71

CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED JUNE 2024

	2024	2023
	£000s	£000s
Assets		
Non-current assets		
Goodwill	5,042	5,042
Other intangible assets	85	147

Property, plant and equipment	2,576	1,950
Right-of-use assets	552	656
Other receivables	<u>1,651</u>	<u>3,122</u>
	9,906	10,917
Current assets		
Inventories	1,203	1,106
Trade and other receivables	4,818	3,551
Cash and cash equivalents	<u>2,142</u>	<u>2,144</u>
	8,163	6,801
Total assets	<u>18,069</u>	<u>17,718</u>
Liabilities		
Current liabilities		
Trade and other payables	(1,876)	(1,564)
Lease liabilities	<u>(114)</u>	<u>(114)</u>
	(1,990)	(1,678)
Non-current liabilities		
Provisions	(161)	(190)
Deferred tax	(217)	(154)
Lease liabilities	<u>(477)</u>	<u>(545)</u>
	(855)	(889)
Total liabilities	<u>(2,845)</u>	<u>(2,567)</u>
Net assets	<u>15,224</u>	<u>15,151</u>
Issued capital and reserves attributable to owners of the parent		
Share capital	794	794
Treasury shares	(946)	(778)
Share premium	6,133	6,133
Merger reserves	2,139	2,139
Capital redemption reserve	51	51
Retained earnings	<u>7,053</u>	<u>6,812</u>
Total equity	<u>15,224</u>	<u>15,151</u>

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 2024

	2024	2023
	£000s	£000s
Cash flows from operating activities		
Profit before taxation	797	3,937
Depreciation, amortisation and impairment losses	454	527
(Profit) on sale of discontinued operations	-	(3,069)
Loss on sale of property, plant and equipment	-	1
Net changes in working capital	(136)	(78)
Interest payable	27	24
Interest receivable	(217)	-
Corporation tax paid	<u>(202)</u>	<u>(68)</u>
Net cash generated from operations	723	1,274
Cash flows from investing activities		
Purchase of businesses net of cash acquired	(73)	(1,226)
Purchase of property, plant and equipment	(793)	(411)
Proceeds on disposal of discontinued operations	538	669

Proceeds on disposal of property, plant and equipment	-	-
Net cash used in investing activities	(328)	(968)
Cash flows from financing activities		
Payments to reduce lease liabilities	(117)	(374)
Treasury shares acquired	(168)	-
Financial income (net)	190	-
Increase/(decrease) in borrowings	-	(31)
Dividends paid	(302)	(313)
Net cash used in financing activities	(397)	(718)
Net (decrease) in cash and cash equivalents	(2)	(412)
Cash and cash equivalents at beginning of period	2,144	2,556
Cash and cash equivalents at end of period	2,142	2,144

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 2024

Attributable to owners of parent	Share capital	Capital redemption reserve	Treasury shares	Share premium	Merger reserve
	£000s	£000s	£000s	£000s	£000s
At 1 July 2022	794	51	(399)	6,133	2,139
Treasury shares acquired	-	-	(379)	-	-
Profit for the year	-	-	-	-	-
Dividends paid	-	-	-	-	-
At 30th June 2023	794	51	(778)	6,133	2,139
Treasury shares acquired	-	-	(168)	-	-
Profit for the year	-	-	-	-	-
Dividends paid	-	-	-	-	-
At 30th June 2024	794	51	(946)	6,133	2,139

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 2024

1. Basis of preparation

The Group financial statements have been prepared under the historical cost convention and approved by the Directors in accordance with UK-adopted international accounting standards.

While the financial information included in this preliminary announcement has been computed in accordance with Adopted IFRSs, this announcement does not itself contain sufficient information to comply with Adopted IFRSs.

This announcement does not constitute statutory accounts of the Group for the years ended 30 June 2023 or 30 June 2024.

The financial information has been extracted from the statutory accounts of the Company for the year ended 30 June 2024. The auditors reported on those accounts; their reports were unqualified and did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under either Section 498 (2) or Section 498 (3) of the Companies Act 2006.

The accounts for the year ended 30 June 2023 have been delivered to the Registrar of Companies, whereas those for the year ended 30 June 2024 will be delivered to the Registrar of Companies following the Company's Annual General Meeting.

The Annual Report will be posted to all shareholders who have requested a copy on shortly and will be available on request from Unit 7 & 8 Fulcrum 4, Solent Way, Whiteley, Hampshire PO15 7FT and on the Company website at <http://www.cssgplc.com/investors/>. The Annual Report contains full details of the principal accounting policies adopted in the preparation of these financial statements.

2. Accounting policies

The accounting policies applied by the Group in this report are the same as those applied by the Group in the

The accounting policies applied by the Group in this report are the same as those applied by the Group in the consolidated financial statements for the year ended 30 June 2024 and the year ended 30 June 2023. The directors expect similar accounting policies for the year ended 30 June 2025.

3. Segmental reporting	Croma Vigilant (Guarding) £000s	Croma Fire and Security £000s	Croma Locksmiths (Locks) £000s	Central £000s	Total £000s
2024 Business Segments					
Segment revenues	-	3,799	5,095	-	8,894
Inter-segment revenue	-	(81)	(76)	-	(157)
Revenue from external customers	-	3,718	5,019	-	8,737
Gross profit	-	1,998	2,072	-	4,070
Administrative expenses	-	(1,270)	(1,076)	(666)	(3,012)
Amortisation	-	-	(60)	(2)	(62)
Depreciation	-	(174)	(218)	-	(392)
Other operating income	-	-	3	-	3
Operating profit/(loss) before impairment	-	554	721	(668)	607
Profit/(loss) on disposal	-	-	-	-	-
Operating profit/(loss) before impairment	-	554	721	(668)	607
EBITDA	-	728	999	(666)	1,061
Segment assets	-	2,740	6,037	9,292	18,069
Segment (liabilities)	-	(1,003)	(1,131)	(711)	(2,845)
Segment net assets	-	1,737	4,906	8,580	15,224
Additions to non-current assets	-	239	668	7	914
	Croma Vigilant (Guarding) (as restated) £000s	Croma Fire and Security (as restated) £000s	Croma Locksmiths (Locks) (as restated) £000s	Central (as restated) £000s	Total (as restated) £000s
2023 Business Segments					
Segment revenues	-	3,480	4,696	-	8,176
Inter-segment revenue	-	(118)	(33)	-	(151)
Revenue from external customers	-	3,362	4,663	-	8,025
Gross profit	-	1,683	2,007	-	3,690
Administrative expenses	-	(1,057)	(1,043)	(639)	(2,739)
Amortisation	-	-	(60)	-	(60)
Depreciation	-	(179)	(288)	-	(467)
Other operating income	-	-	3	-	3
Operating profit/(loss) before impairment	-	447	619	(639)	427
Profit from discontinued operations	465	-	-	3,069	3,534
Operating profit/(loss) before impairment	465	447	619	2,430	3,961
EBITDA from continuing operations	-	630	970	(646)	954
Segment assets	-	2,805	4,201	10,712	17,718
Segment (liabilities)	-	(1,010)	(1,141)	(416)	(2,567)
Segment net assets	-	1,795	3,060	10,296	15,151
Additions to non-current assets	-	202	403	-	605

Vigilant is a discontinued operation that was disposed of during the year to 30 June 2023.

4. Expenses	2024 £000s	2023 £000s
Amount of inventory expensed as cost of sales	3,387	3,359
Depreciation - owned assets	239	331
Depreciation - right of use assets	153	136
Amortisation	62	60
Auditors' remuneration:		
Audit of parent company and consolidated financial information	60	76

5. Taxation	2024	2023
	£000s	£000s
Analysis of the tax charge in the year		
Current year tax charge		
UK corporation tax charge on profit for the year	191	200
Adjustments for prior periods	-	-
	<hr/>	<hr/>
Total current tax	191	200
Deferred tax		
Current year	63	37
Adjustments for prior periods	-	-
	<hr/>	<hr/>
Total deferred tax	63	37
	<hr/>	<hr/>
Tax on profit on ordinary activities	254	237
	2024	2023
		(as restated)
	£000s	£000s
Profit before taxation	797	403
Profit multiplied by the standard rate of corporation tax of 25% (2023: 25%)	199	101
Effects of:		
Expenses not deductible for tax purposes	55	136
	<hr/>	<hr/>
Total tax charge for the year	254	237

6. Earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders, from continuing operations, divided by the weighted average number of shares in issue during the year, calculated on a daily basis.

The calculation of diluted earnings per share is based on the basic earnings per share adjusted to allow for the issue of shares and the post-tax effect of dividends and interest on the assumed conversion of all other dilutive options and other potential ordinary shares.

Continued and discontinued operations	2024	2023
	£000s	£000s
Numerator		
Earnings for the year used in basic and diluted EPS	543	3,700
Denominator		
Weighted average number of shares used in basic and diluted EPS (000s)	13,766	14,902
	Pence	Pence
Basic and diluted earnings per share	3.95	24.83
Continued operations	2024	2023
		(as restated)
	£000s	£000s
Numerator		
Earnings for the year on continuing operations and used in basic and diluted EPS	543	166

Denominator		
Weighted average number of shares used in basic and diluted EPS(000s)	13,766	14,902
	Pence	Pence
Basic and diluted earnings / (loss) per share	3.95	1.11
Discontinued operations	2024	2023 (as restated)
	£000s	£000s
Numerator		
Earnings for the year on discontinuing operations and used in basic and diluted EPS	-	3,534
Denominator		
Weighted average number of shares used in basic and diluted EPS(000s)	13,766	14,902
	Pence	Pence
Basic and diluted earnings / (loss) per share	-	23.71

7.Business combinations (acquisitions)

As part of the Groups continuing strategy to expand the network of security centres, on 2 January 2024 Croma Locksmiths and Security Solutions Limited acquired a business comprising 100% of the share capital of City Locks Limited, a business trading out of Peterborough.

The fair value of net assets acquired is set out below:	£000s
Purchase consideration (satisfied entirely by cash)	30
Less: The fair value of assets acquired	
Property, plant and equipment	43
Inventories	20
Trade and other receivables	16
Cash and cash equivalents	-
Add: the fair value of liabilities	
Trade and other payables	(49)
Goodwill	-
	<hr/>
	-

Transaction costs of 15k relating to the acquisition of City Locks Limited have been recognised as an expense and included within administrative expenses in the statement of profit or loss.

City Locks Limited contributed £139k to the Group's revenue and £35k to the Group's profit before tax for the period from the date of acquisition to the year-end date. If the acquisition of City Locks Limited had been completed on the first day of the financial year, this would have added £281k to the Group's revenue and £56k to the Group's profit before tax.

The book values of the assets and liabilities acquired at the acquisition date were considered to be approximate of their fair values.

In addition to the above acquisition, on 2 January 24, the Group acquired the assets and customer relationships of Attle Locksmiths, a partnership operating out of Worthing for the value of £43,000.

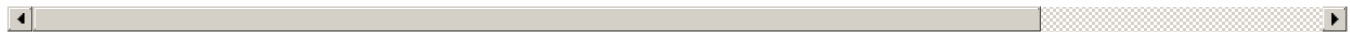
The fair value of net assets acquired is set out below:	£000s
Purchase consideration (satisfied entirely by cash)	43
Less: the fair value of assets acquired	
Property, plant and equipment	28

Vehicles	1
Inventories	14
Goodwill	-
	<hr/>
	-

Transaction costs of £1k relating to the business purchase of Attle Locksmiths have been recognised as an expense and included within administrative expenses in the statement of profit or loss.

This addition contributed £71k to the Group's revenue and £6k to the Group's profit before tax for the period from the date of acquisition to the year-end date. If the acquisition of Attle Locksmiths had been completed on the first day of the financial year, this would have added £142k to the Group's revenue and £12k to the Group's profit before tax.

The book values of the assets and liabilities acquired at the acquisition date were considered to be approximate of their fair values.



This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

FR QKDBPFBDDNDK