**Company Registration No. 13127277**

# SAMARKAND GROUP LIMITED

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2026

| | |
|---|---|
| **Directors** | S P Smiley<br>D R Hampstead<br>G P Smiley<br>J Hern |
| **Secretary** | E Hang |
| **Company number** | 13127277 |
| **Registered office** | Unit 13 Tonbridge Trade Park<br>Ingot Way<br>Tonbridge<br>TN9 1GN |
| **Auditor** | Gravita Audit II Limited<br>Aldgate Tower<br>2 Leman Street<br>London<br>E1 8FA |
| **Registrars** | Neville Registrars Limited<br>Neville House<br>Steelpark Road<br>Halesowen B62 8HD |

**SAMARKAND GROUP LIMITED**
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**Introduction**

The Directors present their strategic report for the year ended 31 March 2026.

**Strategy & Business Model**

Following the significant restructuring completed in the prior years, including the cessation of cross-border eCommerce operations in China and the discontinuation of the Checkout product, the Group entered the financial year ended 31 March 2026 as a focused brand owner, fully concentrated on growing its portfolio of owned natural health and wellbeing brands. The reconfiguration of the business is now complete, and the results of the transition are visible in the Group's improved performance across all key metrics in the year.

The Group's key brands, Napiers and Zita West, delivered combined revenue growth in the UK of 15% against the prior year. This growth, combined with improvements in gross margins, effective management of operating costs and the benefit of a full year operating under the streamlined model, enabled the Group to achieve positive full year adjusted EBITDA of £497k, the Group's first full year of EBITDA profitability following the restructuring period.

The Group operates its brands through a shared platform model, in which specialist brand and marketing teams are supported by shared resources spanning new product development, in-house manufacturing, warehousing, logistics and consumer fulfilment. This model delivers operating leverage across the portfolio and a differentiated speed to market that we believe is a meaningful competitive advantage.

The Group's owned brand portfolio currently comprises:

- **Napiers the Herbalists**, Scotland's oldest natural herbal apothecary brand;
- **Zita West**, a leading specialist supplement and nutritional product line for fertility and reproductive health with strong clinical roots; and
- **Natures Greatest Secret** a leading colloidal silver-based health and healing brand for humans and pets, together with **BeNatural Essentials**, a colloidal silver brand developed for the Amazon platform.

***Our Brands:***
***Napiers the Herbalists***

Napiers the Herbalists is a natural herbal apothecary brand, offering natural health and wellbeing products and services to consumers and independent health and wellness practitioners. Napiers was established in the city of Edinburgh in the 1860s and this year we celebrated the 166th birthday of Napiers with a number of marketing activities in store, in the Edinburgh community and online.

UK revenues grew by approximately 14% in the year, driven by new product introductions targeting health and wellbeing trends, new customer acquisition and omnichannel expansion, including growth in social commerce. The original apothecary store in Edinburgh's old town grew revenue by approximately 35% versus prior year, and online sales from the relaunched napiers.net eCommerce site grew by approximately 25%.

During the year, the Group launched **My Natural Life**, a specialist platform to support independent medical herbalists and other health and wellness practitioners. This platform enables practitioners to operate their practices more efficiently and makes it easier for them to work with and recommend our brands to their customers, representing an important new route to market and a deepening of the Group's relationship with the practitioner community.

The vertical integration secured through the acquisition of Optimised Energetics Ltd in May 2024 continued to deliver benefits in this financial year, with in-house manufacturing improving gross margins and enabling faster response to emerging consumer trends.

We see strong long-term growth potential for Napiers the Herbalists, underpinned by growing consumer demand for natural herbal health, beauty and wellbeing solutions, increasing awareness of medical herbalism, and the continuing challenges consumers face in accessing traditional healthcare.

**Zita West**

Zita West is a specialist fertility and reproductive health supplement and nutritional product line and education platform, with its roots in clinical practice, assisting men and women in achieving their fertility goals.

UK revenues grew by approximately 16% in the year, driven by strong customer retention on a direct-to-consumer basis, new customer acquisition, new product development at clinician-recommended effective doses and enhanced marketing. The brand also saw strong growth with select retail partners during the year. The Group expanded its team of specialist nutritionists to provide tailored, personal support to a growing number of customers, reinforcing the high-touch, education-led customer experience that differentiates the brand.

We see strong long-term growth potential for Zita West, driven by declining birth rates globally, increasing government intervention to reverse this trend, and growing awareness of post-natal health and wellbeing. WHO estimates that 1 in 6 people worldwide faces fertility challenges. With a clinical heritage, a strong track record and a commitment to customer care and education, we believe Zita West is well positioned to capitalise on these structural tailwinds.

**Natures Greatest Secret and BeNatural**

Natures Greatest Secret, the UK's number one colloidal silver brand, and BeNatural Essentials, both acquired as part of Optimised Energetics Ltd in May 2024.

Particular strength was seen in the pet category, where expanding retail and wholesale partnerships and a broadened range of natural preventative remedies for cats and dogs drove meaningful growth. The brands are now stocked in national pet retailers including Pets at Home and Jollyes. We see strong long-term growth potential in the large and growing pet market, where consumers and retailers are increasingly turning to natural alternatives in the face of rising dissatisfaction with the cost of veterinary services.

**Business Review**

Overall, Group revenues for the year decreased by 20% to £8.9m (2025: £11.2m). This is a result of revenues from discontinued operations decreasing to £0.1m (2025: £2.4m) reflecting the strategic exit from China cross border distribution activities.

Revenues in Brand Ownership declined 1% to £7.8m (2025: £7.9m), on a like-for-like basis this is up 7%, factoring in the disposal of Babawest in the year and the disposal of Probio7 and acquisition of Optimised Energetics in the prior year. Distribution revenues increased by 18% to £0.97m (2025: £0.82m).

Revenues from continuing operations remained flat at £8.8m (2025: £8.8m), however it is important to note that the prior year figures include 2.5 months of revenues from its Probio7 brand, which was disposed in June 2024. On a like-for-like basis, adjusting for these changes, revenue from continuing operations grew by 6% demonstrating underlying momentum across the Group’s core business.

The Group's gross margin from continuing operations increased to 74% from 70%, driven by improvements in the gross margins of core own brands, Zita West and Napiers and the full year benefit of in-house manufacturing following the acquisition of Optimised Energetics in May 2024.

**Operating expenses**

Selling and distribution expenses from continuing operations have remained flat at 31% (2025: 31%).

Administrative expenses from continuing operations, excluding non-recurring costs decreased to £3.3m (2025: £3.6m). The Group incurred a number of significant non-recurring costs which have been shown separately in the financial statements. These items include, disposal of a brand asset and redundancy and restructuring costs as a result of the Group's adjustment to its cost base.

The Group's total head count as at 31 March 2026 was 46 (2025: 50).

**Depreciation and amortisation**

The total depreciation and amortisation costs were £0.2m and £0.2m respectively (2025: £0.2m and £0.2m).

**Adjusted EBITDA**

Adjusted EBITDA means the non-GAAP measure which is defined as Earnings Before Interest, Taxes, Depreciation, and Amortisation and exceptional items. It provides a useful measure of the underlying profitability of the business and is used by management to evaluate the operating performance to make financial, strategic and operating decisions and provides the underlying trends on a comparable basis year on year.

Adjusted EBITDA from continuing operations improved from losses of £0.2m to profit of £0.5m. The improvement is a result of the adjustments made to the Group's cost base, improvements made in operating efficiencies and continued strong growth in our owned brands.

| | Mar-26 | Mar-25 |
|---|---|---|
| **Operating profit from continuing operations** | **116,016** | **654,931** |
| Depreciation and amortisation | 380,790 | 369,596 |
| Share-based payment/(credit) | 46,716 | (146,479) |
| Impairment Loss | - | 46,377 |
| Restructuring costs | (21,304) | 162,365 |
| Disposal of Brand Asset | 7,462 | (1,063,127) |
| Disposal of Subsidiary | (66,147) | - |
| Adjustment of deferred consideration | - | (194,439) |
| **Adjusted EBITDA** | **463,533** | **(170,776)** |

**Earnings per share**

Basic loss per share was 0.55 pence per share (2025: 0.90 pence per share). Diluted loss per share was 0.55 pence per share (2025: 0.94 pence per share).

**Net debt**

| | Mar-26 | Mar-25 |
|---|---|---|
| Cash and cash equivalents | 736,679 | 820,427 |
| Lease liabilities | (597,160) | (770,293) |
| Borrowings | (1,983,110) | (1,887,143) |
| **Net debt** | **(1,843,591)** | **(1,837,009)** |

At the year end, the Group's net debt position was £1.8m (2025: £1.8m), excluding the IFRS 16 lease liabilities, net debt was £1.2m (2025: £1.1m). The Group's cash from operating activities was £0.3m (2025: net cash used £0.8m), factoring in tax credit/(paid) the cash flow from operating activities was £0.3m (2025: net cash used £0.9m).

The first payment of deferred consideration made to the shareholders of Optimised Energetics, netted off by the remaining payments received from the disposal of Probio7 saw a cash outflow from investing activities of £0.1m (2025: inflow £0.8m). The proceeds from working capital loans, repayment of borrowings and lease liabilities, the net cash used in financing activities was £0.3m (2025: net cash generated of £0.01m).

Financing costs of £0.25m (2025: £0.24m) comprised of interest expenses of £0.2m (2025: £0.2m).

**Principal Risks and Uncertainties**

The Board monitors and assesses the risks faced by the Group across the business activities and territories in which it operates and has identified the areas it considers to be most relevant.

| Risk | Description | Mitigation |
|---|---|---|
| **Geopolitical issues** | Geopolitical tensions have and could continue to occur between countries in which the Group operates, this may have adverse impacts on trade of goods from those countries in the form of tariffs or other policies.<br>Consumers may also form negative sentiments towards products or brands from countries or regions due to social, political or other reasons outside of the Group's control.<br>The increased interest in domestic brands has gained traction in some categories but as anticipated has not extended to the main sectors in which the Group operates. | Following the Group's strategic decision to cease trading in China, revenue exposure to that region has been significantly reduced. Trade with the USA is currently immaterial and any future activity would be assessed in light of prevailing tariff conditions. The Group continues to monitor geopolitical developments closely and adapts its sourcing, market focus and supply chain strategies as necessary to minimise disruption and maintain operational resilience. |
| **Shifts in consumer trends** | Changes in consumer trends which are adverse to our owned brand portfolio. Owned brands are positioned against trends of natural herbal health and wellbeing and natural herbal skincare and fertility and reproductive health. | The Group has built its portfolio around brands that are aligned with established long-term consumer trends and structural shifts in consumer attitudes, both in the UK and globally. Independent analysts forecast sustained compound growth in natural herbal skincare and remedies. Declining birth rates globally are increasing societal and governmental focus on fertility, with independent analysts forecasting long-term growth in fertility-related consumer spending. The Group continues to focus its portfolio on brands with strong differentiation and clear positioning within these trends. |
| **Loss of a major sales channel or client** | The Group markets its brands to consumers via a range of sales channels some of which are owned and operated by the company and others which are 3rd party sales channels. 3rd party sales channels include as Amazon, Tik Tok Shop, and the independent retail sector. Listings in 3rd party sales channels can be lost or suspended, and individual channels can cease to trade | The Group has developed a broad base of sales channels across all brands, including company-owned direct-to-consumer eCommerce sites, third-party marketplaces such as Amazon, independent premium retail outlets and social commerce channels such as TikTok Shop. Amazon is currently the Group's largest third-party channel; a dedicated Amazon manager and specialist agencies work to ensure the Group's brands grow in a compliant manner on the platform. |

| Risk | Description | Mitigation |
|---|---|---|
| **Loss of a major sales channel or client (continued)** | | The Group's own DTC sites mean that customers can continue to purchase directly in the event that any third-party channel becomes unavailable. The Group is not dependent on mass-market grocery or supermarket retailers. |
| **Product quality issue** | The Group manufactures and sells natural herbal health and wellbeing products to consumers. Products are manufactured in-house and through third-party contract manufacturers. A widespread product quality issue could cause reputational damage, loss of business and material costs associated with product recall. | In-house manufacturing operates to strict quality control processes and procedures under ISO 22716, with additional quality assurance measures including product testing, staff training, vetting of raw material suppliers and ongoing quality reviews. Where third-party contract manufacturers are used, the Group works only with reputable partners who have established quality control processes and procedures, assessed as part of the Group's supplier selection criteria. |

## ENGAGING WITH OUR STAKEHOLDERS

The Board recognises that Samarkand has a number of stakeholders, including shareholders, customers, employees and suppliers.

### Section 172 statement

The Board of Directors, in line with their duties under section 172 ("s172") of the Companies Act 2006, act in a way 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 have regard to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the Company are appropriately informed by s172 factors.

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders and other matters in their decision making. The Directors continue to have regard to the interests of the Company's employees and other stakeholders, the impact of its activities on the community, the environment and the Company's reputation for good business conduct, when making decisions. In this context, acting in good faith and fairly, the Directors consider what is most likely to promote the success of the Company for its members in the long term. We explain in this annual report, and below, how the Board engages with stakeholders.

The Board regularly reviews the Company's principal stakeholders and how it engages with them. This is achieved through information provided by management and also by direct engagement with stakeholders themselves.

The table below sets out some examples of how the directors have exercised this duty:

| Stakeholder | How we engage |
|---|---|
| **Our Shareholders**<br><br>The Board and Executive Management Team maintains strong relationships with investors and supports open channels of communication. | The Company engages in regular dialogue with shareholders. During the year the CEO and other directors met with investors and maintained ongoing communication. The Company continues to meet with investors upon request.<br><br>On 7 May 2025, Samarkand Group plc withdrew the trading of its Ordinary Shares from the AQSE Growth Market and re-registered as a private limited company, adopting new articles of association. The Company continues to communicate information about the Group to its Shareholders as required by the Companies Act.<br><br>The Company has made arrangements for a Matched Bargain Facility provided by JP Jenkins. Relevant updates are posted on the JP Jenkins website and the Group's own website from time to time.<br><br>**Website and shareholder communications**<br><br>Further details on the Group and its activities, can be found on our corporate website: https://www.samarkand.global/ and at JP Jenkins: https://jpjenkins.com/company/samarkand-group/ |

| Stakeholder | How we engage |
|---|---|
| **Our People**<br><br>Our employees are at the core of everything we do. | At Samarkand, our strength comes from our people and our success is built on shared goals and values. We celebrate the diversity of our workforce and are committed to creating a positive and inclusive culture in which our teams can grow. The sustainable success of the business depends on the development and retention of highly talented and dedicated people.<br><br>Our teams are kept informed of business performance through regular operational updates and company-wide communications. We maintain open channels of communication and encourage collaboration and shared learning across the Group. |
| **Our Customers and Brand Partners**<br><br>Communication with our customers and brand partners is fundamental to understanding how we can continue to improve our brand offerings and the services we provide our partners. | The trust of our customers and partners is fundamental to our success. We are committed to delivering innovative, customer-led products and brand experiences. We maintain strong relationships with our partners through dedicated account management, and through regular dialogue we gather and act on feedback to continually improve the products and services we offer. |
| **Our Suppliers**<br><br>The relationship we have with our suppliers is key to ensuring that the quality of the products we deliver to our customers are maintained at a high standard and the delivery is managed for the smooth-running of our business and its operations. | We rely on suppliers and logistics partners across a number of locations to support our operations. We work closely with our key suppliers and logistics partners to improve the efficiency and resilience of our supply chain. Ongoing communication with our suppliers is important to us and we continue to adapt and develop these relationships to maintain the high quality of our products and services. |

On behalf of the Board



**David Hampstead**
Chief Executive Officer
4 November 2026

## DIRECTORS' REPORT

The Directors present their Annual Report together with the audited financial statements for the year ended 31 March 2026.

### Principal activities

The Group's principal activity during the year is that of a consumer brand owner, specialising in natural health and wellbeing. The Group owns and develops a portfolio of differentiated brands, marketed and sold through direct-to-consumer eCommerce, social commerce, online marketplaces and independent retail channels. The Group also operates a small UK & European distribution business engaged in the B2B and B2C sale of third party products primarily to premium London retailers, chain retailers and online eCommerce stores.

These financial statements present the results of the Group for the year ended 31 March 2026.

### Results and dividends

The results for the year are set out on page 19. The Company will not be paying a dividend this year.

### Directors

The directors who served at any time during the year and since the year end were as follows:

- Tanith Dodge – resigned 9 May 2025
- David Hampstead
- Simon Smiley
- Keith Higgins – resigned 9 May 2025
- Jeanette Hern
- Philip Smiley

### Directors' and Officers' liability insurance

The Group has purchased and maintains appropriate insurance cover in respect of Directors' and Officers' liabilities. The Group has also entered into qualifying third-party indemnity arrangements for the benefit of all its Directors, in a form and scope which comply with the requirements of the Companies Act 2006.

### Directors' Emoluments

Directors' emoluments for the year were as follows:

| Name | Fees/Basic Salary | Unpaid Salaries | Pension | Total | Balance Owed at 31 Mar 26 |
|---|---|---|---|---|---|
| **Executive Directors** | | | | | |
| David Hampstead | 100,000[(1)] | 20,000 | 3,000 | 123,000 | 108,858^ |
| Simon Smiley | 97,500[(1)] | 22,500 | 2,925 | 122,925 | 107,386 |
| Philip Smiley | 100,000[(1)] | 20,000 | 3,000 | 123,000 | 103,699 |
| **Non-executive Directors** | | | | | |
| Tanith Dodge | 5,513 | - | - | 5,513 | - |
| Keith Higgins | 2,756 | - | 83 | 2,839 | - |
| Jeanette Hern | - | - | - | - | - |
| | **305,769** | **62,500** | **9,008** | **377,277** | **319,943** |

| Name | Fees/Basic Salary | Unpaid Salaries | Pension | Total | Balance Owed at 31 Mar 25 |
|---|---|---|---|---|---|
| **Executive Directors** | | | | | |
| David Hampstead | 107,500[(1)] | 12,500^ | 3,600 | 123,600 | 42,500 |
| Simon Smiley | 105,000[(1)] | 15,000 | 3,600 | 123,600 | 75,000 |
| Philip Smiley | 102,500[(1)] | 17,500 | 3,525 | 123,525 | 74,198 |
| **Non-executive Directors** | | | | | |
| Tanith Dodge | 50,000 | - | - | 50,000 | 12,500 |
| Keith Higgins | 25,000 | - | 750 | 25,750 | 6,250 |
| Jeanette Hern | - | - | - | - | - |
| | **390,000** | **45,000** | **11,475** | **446,475** | **210,448** |

**(1) Salary Deferral**

During the year, the Executive Directors deferred their salaries. In September 2025, the amounts outstanding in respect of deferred salaries and expenses were formalised into a convertible loan facility. Interest accrues at 3% per annum above the Bank of England base rate and is rolled up. If the outstanding balance, including accrued interest, is not repaid by the repayment date, it will become convertible into equity in accordance with the terms of the facility agreement. The balance outstanding at 31 March 2026, including accrued interest and unpaid expenses, is £319,943 (2025: £210,448).

^ David also has £nil (2025: £5,000) in unpaid business expenses, total unpaid expenses is £36,307.

**Bonus Scheme**

During the prior year, the Remuneration and Nomination Committee reviewed and updated the Executive Directors' performance-related pay structure, details of which were disclosed in the 31 March 2025 Annual Report.

Following the Company's transition to private limited company status in May 2025, the Committee determined that no formal bonus scheme would operate for the financial year ended 31 March 2026. The Committee intends to review the remuneration framework for Executive Directors ahead of 31 March 2027.

**Director's Interests**

As at 31 March 2026 the Directors of the Company held the following number of shares:

| | Number of Ordinary Shares | % of the issued share capital |
|---|---|---|
| David Hampstead[(1)] | 7,916,169 | 13.56% |
| Simon Smiley[(2)] | 7,301,011 | 12.51% |
| Phil Smiley | 917,395 | 1.57% |
| Jeanette Hern | - | 0.00% |

(1) 158,584 Ordinary Shares registered in the name of David Hampstead is under option pursuant to the terms of a Hedging Agreement
(2) 177,785 Ordinary Shares registered in the name of Simon Smiley is under option pursuant to the terms of a Hedging Agreement

David Hampstead, Simon Smiley and the Group entered into a hedging agreement on 16 February 2021 pursuant to which David Hampstead and Simon Smiley each agreed to transfer such number of their Ordinary Shares to satisfy the outstanding options granted to employees pursuant to the Option Exchanges subject to a maximum of 992,000 Ordinary Shares.

**Long-term incentive plans**

| | Options at 1 April 2025 | Options Granted | Options Exercised | Options Lapsed | Options at 31 March 2026 | Exercise Price | Date of Grant |
|---|---|---|---|---|---|---|---|
| David Hampstead | 687,273 | - | - | - | 687,273 | 0.01 | 13/08/2024 |
| Simon Smiley | 687,273 | - | - | - | 687,273 | 0.01 | 13/08/2024 |
| Philip Smiley | 687,273 | - | - | - | 687,273 | 0.01 | 13/08/2024 |

**Going concern**

The financial statements have been prepared on a going concern basis. The Directors have considered the Group's forecasts and projections for the period to 30 November 2027, being at least twelve months from the date of approval of these financial statements. This period includes the repayment date of the Global Smollan Holdings loan.

For the year ended 31 March 2026 the Group generated positive adjusted EBITDA of £0.5m (2025: negative £0.9m) and a loss after tax of £0.1m (2025: £0.5m), reflecting the structural changes made in prior years. The period of improved trading remains relatively short and does not yet evidence sustained profitability.

At 31 March 2026 the Group had cash of £0.7m and borrowings of £2.0m, including the Global Smollan Holdings loan of £1.5m, which is repayable on 25 May 2027. The Directors' forecasts, including a downside scenario and mitigating actions within their control, assume that this loan is extended or converted into equity under its terms by the repayment date. On that basis, the Group is forecast to have sufficient resources throughout the going concern period. No extension or conversion has been committed at the date of approval of these financial statements. Without one, the Group would not have sufficient resources to repay the loan at maturity. Global Smollan Holdings has continued to support the Group, including through the extension to May 2027, but has not committed to a further extension.

The Directors consider that two matters indicate the existence of a material uncertainty that may cast significant doubt on the Group's and the Company's ability to continue as a going concern:

- the period of improved trading remains relatively short, and there is a risk that performance falls short of plan; and

- the need for the Global Smollan Holdings loan to be extended or converted by 25 May 2027.

As a result, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, having considered the forecasts, the mitigating actions available and the options being pursued, the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the going concern period, and therefore continue to adopt the going concern basis. The financial statements do not include the adjustments that would be needed if the Group were unable to continue as a going concern.

**Strategic report**

The Strategic Report set out on pages 1 to 8 provides a fair review of the Group's business for the year ended 31 March 2026. It also explains the objectives and strategy of the Group, its competition and the markets in which it operates, the principal risks and uncertainties it faces, employee information, the Group's financial position, key performance indicators and likely future developments of the business.

**Key stakeholders**

For our key stakeholders and employees please refer to Our Stakeholders section on pages 7 to 8.

**Substantial shareholdings**

As at 31 October 2026, the following shareholders had notified the Company that they held an interest in 3% or more of its issued ordinary share capital:

| **Significant Shareholders** | **Shareholding** | **Percentage of issued shares** |
|---|---|---|
| Global Smollan Holdings | 12,623,704 | 21.63% |
| David Hampstead (1) | 7,916,169 | 13.56% |
| Simon Smiley (2) | 7,301,011 | 12.51% |
| Thomas Gooding | 5,463,111 | 9.36% |
| Schroders Investment Management | 4,347,826 | 7.45% |
| SF Express | 2,737,840 | 4.69% |

(1) 158,584 Ordinary Shares registered in the name of David Hampstead is under option pursuant to the terms of a Hedging Agreement
(2) 177,785 Ordinary Shares registered in the name of Simon Smiley is under option pursuant to the terms of a Hedging Agreement

Save for these interests, the Directors have not been notified that any person is directly or indirectly interested in 3% or more of the issued ordinary share capital of the Company. Save as disclosed above, the Company is not aware of any person who, as at the date of this document, directly or indirectly, has a holding of Ordinary Shares which is notifiable under English law.

Directors' interests in the Company are disclosed on page 11.

None of the Shareholders referred to in this paragraph has different voting rights from any other Shareholder in respect of any Ordinary Shares held by them.

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the Annual Report and 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 financial statements in accordance with UK-adopted International Accounting Standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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.

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 they have been prepared in accordance with UK-adopted International Accounting Standards, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

**Disclosure to auditors**

The Directors who held office at the date of approval of this Directors' report confirm the following:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps that ought to have been taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Directors' report was approved on behalf of the Board on 4 November 2026 and signed on its behalf by:



**David Hampstead**
Chief Executive Officer

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAMARKAND GROUP LIMITED

## FOR THE YEAR ENDED 31 MARCH 2026

### Opinion

We have audited the financial statements of Samarkand Group Limited (formerly Samarkand Group plc) (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2026 which comprise the consolidated statement of comprehensive income, the consolidated and company statements of financial position, the consolidated and company statements of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the consolidated financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 102 (United Kingdom Generally Accepted Accounting Practice).

**In our opinion:**

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2026 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with FRS 102 (United Kingdom Generally Accepted Accounting Practice); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to other entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material uncertainty relating to going concern

We draw your attention to note 2 in the financial statements, which indicates the key risks and uncertainties which may affect the future prospects and trading activities of the group.

The group continues to be loss making. The group reported a loss for the year of £0.1m (2025: £0.5m) and a total comprehensive loss of £6k (2025: £0.6m). Net cash from operating activities was £0.3m (2025: outflow of £0.9m). Note 2 indicates that the period of improved trading remains relatively short and does not yet evidence sustained profitability. In September 2025, the £1.4m fixed rate secured loan notes due to Global Smollan Holdings (the group's largest shareholder) were replaced by a convertible loan facility, under which £1.5m (including accrued interest) was outstanding at 31 March 2026, repayable on 25 May 2027. Note 2 states that no extension or conversion of this facility has been committed at the date of approval of the financial statements and that, without one, the group would not have sufficient resources to repay the facility at maturity. As stated in note 2, these events or conditions, along with the other

matters set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the group's and parent company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included: obtaining the directors' forecasts for the period to 30 November 2027, being at least twelve months from the date of approval of the financial statements, and testing their mathematical accuracy; evaluating and challenging the key assumptions by reference to historical performance and trading since the year end; assessing the directors' severe but plausible downside scenario and reverse stress test; reviewing the terms of the Global Smollan Holdings convertible loan facility and the status of discussions regarding its repayment, extension or conversion; assessing whether the mitigating actions identified by the directors are within their control, noting that they are not committed; and evaluating the adequacy of the going concern disclosures in note 2.

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

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

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

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

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 13, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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

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

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

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

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

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent company through discussions with directors and other management, and from our commercial knowledge and experience of the consumer health and wellness products industry, including the manufacture and sale of natural health products and food supplements;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent company, including the

Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental, health and safety legislation and anti-money laundering regulations, together with regulations specific to the group's industry, including food supplement and food labelling regulations, regulations governing herbal medicinal products, cosmetics regulations, advertising standards relating to health claims, and product safety and consumer protection legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 4 of the group financial statements were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

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

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

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

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAMARKAND GROUP LIMITED FOR THE YEAR ENDED 31 MARCH 2026

### Use of this 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.

Paul Woosey

Paul Woosey (Senior Statutory Auditor)
For and on behalf of Gravita Audit II Limited, Statutory Auditor
Aldgate Tower
2 Leman Street
London
E1 8FA

4 November 2026

**SAMARKAND GROUP LIMITED**
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE YEAR ENDED 31 MARCH 2026**

| | Notes | Year ended 31 March 2026 £ | Year ended 31 March 2025 £ |
|---|---|---|---|
| **Continuing operations** | | | |
| **Revenue** | 7 | 8,760,921 | 8,761,855 |
| Cost of sales | 7 | (2,292,439) | (2,598,009) |
| **Gross profit** | | 6,468,482 | 6,163,846 |
| Selling and distribution expenses | | (2,698,640) | (2,715,323) |
| Administrative expenses | 9 | (3,273,036) | (2,423,996) |
| **Adjusted EBITDA*** | | 463,533 | (170,776) |
| Share-based payment and reversal | 9 | (46,716) | 146,479 |
| Adjusting items - impairment | 9 | - | (46,377) |
| Adjusting items - other | 9 | 79,989 | 1,095,201 |
| **EBITDA*** | | 496,806 | 1,024,527 |
| Depreciation and amortisation | | (380,790) | (369,596) |
| **Operating profit/(loss)** | | 116,016 | 654,931 |
| Finance income | | 5,464 | 7,165 |
| Finance costs | | (247,896) | (202,909) |
| **Profit/(loss) before taxation from continuing operations** | | (126,416) | 459,187 |
| Taxation | | 25,154 | 21,027 |
| **Profit/(loss) after taxation from continuing operations** | | (101,262) | 480,214 |
| **Discontinued operations** | | | |
| Loss after taxation from discontinued operations | 6 | (15,946) | (1,029,834) |
| **Loss for the year** | | (117,208) | (549,620) |
| | | | |
| **Loss attributable to:** | | | |
| Equity holders of the Company | | (323,285) | (523,765) |
| Non-controlling interests | | 206,077 | (25,855) |
| | | (117,208) | (549,620) |
| **Basic earnings/(loss) per share** | | | |
| - From continuing operations | | (0.0052) | 0.0082 |
| - From discontinued operations | 12 | (0.0003) | (0.0172) |
| | | (0.0055) | (0.0090) |
| **Diluted earnings/(loss) per share** | | | |
| - From continuing operations | | (0.0052) | 0.0078 |
| - From discontinued operations | | (0.0003) | (0.0172) |
| | 12 | (0.0055) | (0.0094) |

*EBITDA and Adjusted EBITDA are non−GAAP measures used to represent the trading performance and results of the Group. EBITDA is defined as profit or loss before tax adjusted for finance income and expense, depreciation and amortisation. Adjusted EBITDA excludes those items the Group considers to be non−recurring and material in nature that may distort an understanding of financial performance or impair comparability.

**SAMARKAND GROUP LIMITED**
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE YEAR ENDED 31 MARCH 2026**

| | Notes | Year ended 31 March 2026 £ | Year ended 31 March 2025 £ |
|---|---|---|---|
| *Other comprehensive income and loss:* | | | |
| Exchange differences on translation of foreign operations | | 111,198 | (12,883) |
| **Items that may be reclassified to profit and loss in subsequent periods** | | 111,198 | (12,883) |
| **Total comprehensive loss for the year** | | (6,010) | (562,503) |
| | | | |
| **Comprehensive loss attributable to:** | | | |
| Equity holders of the Company | | (212,087) | (536,648) |
| Non-controlling interests | | 206,077 | (25,855) |
| | | (6,010) | (562,503) |
| | | | |
| **Comprehensive income/(loss) attributable to Equity holders of the Company** | | | |
| From continuing operations | | (307,339) | 506,069 |
| From discontinued operations | | 95,252 | (1,042,717) |
| | | (212,087) | (536,648) |

**SAMARKAND GROUP LIMITED**
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
**AS AT 31 MARCH 2026**

| | Notes | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|---|
| **ASSETS** | | | |
| Intangible assets | 14 | 5,374,510 | 5,526,777 |
| Property, plant and equipment | 15 | 248,492 | 224,706 |
| Right-of-use assets | 16 | 543,098 | 714,645 |
| Deferred Tax Asset | 13 | 13,516 | 13,912 |
| **Non-current assets** | | 6,179,616 | 6,480,040 |
| Inventories | 17 | 1,258,374 | 1,260,626 |
| Trade receivables | 18 | 366,316 | 582,534 |
| Corporation tax recoverable | | - | 29,410 |
| Other receivables and prepayments | 19 | 491,675 | 803,230 |
| Cash and cash equivalents | | 736,679 | 820,427 |
| **Current assets** | | 2,853,044 | 3,496,227 |
| **Total assets** | | 9,032,660 | 9,976,267 |
| **EQUITY AND LIABILITIES** | | | |
| Share capital | 20 | 583,582 | 583,582 |
| Share premium | 20 | 22,954,413 | 22,954,413 |
| Merger relief reserve | 20 | (2,063,814) | (2,063,814) |
| Accumulated loss | | (17,897,016) | (17,620,447) |
| Currency translation reserve | 22 | 11,728 | (99,470) |
| Total equity attributable to parent | | 3,588,893 | 3,754,264 |
| Non-controlling interest | | - | (206,158) |
| **Total equity** | | 3,588,893 | 3,548,106 |
| Lease liabilities | 16 | 422,026 | 597,160 |
| Borrowings | 23 | 1,512,190 | 60,848 |
| Deferred tax liability | 13 | 337,327 | 365,256 |
| Deferred consideration | 26 | 287,000 | 646,000 |
| **Total non-current liabilities** | | 2,558,543 | 1,669,264 |
| Trade and other payables | 26 | 1,738,983 | 2,071,334 |
| Deferred consideration | | 359,000 | 220,000 |
| Corporation tax payable | | - | 20,158 |
| Deferred revenue | | 141,187 | 447,977 |
| Borrowings | 23 | 470,920 | 1,826,295 |
| Lease liabilities | 16 | 175,134 | 173,133 |
| **Total current liabilities** | | 2,885,224 | 4,758,897 |
| **Total liabilities** | | 5,443,767 | 6,428,161 |
| **Total liabilities and equity** | | 9,032,660 | 9,976,267 |

The financial statements were approved by the board of directors and authorised for issue on 4 November 2026 and are signed on its behalf by:



David Hampstead
**Director**
**Company Registration No. 13127277**

**SAMARKAND GROUP LIMITED**
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR THE YEAR ENDED 31 MARCH 2026**

| | Share capital | Share premium | Merger relief reserve | Currency translation reserve | Accumulated loss | Non-controlling interests | Total Equity |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| **Balance at 1 April 2024** | **583,582** | **22,954,413** | **(2,063,814)** | **(86,587)** | **(16,950,203)** | **(180,303)** | **4,257,088** |
| Loss after taxation | - | - | - | - | (523,765) | (25,855) | (549,620) |
| Other comprehensive loss | - | - | - | (12,883) | - | - | (12,883) |
| *Total comprehensive loss for the year* | - | - | - | *(12,883)* | *(523,765)* | *(25,855)* | *(562,503)* |
| Share based payments | - | - | - | - | (146,479) | - | (146,479) |
| | - | - | - | - | *(146,479)* | - | *(146,479)* |
| **Balance at 31 March 2025** | **583,582** | **22,954,413** | **(2,063,814)** | **(99,470)** | **(17,620,447)** | **(206,158)** | **3,548,106** |
| Loss after taxation | - | - | - | - | (323,285) | 206,077 | (117,208) |
| Other comprehensive loss | - | - | - | 111,198 | - | - | 111,198 |
| *Total comprehensive loss for the year* | - | - | - | *111,198* | *(323,285)* | *206,077* | *(6,010)* |
| Share based payments | - | - | - | - | 46,716 | - | 46,716 |
| Derecognition of non-controlling interest on disposal of subsidiary | - | - | - | - | - | 81 | 81 |
| | - | - | - | - | *46,716* | - | *46,797* |
| **Balance at 31 March 2026** | **583,582** | **22,954,413** | **(2,063,814)** | **11,728** | **(17,897,016)** | **-** | **3,588,893** |

**SAMARKAND GROUP LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 MARCH 2026**

| | Notes | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|---|
| ***Cash flows from operating activities*** | | | |
| Profit/(loss) after taxation from continuing operations | | (101,262) | 480,214 |
| Loss after taxation from discontinued operations | | (15,946) | (1,029,834) |
| *Cash flow from operations reconciliation:* | | | |
| Disposal of Brand Asset | | 7,462 | (1,063,127) |
| Depreciation and amortisation | | 380,790 | 377,358 |
| Impairment of Intangible asset | | - | 46,377 |
| Disposal of Subsidiary | | (66,147) | - |
| Restructuring costs | | 27,397 | - |
| Exchange differences reclassified on disposal of subsidiaries | | 93,275 | - |
| Interest expense | | 214,371 | 199,720 |
| Interest income | | (5,464) | (7,165) |
| Income tax charge/(credit) | | (25,154) | 8,940 |
| Share based payment | | 46,716 | (146,479) |
| *Working capital adjustments:* | | | |
| (Increase)/decrease in inventories | | (10,035) | 692,134 |
| (Increase)/decrease in trade and other receivables | | (58,494) | 492,239 |
| Decrease in trade and other payables | | (184,078) | (845,283) |
| **Cash used in operating activities** | | 303,431 | (794,906) |
| Taxes received/(paid) | | 10,068 | (69,476) |
| **Net cash used in operating activities** | | 313,499 | (864,382) |
| | | | |
| ***Cash flows from investing activities*** | | | |
| Purchase of property, plant and equipment | | (80,955) | (104,387) |
| Purchase of intangible assets | | - | (8,743) |
| Payment of deferred consideration | | (220,000) | (140,625) |
| Acquisition of subsidiary, net of cash acquired | | - | (535,620) |
| Disposal of Brand Asset | | 178,869 | 1,587,984 |
| Disposal of Subsidiary | | 10,377 | - |
| Disposal of property, plant and equipment | | 306 | 1,673 |
| Disposal of intangible asset | | (113) | 1,421 |
| Interest income | | 5,464 | 7,165 |
| **Net cash (used in)/from investing activities** | | (106,052) | 808,868 |
| | | | |
| ***Cash flows from financing activities*** | | | |
| Repayment of right-of-use lease liabilities | | (225,740) | (205,242) |
| Interest paid | | (15,588) | (24,784) |
| Proceeds from other loans | | 426,000 | 571,805 |
| Repayment of borrowings | | (476,211) | (329,485) |
| **Net cash generated (used in)/from financing activities** | | (291,539) | 12,294 |
| **Net decrease in cash and cash equivalents** | | (84,092) | (43,220) |
| | | | |
| Cash and cash equivalents – beginning of the year | | 820,427 | 867,524 |
| Effects of exchange rate changes on the balance of cash held in foreign currencies | | 344 | (3,877) |
| **Cash and cash equivalents – end of the year** | | 736,679 | 820,427 |

## 1. General information

Samarkand Group plc was incorporated in England and Wales on 12 January 2021 as a public company with limited liability under the Companies Act 2006. On 7 May 2025, the Samarkand Group plc withdrew the trading of its Ordinary Shares from the AQSE Growth Market. Following this the Company re-registered as a private limited company and changed its name to Samarkand Group Limited.

Samarkand Group Limited's registered office is Unit 13 Tonbridge Trade Park, Ingot Way, Tonbridge, England, TN9 1GN.

The Consolidated Group financial statements represent the consolidated results of Samarkand Group Limited and its subsidiaries, (together referred to as the "Group").

## 2. Basis of preparation and measurement

(a) ***Basis of preparation***

The financial statements have been prepared in accordance with UK-adopted International Accounting Standards (IFRS).

Unless otherwise stated, the financial statements are presented in Pounds Sterling (£) which is the currency of the primary economic environment in which the Group operates.

Transactions in foreign currencies are translated into £ at the rate of exchange on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. The resulting gain or loss is reflected in the "*Consolidated Statements of Comprehensive Income*" within either "*Finance income*" *or* "*Finance costs*".

The financial statements have been prepared under the historical cost convention.

***Going concern***

The financial statements have been prepared on a going concern basis. The Directors have considered the Group's forecasts and projections for the period to 30 November 2027, being at least twelve months from the date of approval of these financial statements. This period includes the repayment date of the Global Smollan Holdings loan.

For the year ended 31 March 2026 the Group generated positive adjusted EBITDA of £0.5m (2025: negative £0.9m) and a loss after tax of £0.1m (2025: £0.5m), reflecting the structural changes made in prior years. The period of improved trading remains relatively short and does not yet evidence sustained profitability.

At 31 March 2026 the Group had cash of £0.7m and borrowings of £2.0m, including the Global Smollan Holdings loan of £1.5m, which is repayable on 25 May 2027. The Directors' forecasts, including a downside scenario and mitigating actions within their control, assume that this loan is extended or converted into equity under its terms by the repayment date. On that basis, the Group is forecast to have sufficient resources throughout the going concern period. No extension or conversion has been committed at the date of approval of these financial statements. Without one, the Group would not have sufficient resources to repay the loan at maturity. Global Smollan Holdings has continued to support the Group, including through the extension to May 2027, but has not committed to a further extension.

The Directors consider that two matters indicate the existence of a material uncertainty that may cast significant doubt on the Group's and the Company's ability to continue as a going concern:

(a) ***Basis of preparation (continued)***

***Going concern (continued)***

- the period of improved trading remains relatively short, and there is a risk that performance falls short of plan; and
- the need for the Global Smollan Holdings loan to be extended or converted by 25 May 2027.

As a result, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, having considered the forecasts, the mitigating actions available and the options being pursued, the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the going concern period, and therefore continue to adopt the going concern basis. The financial statements do not include the adjustments that would be needed if the Group were unable to continue as a going concern.

(b) ***Basis of consolidation***

The Consolidated Group financial statements comprise the financial statements of Samarkand Group Limited and its subsidiaries listed in Note 5 "Subsidiaries" to the Consolidated Group financial statements.

A subsidiary is defined as an entity over which Samarkand Group Limited has control. Samarkand Group Limited controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Intra-group transactions, balances and unrealised gains on transactions are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

The total comprehensive income of non-wholly owned subsidiaries is attributed to owners of the parent and to the non-controlling interests in proportion to their relative ownership interests.

(c) ***New standards and interpretations***

***New and amended IFRS standards that are effective for the current year***

In the current year, a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) and endorsed by the UK Endorsement Board became mandatorily effective for an accounting period that begins on or after 1 April 2025. The following standards, amendments and interpretations were adopted by the Group

| Standard, amendment or interpretation | Description | Effective date for accounting period beginning on or after |
|---|---|---|
| IAS 21 | The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability | 1 January 2025 |

There was no material impact from the adoption of this accounting standard and amendment on the financial statements.

***New standards, amendments and interpretations which are in issue but not yet effective***

At the date of authorisation of these financial statements, the following Standard and Interpretations relevant to the Group, which have not yet been applied in these financial statements, were in issue but not yet effective:

| Standard, amendment or interpretation | Description | Effective date for accounting period beginning on or after |
|---|---|---|
| IFRS 18 | Presentation and Disclosure in Financial Statements | 1 January 2027 |
| IFRS 9 | Amendments to IFRS 9 Financial Instruments | 1 January 2026 |

Management anticipates that these new standards, interpretations and amendments will be adopted in the financial statements as and when they are applicable. The application of these standards and amendments in future periods is not currently expected to have a significant impact on the Group's financial statements.

**3. Significant accounting policies**

The preparation of the Consolidated Group financial statements in compliance with IFRS requires the Directors to exercise judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Consolidated Group financial statements are disclosed in Note 4 "*Significant judgements, estimates and assumptions*" to the Consolidated Group Financial Information.

(a) ***Foreign currency transactions and translation***

The Consolidated Group financial statements are presented in Pounds Sterling, which is the functional currency of the parent company.

At each balance sheet date, monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the consolidated statement of comprehensive income/(loss).

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the "*Statement of Financial Position*";
- income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, the Group recognises in "*other comprehensive income*" the exchange differences arising from the translation of the net investment in foreign entities.

(b) ***Intangible assets***

All intangible assets, except goodwill, are stated at cost less accumulated amortisation and any accumulated impairment losses.

*Goodwill*

Goodwill represents the amount by which the fair value of the cost of a business combination exceeds the fair value of the net assets acquired. Goodwill is not amortised and is stated at cost less any accumulated impairment losses.

The recoverable amount of goodwill is tested for impairment annually or when events or changes in circumstance indicate that it might be impaired. Impairment charges are deducted from the carrying value and recognised immediately in the income statement. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units expected to benefit from the synergies of the combination. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

*Acquisition-related intangible assets*

Net assets acquired as part of a business combination includes an assessment of the fair value of separately identifiable acquisition-related intangible assets, in addition to other assets, liabilities and contingent liabilities purchased. These are amortised on a straight-line basis over their useful lives which are individually assessed. Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite.

The estimated useful lives are as follows:

| | |
|---|---|
| Website | 3-5 years |
| Patents and trademarks | 7 years |
| Internally developed assets | 5 years |
| Brand names | 10-20 years |

(b) ***Property, plant and equipment***

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Group.

Property, plant and equipment are generally depreciated over their estimated useful lives:

| | |
|---|---|
| Office equipment | 3 years on a straight-line basis |
| Computer equipment | 3 years on a straight-line basis |
| Machinery | 7 years on a straight-line basis |
| Furniture, Fixtures and Fittings | 25% on reducing balance |
| Leasehold improvements | Straight line over the lease term |

Property and equipment held under leases are depreciated over the shorter of the lease term and estimated useful life.

(c) ***Impairment of financial assets***

IFRS 9 "Financial Instruments" requires an expected credit loss model to be adopted. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. The credit event does not have to occur before credit losses are recognised.

IFRS 9 "Financial Instruments" allows for a simplified approach for measuring the loss allowance at an amount equal to lifetime expected credit losses for trade receivables and contract assets.

The Group has one type of financial asset subject to the expected credit loss model: trade receivables.

The expected loss rates are based on the Group's historical credit loss experience, adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers.

(d) ***Impairment of non-financial assets***

At each reporting date, the Directors assess whether indications exist that an asset may be impaired. If indications do exist, or when annual impairment testing for an asset is required, the Directors estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value-in-use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the Directors consider the asset impaired and write the subject asset down to its recoverable amount. In assessing value-in-use, the Directors discount the estimated future cash flows to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, the Directors consider recent market transactions, if available. If no such transactions can be identified, the Directors utilise an appropriate valuation model.

When applicable, the Group recognises impairment losses of continuing operations in the "*Consolidated Statement of Comprehensive Income*" in those expense categories consistent with the function of the impaired asset.

(e) ***Right-of-use assets***

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which co'mprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(f) ***Leases***

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:
- leases of low value assets; and
- leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

Extension option:

The property lease contains an extension option exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

(h) ***Taxation***

*Current taxation*

Current income tax assets and liabilities are measured at the amount to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the jurisdictions where the Group operates and generates taxable income.

(h) ***Taxation***

*Deferred taxation*

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the

reporting date and expected to apply when the related deferred tax is realised or the deferred liability is settled.

Deferred tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilised.

(i) ***Revenue from contracts with customers and other income***

The Group's revenue represents the fair value of the consideration received or receivable for the rendering of services and sale of goods, net of value added tax and other similar sales-based taxes, rebates and discounts after eliminating intercompany sales. In particular:

*Sale of goods*

For Distribution and Brand Ownership, revenue includes the sale and distribution of goods. The primary performance obligation is the transfer of goods to the customer. For wholesale revenue (revenue from other businesses), control is transferred when the goods leave the Group's premises. For online revenue, control transfers when the title and risk of loss has passed to the customer, this is when the goods are delivered to the customer, the timing of transfer is dependent on the terms of trade with the online platform. Provision for returns and other allowances are reflected in revenue when revenue from the customer is first recognised. Returns are initially estimated based on historical levels and adjusted subsequently as returns are incurred.

When the Group acts as principal in sale of goods and services, revenue from customers and costs with suppliers are reported on a gross basis. When the Group acts as agent in sale of goods and services, revenue from customer and costs with suppliers are reported on a net basis, representing the net margin earned. Whether the Group is acting as principal or agent depends on management's analysis of both legal form and substance of the agreement between the Group and its business partner.

(j) ***Employee benefits***

*Short-term benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(k) ***Finance income and expenses***

Financing expenses comprise interest payable on lease liabilities, leases recognised in profit or loss using the effective interest method, and net foreign exchange losses that are recognised in the income statement. Financing income comprise interest receivable on cash deposits and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

(l) ***Cash and cash equivalents***

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(m) ***Trade and other receivables***

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(n) ***Inventories***

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first in first out principle and includes expenditure incurred in acquiring the inventories and other costs in bringing them to their existing location and condition.

(o) ***Provisions***

A provision is recognised when the Group has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

(p) ***Contingent liabilities***

Contingent liabilities are possible obligations whose existence depends on the outcome of uncertain future events or present obligations where the outflow of resources is uncertain or cannot be measured reliably. Contingent liabilities are not recognised in the Consolidated Group Financial Information but are disclosed unless they are remote.

(q) ***Merger relief***

The issue of shares by Samarkand Group Limited is accounted for at the fair value of the consideration received. Any excess over the nominal value of the shares issued is credited to the share premium account other than in a business combination where the consideration for shares in another company includes the issue of shares, and on completion of the transaction, Samarkand Holdings has secured at least a 90% equity holding in the other company. In such circumstances the credit is applied to the merger relief reserve.

In the case of the Samarkand Holdings' acquisition of Samarkand Global Limited in 2017, where all of the issued shares were acquired on a share for share basis, then merger relief has been applied to those shares issued in exchange for shares in Samarkand Global Limited.

(r) ***Share-based payment arrangements***

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

Where there are no vesting conditions, the expense and equity reserve arising from share-based payment transactions is recognised in full immediately on grant.

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity.

(s) ***Convertible loan note***

Loan facilities that contain a conversion right are assessed to determine whether the conversion feature meets the fixed-for-fixed conditions for equity classification under IAS 32. If this condition is not met, the conversion right is an embedded derivative that is separated from the host loan and measured at fair value through profit or loss, with the host loan measured at amortised cost using the effective interest method. The fair value of the conversion right is assessed at inception and at each reporting date. Where that fair value is not material, no separate derivative is recognised and the facility is measured in its entirety at amortised cost. Amendments to existing loan facilities are assessed under IFRS 9 to determine whether they constitute a substantial modification. If the present value of the amended cash flows differs by less than 10% from the carrying amount of the original liability, the amendment is treated as a modification with no gain or loss recognised. If the amendment constitutes a substantial modification, the original liability is derecognised and a new liability recognised at fair value. Interest is recognised in profit or loss as it accrues using the effective interest method.

## 4. Significant accounting judgements, estimates and assumptions

The Directors have made the following judgements which may have a significant effect on the amounts recognised in the Consolidated Group financial statements:

**Accounting estimates**

(a) ***Inventory provisions***

Inventory is carried at the lower of cost and net realisable value, on a first in first out principle and includes expenditure incurred in acquiring the inventories and other costs in bringing them to their existing location and condition. A provision is also made to write down any obsolete inventory to the net realisable value. The provision is £109,231 at 31 March 2026 (2025: £457,147) and an overall charge in the consolidated statement of comprehensive income of £166,991 (2025: £144,151)

(b) ***Impairment of intangibles***

IFRS requires the Directors to undertake an annual test for impairment of indefinite lived assets and, for finite lived assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment testing is an area involving judgement in determining estimates, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- growth in EBITDA, calculated as adjusted operating profit before depreciation and amortisation;
- the level of capital expenditure to support long-term growth; and
- the selection of discount rates to reflect the risks involved.

(b) ***Impairment of intangibles (continued)***

The Directors prepare and approve cash flow projections which are used in the fair value calculations.

Whilst the Directors consider their assumptions to be realistic, the Group's impairment evaluation is highly sensitive to the actual results and factors outside the control of the Directors, including the ability of the Group to secure sufficient funding to be able to fulfil the financial projections and continue as a going concern, and if those differ from the expectations of the Group's impairment could be affected. In addition, the use of different estimates, assumptions and judgements, in particular those involved in a) determining a value base on our current expectations of future conditions and associated cashflows from the Group's operation b) our determination level at which the Group assets can be reasonably tested for impairment separately from other parts of the business and c) our treatment of centrally held assets, could each result in material differences in the carrying values of assets and assessments of impairment.

(c) ***Convertible loan note***

In In September 2025, the Group entered into convertible loan facilities with Global Smollan Holdings and the Executive Directors. The Directors have exercised judgement in determining the appropriate accounting treatment for these instruments under IAS 32 and IFRS 9.

The conversion price under both facilities depends on future events, including any fundraising valuation in the preceding twelve months, so the number of shares issuable on conversion is not fixed. The conversion rights therefore do not meet the fixed-for-fixed conditions for equity classification under IAS 32 and are embedded derivatives measured at fair value through profit or loss. The Directors have estimated that the fair value of the conversion rights at 31 March 2026 is not material. Accordingly, no separate derivative has been recognised and both facilities are measured in their entirety at amortised cost.

The amendment to the Smollan loan note has been assessed as a modification rather than a substantial modification under IFRS 9, as the present value of the amended cash flows differs by less than 10% from the carrying amount of the original liability. No gain or loss has been recognised on amendment.

The use of different assumptions in respect of these judgements could result in materially different conclusions being reached.

**Accounting judgement**

(b) ***Right-of-use assets***

At the commencement of a lease, an initial assessment is made as to whether or not it is likely that a renewal option will be exercised and therefore the lease term is determined at this point.

Judgement as to the likely lease term has a direct impact on the calculation of right-of-use assets and lease liabilities as well as related depreciation and finance expenses. The Directors have determined that the Group will not extend its lease on the current terms.

In addition to the lease term, judgement is applied to the interest rate if the rate is not implicit in the lease, the Group's incremental borrowing rate is applied and will have direct impact on the calculation of right-of-use assets and lease liabilities.

(c) **Discontinued operations**

Management has exercised judgement in determining which operations meet the criteria for classification as discontinued under IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations. This involves assessing whether a component of the Group represents a separate major line of business or geographical area of operations, has been disposed of or is classified as held for sale, and whether the disposal has a significant impact on the Group's operations and financial results. In the prior year, the Group ceased its operations in China, including the distribution of third-party brands and all services delivered under the Checkout product. As a result, the associated assets, liabilities, income and expenses were classified as discontinued operations and separately presented in the consolidated income statement.

The determination of which items relate to discontinued operations requires judgement, particularly in the allocation of overheads, shared services, and centrally incurred costs. Management has applied a consistent methodology in separating continuing and discontinued activities, ensuring the results presented reflect the performance of the ongoing business.

## 5. Subsidiaries

Details of the Group's subsidiaries as at 31 March 2026 are as follows:

| *Company* | *Country of registration or incorporation* | *Registered office* | *Principal activity* | *Percentage of ordinary shares held* |
|---|---|---|---|---|
| Samarkand Holdings Limited | England & Wales | Unit 13 Trade Park, Ingot Way, Tonbridge, England, TN9 1GN | Holding company | 100% |
| Forever Young International Limited | England & Wales | As above | UK & European distribution | 100%* |
| Samarkand Global Limited | England & Wales | As above | eCommerce provider | 100%* |
| Zita West Products Limited | England & Wales | As above | UK distribution | 100%* |
| Optimised Energetics Limited | England & Wales | As above | UK distribution and manufacturing | 100%* |
| Napiers 1860 Group Limited | Scotland | 18 Bristo Place, Edinburgh, Scotland, EH1 1EZ | UK distribution | 100%* |
| The Edinburgh Herbal Dispensary Limited | Scotland | As above | UK distribution | 100%* |
| Duncan Napier Limited | Scotland | As above | UK distribution | 100%* |
| Samarkand Global HK Limited | Hong Kong (SAR), China | Unit 1003, 10/F., Tower 2 Silvercord, 30 Canton Rd, Tsim Sha Tsui, Hong Kong | Sale of goods into Hong Kong | 100%* |
| Samarkand USA INC | USA | 30 N Gould St, N Sheridan, Wyoming, USA | US Distribution | 100%* |

* held indirectly

## 6. Discontinued operations

During the year ended 31 March 2024, the Group made the decision to stop supporting the Nomad Checkout product, as a result of the evolving eCommerce Market in China, reduce the number of brands it works with, to focus on a select number of high potential clients, and on its owned brands.

During the year ending 31 March 2025, the combination of falling demand and unfavourable market conditions led the Group to discontinue all of its operations in China and cease the distribution of third-party brands into China. The Group will, however, continue to make its owned brands available in China through independent distribution partners. The results of the discontinued operations are presented as a single line in the Consolidated Statement of Income in accordance with IFRS.

The analysis between continuing and discontinued operations is as follows:

## 6. Discontinued operations (continued)

| For the year ended 31 March 2026 | Continuing Operations £ | Discontinued Operations £ | Total £ |
|---|---|---|---|
| **Revenue** | 8,760,921 | 143,980 | 8,904,901 |
| Cost of sales | (2,292,439) | (63,402) | (2,355,841) |
| **Gross profit** | 6,468,482 | 80,578 | 6,549,060 |
| Selling and distribution expenses | (2,698,640) | (12,219) | (2,710,859) |
| Administrative expenses | (3,273,036) | (84,305) | (3,357,341) |
| **Adjusted EBITDA** | **463,533** | **33,879** | **497,412** |
| Share-based payment | (46,716) | - | (46,716) |
| Adjusting items - other | 79,989 | (49,825) | 30,164 |
| **EBITDA** | **496,806** | **(15,946)** | **480,860** |
| Depreciation and amortisation | (380,790) | - | (380,790) |
| **Operating profit/(loss)** | **116,016** | **(15,946)** | **100,070** |
| Finance income | 5,464 | - | 5,464 |
| Finance costs | (247,896) | - | (247,896) |
| **Profit/(loss) before taxation** | **(126,416)** | **(15,946)** | **(142,362)** |
| Taxation | 25,154 | - | 25,154 |
| **Profit/(loss) after taxation** | **(101,262)** | **(15,946)** | **(117,208)** |
| Cash inflows from operating activities | 104,856 | 208,643 | 313,499 |
| Cash outflows from investing activities | (106,052) | - | (106,052) |
| Cash outflows from financing activities | (291,539) | - | (291,539) |

| For the year ended 31 March 2025 | Continuing Operations £ | Discontinued Operations £ | Total £ |
|---|---|---|---|
| **Revenue** | 8,761,855 | 2,410,928 | 11,172,783 |
| Cost of sales | (2,598,009) | (1,552,955) | (4,150,964) |
| **Gross profit** | 6,163,846 | 857,973 | 7,021,819 |
| Selling and distribution expenses | (2,715,323) | (699,137) | (3,414,460) |
| Administrative expenses | (2,423,996) | (1,117,515) | (3,541,511) |
| **Adjusted EBITDA** | **(170,776)** | **(722,896)** | **(893,672)** |
| Share-based payment and reversal | 146,479 | - | 146,479 |
| Adjusting items - impairment | (46,377) | - | (46,377) |
| Adjusting items - other | 1,095,201 | (235,783) | 859,418 |
| **EBITDA** | **1,024,527** | **(958,679)** | **65,848** |
| Depreciation and amortisation | (369,596) | (7,762) | (377,358) |
| **Operating profit/(loss)** | **654,931** | **(966,441)** | **(311,510)** |
| Finance income | 7,165 | - | 7,165 |
| Finance costs | (202,909) | (33,426) | (236,335) |
| **Profit/(loss) before taxation** | **459,187** | **(999,867)** | **(540,680)** |
| Taxation | 21,027 | (29,967) | (8,940) |
| **Profit/(loss) after taxation** | **480,214** | **(1,029,834)** | **(549,620)** |
| Cash inflows/(outflows) from operating activities | 393,250 | (1,257,632) | (864,382) |
| Cash inflows from investing activities | 808,868 | - | 808,868 |
| Cash inflows from financing activities | 12,294 | - | 12,294 |

## 7. Revenue from contracts with customers

Disaggregation of revenue from contracts with customers from continuing operations:

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| **Revenue analysed by class of business:** | **£** | **£** |
| Brand ownership | 7,784,827 | 7,895,579 |
| Distribution | 974,990 | 823,429 |
| Other | 1,104 | 42,847 |
| **Total revenue** | 8,760,921 | 8,761,855 |
| | | |
| **Cost of sales by business unit:** | | |
| Brand ownership | 1,841,434 | 2,241,040 |
| Distribution | 451,005 | 356,969 |
| Other | - | - |
| **Total costs of sale** | 2,292,439 | 2,598,009 |

## 8. Revenue by geographical destination

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| **Revenue by geographical destination:** | **£** | **£** |
| UK | 7,796,691 | 6,339,298 |
| China | 414,310 | 1,909,207 |
| Rest of the world | 549,920 | 513,350 |
| **Total revenue** | 8,760,921 | 8,761,855 |

## 9. Administrative expenses

An analysis of the Group's expenses by nature is as follows:

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| **Administrative expenses:** | **£** | **£** |
| Property costs | 168,880 | 170,214 |
| Staff costs | 2,423,967 | 2,589,115 |
| Professional fees | 336,239 | 427,403 |
| Other | 377,223 | 432,567 |
| Share based payment | 46,716 | (146,479) |
| *Adjusting items:* | | |
| Disposal of Brand Asset | 7,462 | (1,063,127) |
| Disposal of Subsidiary | (66,147) | - |
| Adjustment of deferred consideration | - | (194,439) |
| Impairment loss | - | 46,377 |
| Restructuring costs | (21,304) | 162,365 |
| **Total administrative expenses** | 3,273,036 | 2,423,996 |

## 10. Staff costs

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| **Aggregate staff costs (including directors)** | | |
| Wages and salaries (including bonuses) | 2,127,322 | 3,046,746 |
| Social security and other payroll taxes | 236,109 | 297,704 |
| Pension costs | 41,402 | 63,492 |
| Share based payment charge/(credit) | 46,716 | (146,479) |
| Other | 31,472 | 46,612 |
| **Total staff costs*** | **2,483,021** | **3,308,075** |
| Less: Discontinued Operations | (12,338) | (651,371) |
| **Total staff costs from continuing operations** | **2,470,683** | **2,656,704** |

*Staff costs include £nil (2025: £214,068) of restructuring costs

| | | |
|---|---|---|
| **Average number of employees** | | |
| Management | 4 | 6 |
| Sales operations | 42 | 41 |
| Finance and administration | 2 | 4 |
| **Total continuing operations** | **48** | **51** |
| **Discontinued operations** | - | 16 |
| **Total** | **48** | **67** |

**Remuneration of key management personnel**

Key Management personnel of the Group comprise the Directors of Samarkand Group Limited and other senior members of staff. The emoluments and benefits of Key Management personnel were as follows:

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| Short-term employee benefits | 507,019 | 801,376 |
| Post-employment benefits | 14,483 | 23,605 |
| Share based payment* | 27,106 | (98,548) |
| Termination benefit | - | 87,599 |
| **Total remuneration** | 548,608 | 814,032 |
| **Less: Discontinued operations** | - | (226,093) |
| **Total remuneration from continuing operations** | 548,608 | 587,939 |

*Includes the reversal of cumulative charges recognised in the prior years amounting to £nil (2025: £220,284). This relates to the lapse of share options as a result of vesting conditions not being met.

Disclosure of Directors' Remuneration and details of the highest paid Director is provided in the Directors' Report.

## 11. Auditors' remuneration

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| Fees payable to the Company's auditor: | | |
| **For audit services** | | |
| Audit of the financial statements of the Group | 72,500 | 130,000 |

## 12. Earnings/(loss) per share

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| Basic earnings/(loss) per share | | |
| - From continuing operations | (0.52) pence | 0.82 pence |
| - From discontinued operations | (0.03) pence | (1.72) pence |
| | (0.55) pence | (0.90) pence |
| Diluted earnings/(loss) per share | | |
| - From continuing operations | (0.52) pence | 0.78 pence |
| - From discontinued operations | (0.03) pence | (1.72) pence |
| | (0.55) pence | (0.94) pence |
| Weighted average number of shares | | |
| - Basic | 58,358,201 | 58,358,201 |
| - Diluted | 61,502,365 | 61,502,365 |

Basic loss per share is calculated by dividing the loss after tax attributable to the equity holders of Samarkand Group Limited by weighted average number of shares in issue. For diluted loss per share, the weighted average number of shares in issue is adjusted to assume conversion of dilutive potential ordinary shares. The Group's potentially dilutive securities consist of share options and warrants. The Group's potentially dilutive instruments are share options, warrants and the convertible loan facilities with Global Smollan Holdings (Note 23) and the Executive Directors (Note 26). The Group made a loss from continuing operations for the year ended 31 March 2026. All potential ordinary shares are therefore anti-dilutive and have been excluded from the calculation of diluted loss per share, so diluted loss per share equals basic loss per share. The convertible loan facilities could potentially dilute basic earnings per share in future periods.

## 13. Taxation

### i) Tax expense

The components of the provision for taxation on income included in the "*Statement of Profit or Loss and Other Comprehensive Income*" for the periods presented are summarised below:

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| **Current tax** | £ | £ |
| UK corporate income tax expense/(credit) | 4,581 | 29,967 |
| **Deferred tax** | | |
| UK deferred tax credit | (29,735) | (21,027) |
| **Total income tax credit** | (25,154) | 8,940 |

The differences between the statutory income tax rate and the effective tax rates are summarised as follows:

i) **Tax expense (continued)**

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| Loss before income taxes | (142,362) | (540,680) |
| Expected tax at statutory UK corporation tax rate of 25% (2025: 25%) | (35,591) | (135,170) |
| *Increase/(decrease) in tax resulting from:* | | |
| Effect of different tax rates in foreign jurisdictions | 35,227 | 25,155 |
| Research and development tax credits | - | 29,967 |
| Tax losses carried forward | 55,009 | 462,869 |
| Over provision in previous periods | (85,944) | (549,969) |
| Movement in deferred tax | (32,579) | (31,173) |
| Non-deductible expenditure | 38,724 | 207,261 |
| | (25,154) | 8,940 |

**ii) Deferred tax**

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences that arise when the carrying value of assets and liabilities differs between accounting and tax treatments. Deferred tax assets represent the amounts of income taxes recoverable in the future in respect of those differences, while deferred tax liabilities represent the amounts of income taxes payable in the future in respect of those differences.

The deferred tax is made up of:

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| Deferred tax on leases (IFRS 16) | 149,290 | 192,573 |
| **Total deferred tax asset** | **149,290** | **192,573** |
| Accelerated capital allowances | (47,949) | (13,870) |
| Deferred tax on acquired intangible assets | (289,378) | (351,386) |
| Deferred tax on leases (IFRS 16) | (135,774) | (178,661) |
| **Total deferred tax liability** | **(473,101)** | **(543,917)** |
| **Net deferred tax liability** | **(323,811)** | **(351,344)** |

The following are the major deferred tax liabilities recognised by the Group and any movements thereon:

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| Accelerated capital allowances | (337,327) | (365,256) |
| Net deferred tax on leases (IFRS 16) | 13,516 | 13,912 |
| **Total** | (323,811) | (351,344) |

The Group had £13,317,390 (2025: £13,563,258 ) of tax losses available to be carried forward against future profits. During the year, tax losses of £465,900 were permanently derecognised following the disposal of a subsidiary.

## 14. Intangible assets

| | Development costs | Trademarks | Brands | Goodwill | Website | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Cost** | | | | | | |
| At 1 April 2024 | 3,587,428 | 64,988 | 2,024,175 | 2,813,283 | 69,350 | 8,559,224 |
| Additions | - | 8,743 | - | - | - | 8,743 |
| Disposal | - | (6,454) | - | - | - | (6,454) |
| Acquired through business combination | - | - | 269,819 | 864,492 | - | 1,134,311 |
| At 31 March 2025 | 3,587,428 | 67,277 | 2,293,994 | 3,677,775 | 69,350 | 9,695,824 |
| Disposal of Subsidiary | - | (3,147) | (32,876) | (35,218) | - | (71,241) |
| At 31 March 2026 | 3,587,428 | 64,130 | 2,261,118 | 3,642,557 | 69,350 | 9,624,583 |
| **Amortisation** | | | | | | |
| At 1 April 2024 | 3,587,428 | 28,225 | 308,130 | 10,236 | 39,544 | 3,973,563 |
| Impairment | - | 1,397 | 19,998 | 24,982 | - | 46,377 |
| Disposal | - | (4,531) | - | - | - | (4,531) |
| Charge for the year | - | 6,639 | 138,453 | - | 8,546 | 153,638 |
| At 31 March 2025 | 3,587,428 | 31,730 | 466,581 | 35,218 | 48,090 | 4,169,047 |
| Charge for the year | - | 7,215 | 139,662 | - | 5,503 | 152,380 |
| Disposal | - | (3,260) | (32,876) | (35,218) | - | (71,354) |
| Impairment | - | - | - | - | - | - |
| At 31 March 2026 | 3,587,428 | 35,685 | 573,367 | - | 53,593 | 4,250,073 |
| **Net book value** | | | | | | |
| At 31 March 2026 | - | 28,445 | 1,687,751 | 3,642,557 | 15,757 | 5,374,510 |
| At 31 March 2025 | - | 35,547 | 1,827,413 | 3,642,557 | 21,260 | 5,526,777 |

**14. Intangible assets (continued)**

**Impairment of intangible assets**

At each reporting date, the Directors assess whether indications exist that an asset may be impaired. If indications do exist, the Directors estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's fair value less costs to sell and its value-in-use. Management have assessed that there are 2 cash generating units, these include Brand Ownership and Distribution. Brand Ownership includes the sale of our owned branded products through retailers, online and other marketplaces across the UK, China and ROW. Distribution includes the sale of third-party brands to UK and European retailers.

Management have performed an impairment review as required by IAS 36. Having considered the current and forecast performance of both cash-generating units, Management has concluded that no impairment is indicated in respect of any of the Group's assets for the year ended 31 March 2026.

**15. Property, plant and equipment**

| | Office equipment | Computer equipment | Leasehold improve-ments | Machi-nery | Furniture, Fixtures & Fittings | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Cost** | | | | | | |
| At 1 April 2024 | 115,749 | 131,189 | 13,036 | - | - | 259,974 |
| Additions | 16,846 | 2,340 | 30,080 | 50,291 | 4,830 | 104,387 |
| Acquired through business combination | 10,557 | - | 5,935 | 138,186 | 20,310 | 174,988 |
| Disposal | (760) | (54,578) | - | - | - | (55,338) |
| Foreign exchange | (21) | (912) | - | - | - | (933) |
| At 31 March 2025 | 142,371 | 78,039 | 49,051 | 188,477 | 25,140 | 483,078 |
| Additions | 51,655 | 10,459 | 2,852 | 10,870 | 5,119 | 80,955 |
| Disposal | (14,738) | (62,780) | - | - | - | (77,518) |
| At 31 March 2026 | 179,288 | 25,718 | 51,903 | 199,347 | 30,259 | 486,515 |
| **Depreciation** | | | | | | |
| At 1 April 2024 | 53,993 | 118,927 | 9,962 | - | - | 182,882 |
| Charge for the year | 20,596 | 9,895 | 6,298 | 17,280 | 1,999 | 56,068 |
| Acquired through business combination | 6,356 | - | 4,760 | 48,851 | 14,558 | 74,525 |
| Disposal | (760) | (52,905) | - | - | - | (53,665) |
| Foreign exchange | (21) | (1,417) | - | - | - | (1,438) |
| At 31 March 2025 | 80,164 | 74,500 | 21,020 | 66,131 | 16,557 | 258,372 |
| Charge for the year | 24,934 | 3,401 | 6,856 | 18,872 | 2,800 | 56,863 |
| Disposal | (14,464) | (62,748) | - | - | - | (77,212) |
| At 31 March 2026 | 90,634 | 15,153 | 27,876 | 85,003 | 19,357 | 238,023 |
| **Net book value** | | | | | | |
| At 31 March 2026 | 88,654 | 10,565 | 24,027 | 114,344 | 10,902 | 248,492 |
| At 31 March 2025 | 62,207 | 3,539 | 28,031 | 122,346 | 8,583 | 224,706 |

## 16. Right-of-use assets

| | Land and buildings £ |
|---|---|
| **Cost** | |
| At 1 April 2024 | 788,057 |
| Additions | 193,669 |
| At 31 March 2025 | 981,726 |
| Additions | - |
| At 31 March 2026 | 981,726 |
| | |
| **Depreciation** | |
| At 1 April 2024 | 99,429 |
| Charge for the year | 167,652 |
| At 31 March 2025 | 267,081 |
| Charge for the year | 171,547 |
| At 31 March 2026 | 438,628 |
| | |
| **Net book value** | |
| At 31 March 2026 | 543,098 |
| At 31 March 2025 | 714,645 |

The Group leases land and buildings for its offices and warehouses under agreements of between five to ten years with, in some cases, options to extend and break clauses. The leases have initial rent-free periods and 5 yearly upward only rent reviews. No extension to these leases has been assumed, the impact is not considered material to users of the financial statements.

Future minimum lease payments associated with the land and building leases were as follows:

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| Not later than one year | 214,490 | 225,740 |
| Later than one year and not later than two years | 195,740 | 214,490 |
| Later than two years and not later than five years | 235,488 | 415,228 |
| Over five years | 46,667 | 62,667 |
| **Total minimum lease payments** | **692,385** | **918,125** |
| | | |
| Less: future finance charges | (95,225) | (147,832) |
| **Present value of future lease payments** | **597,160** | **770,293** |
| | | |
| Current | 175,134 | 173,133 |
| Non-current | 422,026 | 597,160 |
| **Total lease liabilities** | **597,160** | **770,293** |

**16. Right-of-use assets – Group (continued)**

Impact of IFRS 16 "Leases" on the statement of comprehensive income

The following tables summarises the effect of IFRS 16 "Leases" on the Group's profit/loss before tax for each period presented:

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| **From continuing operations:** | **£** | **£** |
| Loss before tax excluding lease charges | 115,731 | 751,585 |
| Lease payments under short-term and low value assets | (17,993) | (60,278) |
| Depreciation of right of use assets | (171,547) | (167,652) |
| Lease finance expense | (52,607) | (64,468) |
| **Loss before tax and after lease charges** | (126,416) | 459,187 |

**17. Inventories**

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| | **£** | **£** |
| Raw materials and consumables | 341,164 | 234,713 |
| Finished goods | 1,026,441 | 1,483,060 |
| Provision for obsolescence | (109,231) | (457,147) |
| **Total inventories** | 1,258,374 | 1,260,626 |
| | | |
| **Cost of inventory recognised in profit and loss** | | |
| From continuing operations | 2,292,439 | 2,598,009 |
| From discontinued operations | 63,402 | 1,552,955 |
| | 2,355,841 | 4,150,964 |

**18. Trade receivables**

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| | **£** | **£** |
| Trade receivables | 393,671 | 630,596 |
| Provision for expected credit loss | (27,355) | (48,062) |
| **Total trade receivables** | 366,316 | 582,534 |

At 31 March 2026, the ageing of the trade receivables was as follows:

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| | **£** | **£** |
| Not due | 318,049 | 487,676 |
| 0 to 3 months overdue | 52,368 | 90,605 |
| Over 3 months overdue | 23,254 | 52,315 |
| **Total trade receivables** | 393,671 | 630,596 |

## 18. Trade receivables (continued)

Trade receivables are current and the Directors believe these receivables are collectible. The Directors consistently assess the collectability of these receivables. As at 31 March 2026, the Directors considered a portion of these receivables uncollectable and recorded a provision in the amount of £27,355 (2025: £48,062).

The provision for expected loss rates are based on the Group's historical credit loss experience, client based and the economic conditions.

Both historic losses and expected future losses being very low, the Directors consider it appropriate to apply a single average rate for expected credit losses to the overall population of trade receivables. The single expected rate applied is 6.9% (31 March 2025: 7.6%). The Directors have identified the gross domestic product growth rates as the key macroeconomic factors in the countries in which the Group operates.

## 19. Other receivables and prepayments

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| Accrued income | 37,497 | 33,545 |
| Prepayments | 419,513 | 403,998 |
| Other receivables | 34,665 | 365,687 |
| **Total other receivables and prepayments** | 491,675 | 803,230 |

## 20. Share capital and merger relief reserve

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| Allotted, issued and fully paid: | | |
| 58,358,201 (2025: 58,358,201) ordinary shares of 1p each | 583,582 | 583,582 |

| Ordinary shares issued: | Number of shares No. | Share capital £ |
|---|---|---|
| At 31 March 2024, 2025 and 2026 | 58,358,201 | 583,582 |

Shareholders are entitled to receive dividends as declared from time to time and are entitled to one vote per ordinary share at meetings of Samarkand Group Limited.

***Share premium***

The share premium account represents the amount received by the company for shares issued in excess of their nominal value.

***Merger relief reserve***

The merger relief reserve arises from the issue of shares by Samarkand Group Limited in exchange for shares in Samarkand Holdings Limited.

## 21. Share based payments

***Samarkand Long Term Incentive Plan***

On the 1 April 2022, the Company adopted the Samarkand Long Term Incentive Plan to allow at the discretion of the Board, eligible employees to be granted EMI and non-EMI options at an exercise price to be determined by the Board not less than the nominal value of a share. Options will vest to time based and, if applicable financial and non-financial targets, as the Board may determine.

Options to acquire ordinary shares under the EMI plan may be granted up to a maximum of £3m (based on the market value of the shares placed under option at the date of the grant). No consideration is payable for the grant of the option and the options are not transferable or assignable. Cash consideration is paid to the Company by the employee at the point that the share options are exercised.

4,829,159 share options were granted to certain employees as follows.

| **Grant Date** | **1 April 2022** | **1 April 2022** | **1 April 2022** | **1 November 2022** | **13 August 2024** |
|---|---|---|---|---|---|
| Type | EMI | Unapproved | EMI | EMI | EMI |
| No of Options | 493,338 | 68,890 | 87,295 | 1,007,547 | 3,172,089 |
| Vesting Date | 1 April 2025 | 1 April 2025 | 1 April 2023 | 1 November 2025 | 13 August 2025 |
| Model Used | Black Scholes | Black Scholes | Black Scholes | Black Scholes | Black Scholes |
| Share price at date of grant | £1.125 | £1.125 | £1.125 | £0.55 | £0.04 |
| Additional conditions | Yes | Yes | N/A | N/A | N/A |
| Volatility | 35% | 35% | 35% | 38% | 78% |
| Expected option life (years) | 3 | 3 | 1 | 3 | 1 |
| Dividend yield | N/A | N/A | N/A | N/A | N/A |
| Risk free investment rate | 3.57% | 3.57% | 3.57% | 3.57% | 4.31% |
| Fair value per option at grant date | £1.116 | £1.116 | £1.1154 | £0.52 | £0.03 |
| Exercise price | £0.01 | £0.01 | £0.01 | £0.01 | £0.01 |
| Exercisable to | 1 April 2032 | 1 April 2032 | 1 April 2032 | 1 November 2032 | 13 August 2034 |

## 21. Share based payments (continued)

***EMI share option scheme***

As part of its strategy for executive and key employee remuneration, Samarkand Holdings established an Approved Enterprise Management Incentive ("EMI") Share Option Scheme on 20 October 2020 under which share options may be granted to officers and employees or members of the Group. Under the rules of the Share Option Scheme, Samarkand Holdings may grant EMI options to recruit or retain an eligible employee.

There are overall and individual limits on the total market value (at the relevant dates of grant) of the shares in Samarkand Holdings that can be acquired on the exercise of all EMI Options. The earliest date on which an option may be exercised shall be the earlier of: (i) the Business Day immediately following the 18-month anniversary of the Grant Date; and (ii) the date on which an exit occurs (the vesting date). The Option shall lapse on the tenth anniversary of the Grant Date, assuming it is not exercised before then and no event occurs to cause it to lapse earlier under the Rules. The exercise of option is not subject to any exercise conditions. Options over 16,964 shares were granted on 20 November 2020.

***Unapproved share option scheme***

On 20 October 2020, Samarkand Holdings adopted an unapproved share option scheme whereby Samarkand Holdings granted options to its employees. The maximum number of shares over which options that may be granted under the scheme is 11,044. Options over 10,335 shares were granted on 3 December 2020. Following the share for share exchange in March 2021, Samarkand Group Limited had the following share options outstanding as at the year-end.

| | Weighted average exercise price (pence) | Number |
|---|---|---|
| Outstanding at 1 April 2024 | 9.86 | 406,769 |
| Forfeited | 9.86 | (70,400) |
| Outstanding at 31 March 2025 and 2026 | 9.86 | 336,369 |

***Samarkand Preliminary Award***

Under the terms of the Samarkand Preliminary Award, certain Executive Directors and members of management were granted awards the base value is calculated as a fixed multiple of salary and will only vest when the related non-financial and financial performance targets are met.

The following table illustrates the number and weighted average exercise price of share options:

| | **Number** | **Weighted average exercise price** |
|---|---|---|
| **Outstanding at 1 April 2023** | **2,097,287** | **£0.0294** |
| Forfeited | (678,889) | £0.0169 |
| **Number of options outstanding at 31 March 2024** | **1,418,398** | **£0.0354** |
| Granted | 3,172,089 | £0.01 |
| Forfeited | (1,109,954) | £0.0156 |
| **Number of options outstanding at 31 March 2025** | **3,480,533** | **£0.0186** |
| **Exercisable at 31 March 2025** | **373,793** | **£0.0897** |
| **Exercisable at 31 March 2026** | **373,793** | **£0.0186** |

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

Options to subscribe under various schemes, including those noted in Directors' interests on page 11, are shown in the table below:

| | Date granted | Exercise Price | Exercisable Between | 2026 Number of Share Options | 2025 Number of Share Options |
|---|---|---|---|---|---|
| Unapproved | 3 Dec 2020 | £0.0986 | 20 Nov 2020 to 20 Nov 2030 | 336,369 | 336,369 |
| Approved | 1 Apr 2022 | £0.01 | 1 Apr 2023 to 1 Apr 2032 | 37,424 | 37,424 |
| Approved | 1 Nov 2022 | £0.01 | 1 Nov 2025 to 1 Nov 2032 | 234,651 | 234,651 |
| Approved | 13 Aug 2024 | £0.01 | 13 Aug 2025 to 13 Aug 2034 | 2,872,089 | 2,872,089 |
| | | | | **3,480,533** | **3,480,533** |

**22. Other reserves**

***Currency translation reserve***

The currency translation reserve represents cumulative foreign exchange differences arising from the translation of the financial statements of subsidiaries with a functional currency that differs to the Group's presentation currency.

**23. Borrowings**

The Group's borrowings consist of:

- Fixed rate secured loan notes which incur interest at 5% per annum;
- Convertible loan note which incur interest at 3% per annum above the Bank of England base rate
- Unsecured bank loans which incur interest at 2.5% and 5.0% per annum
- Other loans which incur interest at between nil and 23% per annum; and

The following table provides a reconciliation of the Group's future maturities of its total borrowings for each of the periods presented:

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| Not later than one year: | | |
| Fixed rate secured loan notes (a) | - | 1,436,339 |
| Bank loans (c) | 2,500 | 91,165 |
| Other loans (d) | 468,420 | 298,791 |
| **Current** | 470,920 | 1,826,295 |
| | | |
| Payable after one year but less than five years: | | |
| Convertible loan note (b) | 1,471,519 | - |
| Bank loans (c) | - | 2,500 |
| Other loans (d) | 40,671 | 58,348 |
| **Non-current** | 1,512,190 | 60,848 |
| **Total borrowings** | 1,983,110 | 1,887,143 |

## 23. Borrowings (continued)

### (a) Fixed rate secured loan notes

On 24 September 2020, Samarkand Holdings executed a Non-convertible Loan Note Instrument for up to £1,146,300. The maturity date on which the principal amount was due to be redeemed is 24 September 2025, or, if earlier, the date on which the Notes are redeemed. The redemption value is the par value of such Notes. Interest is fixed at 5% per annum.

The Notes are secured by way of: i) a debenture from Samarkand Holdings in favour of Global Smollan Holdings ("Smollan") dated 26 July 2019; and ii) a deed of priority amongst Samarkand Holdings, Smollan and HSBC Bank plc dated 26 July 2019.

### (b) Convertible loan note

On 23 September 2025, the Group entered into a convertible loan facility agreement with Global Smollan Holdings ("Smollan"), replacing the fixed rate secured loan notes which matured on 24 September 2025. The repayment date under the new facility is 25 May 2027. Interest accrues at 3% per annum above the Bank of England base rate and is being serviced by the Company from September 2025. If the loan and accrued interest are not repaid in full by the repayment date, Smollan will have the option to convert the outstanding balance into equity in accordance with the terms of the facility agreement.

The facility remains secured by way of: i) a debenture from Samarkand Holdings in favour of Smollan dated 26 July 2019; and ii) a deed of priority amongst Samarkand Holdings, Smollan and HSBC Bank plc dated 26 July 2019.

### (c) Bank loans

On 21 October 2020, Forever Young International Limited entered in a loan from Funding Circle under the Coronavirus Business Interruption Loans Scheme ("CBILS") for a principal sum of £200,000. The loan is guaranteed by the UK Government. The loan incurs interest at a fixed rate of 5.0% and is repayable over five years. No capital repayments are due for the first 12 months following the loan advance. Thereafter the loan is repayable in 48 monthly instalments.

On the 14 June 2020, The Edinburgh Herbal Dispensary Limited received a Bounce Back Loan from Bank of Scotland for a principal sum of £25,000. The loan is guaranteed by the UK Government. The loan incurs a fixed rate of 2.5% and is repayable over six years. No capital repayments are due for the first 12 months following the loan advance. Thereafter the loan is repayable in 60 monthly instalments.

On the 8 May 2020, Optimised Energetics Limited received a Bounce Back Loan from Barclays for a principal sum of £50,000. The loan is guaranteed by the UK Government. The loan incurs a fixed rate of 2.5% and is repayable over six years. No capital repayments are due for the first 12 months following the loan advance. Thereafter the loan is repayable in 60 monthly instalments.

## 23. Borrowings (continued)

### (d) Other Loans

During the year, The Edinburgh Herbal Dispensary Limited entered into a further working capital loan facility with Shopify for a principal amount of £426,000. The loan carries a fixed interest rate of 11.8% and is repaid at a rate of 12% of each sales payment received through the Shopify platform.

In addition, the Group utilises an invoice discounting facility to support working capital requirements, and asset finance loans to acquire machinery and other capital assets.

The following table represents the Group's finance costs for each of the periods presented:

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| Interest on borrowings | 144,310 | 118,586 |
| Interest on payables | 17,297 | 12,139 |
| Right-of-use lease finance expenses | 52,607 | 64,468 |
| Bank charges | 15,587 | 17,415 |
| Foreign exchange | 18,095 | 23,727 |
| **Total finance costs** | 247,896 | 236,335 |
| Less: Discontinued operations | - | (33,426) |
| **Total finance costs from continuing operations** | 247,896 | 202,909 |

## 24. Fair value of financial instruments

(a) ***Fair value***

The fair value of an asset or liability is the price that would be received to sell that asset or paid to transfer that liability in an orderly transaction occurring in the principal market (or most advantageous market in the absence of a principal market) for such asset or liability. In estimating fair value, the directors utilise valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. Such valuation techniques are consistently applied.

Inputs to valuation techniques include the assumptions that market participants would use in pricing an asset or liability. IFRS 13 "*Fair Value Measurement*" establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is defined as follows:

Level 1: Inputs are unadjusted, quoted prices in active markets for identical assets at the measurement date.

**24. Fair value of financial instruments (continued)**

Level 2: Inputs (other than quoted prices included in Level 1) can include the following:

- observable prices in active markets for similar assets;
- prices for identical assets in markets that are not active;
- directly observable market inputs for substantially the full term of the asset; and
- market inputs that are not directly observable but are derived from or corroborated by observable market data.

Level 3: Unobservable inputs which reflect the Directors' best estimates of what market participants would use in pricing the asset at the measurement date.

Level 2 fair value measurements are those including inputs other than quoted prices included within Level 1 that are observable for the asset or liability directly or indirectly

As at 31 March 2026 and 31 March 2025 there are no financial instruments measured at fair value. The conversion rights in the Group's convertible loan facilities are embedded derivatives, but their fair value at 31 March 2026 is not material and no separate derivative has been recognised (see Note 3(c)).

*(b)* ***Financial Instruments***

For trade receivables, the Group applies the simplified approach permitted by IFRS 9 "*Financial Instruments*", which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities are initially measured at fair value and subsequently measured at amortised cost.

The Group is not a financial institution. The Group does not apply hedge accounting and its customers are considered creditworthy and pay consistently within agreed payments terms.

A classification of the Group's financial instruments for the periods presented is included in the table below:

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| Cash and cash equivalents held at amortised cost | 736,679 | 820,427 |
| Trade receivables held at amortised cost | 366,316 | 582,534 |
| Financial assets at amortised cost | 33,761 | 298,943 |
| **Total** | 1,136,756 | 1,701,904 |
| | | |
| Financial liabilities at amortised cost | (2,144,429) | (2,654,271) |
| Borrowings and leases | (2,580,270) | (2,657,436) |
| | (4,724,699) | (5,311,707) |
| **Total** | (3,587,943) | (3,609,803) |

## 25. Financial risk management

For the purposes of capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of Samarkand Group Limited. The primary objective of Samarkand Group Limited's capital management is to ensure that the Group maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

To maintain or adjust the capital structure, the Directors may adjust any future dividend payments to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the periods presented.

The Directors manage Samarkand Group Limited's capital structure and adjust it, in light of changes in economic conditions and the requirements of its financial covenants. The Group includes in its net debt, all loans and borrowings less cash and short-term deposits. The Group's principal financial liabilities comprise of borrowings and trade and other payables, which it uses primarily to finance its operations.

The Group's principal financial assets include cash and cash equivalents and trade and other receivables derived from its operations.

### (a) *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### (b) *Credit risk*

Credit risk is the risk that a customer or counterparty to a financial instrument will not meet its obligations under a contract and arises primarily from the Group's cash in banks and trade receivables.

The Group's credit risk is primarily attributable to its trade and other receivables. The amounts included in the Statement of Financial Position are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows. The Group has a low retail credit risk due to transactions being principally of high volume, low value and short maturity. The Group's trade receivables are primarily with large retail companies with which the Group has long-standing relationships, and the risk of default and write-offs due to bad debts is considered below.

The Group believes the credit risk on liquid funds, being cash and cash equivalents, is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. However, the concentration of credit risk by counterparty does exceed 10% of the overall cash and cash equivalent balance.

### (c) *Foreign currency risk*

Foreign currency risk is the risk that future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operational activities (when financial assets and liabilities are denominated other than in a company's functional currency).

**25. Financial risk management (continued)**

Most of the Group's transactions are carried out in Pounds Sterling (£). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group's net exposure to foreign exchange risk was as follows:

| | CNY | EUR | HK$ | US$ |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **As at 31 March 2026** | | | | |
| Financial assets in £ | 6,037 | 793 | - | 32,357 |
| Financial liabilities in £ | (16,450) | (79,477) | - | (516) |
| Net foreign currency risk | (10,413) | (78,684) | - | 31,841 |
| | | | | |
| **As at 31 March 2025** | | | | |
| Financial assets in £ | 111,119 | 28,801 | 1,434 | 30,156 |
| Financial liabilities in £ | (62,449) | (40,123) | (6,489) | (1,318) |
| Net foreign currency risk | 48,670 | (11,322) | (5,055) | 28,838 |

*Foreign currency sensitivity analysis:*

The following tables demonstrate the sensitivity to a reasonably possible change in foreign currency exchange rates.

A 10 per cent movement in each of the Chinese Yuan (CNY), Euro (EUR), Hong Kong Dollar (HK$) and US Dollar (US$) would increase/(decrease) net assets by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

| | CNY | EUR | HK$ | US$ |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **As at 31 March 2026** | | | | |
| Effect on net assets | | | | |
| Strengthened by 10% | (1,041) | (7,868) | - | 3,184 |
| Weakened by 10% | 1,041 | 7,868 | - | (3,184) |
| | | | | |
| **As at 31 March 2025** | | | | |
| Effect on net assets | | | | |
| Strengthened by 10% | 4,867 | (3,370) | (505) | 2,884 |
| Weakened by 10% | (4,867) | 3,370 | 505 | (2,884) |

(d) ***Cash and cash equivalents***

The Group assesses credit risk from its cash and cash equivalents on a regular basis before any credit losses are experienced. The Group considers such risk is limited as cash is held with banks with high credit ratings.

(e) ***Trade receivables***

Trade receivables are due from customers and collectability is dependent on the financial condition of each individual customer as well as the general economic conditions of the industry. The Directors review the financial condition of customers prior to extending credit and generally does not require collateral in support of the Group's trade receivables. The majority of trade receivables are current, and the Directors believe these receivables are collectible.

## 25. Financial risk management (continued)

### (f) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they are due. The Directors manage this risk by:

- maintaining adequate cash reserves through the use of the Group's cash from operations and borrowings; and
- continuously monitoring projected and actual cash flows to ensure the Group maintains an appropriate amount of liquidity.

The maturity profile of the Group's financial obligations are as follows:

| | Less than 1 year | 2 to 5 years | More than 5 years | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Trade and other payables | 1,498,429 | 646,000 | - | 2,144,429 |
| Borrowings | 470,920 | 1,512,190 | - | 1,983,110 |
| Leases (gross cash flows) | 214,490 | 431,228 | 46,667 | 692,385 |
| **At 31 March 2026** | 2,183,839 | 2,589,418 | 46,667 | 4,819,924 |

| | Less than 1 year | 2 to 5 years | More than 5 years | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Trade and other payables | 2,002,751 | 646,000 | - | 2,648,751 |
| Borrowings | 1,826,295 | 60,848 | - | 1,887,143 |
| Leases (gross cash flows) | 225,740 | 629,718 | 62,667 | 918,125 |
| **At 31 March 2025** | 4,054,786 | 1,336,566 | 62,667 | 5,454,019 |

## 26. Trade and other payables

| | **31 March 2026** | **31 March 2025** |
|---|---|---|
| | **£** | **£** |
| Trade payables | 811,558 | 877,637 |
| Accrued liabilities** | 612,924 | 757,461 |
| Deferred consideration* | 646,000 | 866,000 |
| Other payables^ | 73,947 | 147,652 |
| Other taxes and social security | 240,554 | 288,584 |
| **Total** | 2,384,983 | 2,937,334 |
| | | |
| Current | 2,097,983 | 2,291,334 |
| Non-current | 287,000 | 646,000 |
| Total | 2,384,983 | 2,937,334 |

## 26. Trade and other payables (continued)

*****In November 2021, the Group acquired the Napiers brand and its subsidiaries, for a total consideration of £2.3m. £0.5m of the total £2.3m consideration is contingent upon a certain transaction occurring post-acquisition which will be settled either in cash or the issuance of new Ordinary Shares, at the discretion of Company. This is included in deferred consideration and amounts to £216,000 (2025: £216,000). In May 2024, the Group acquired Optimised Energetics Ltd for total consideration of 1.3m with initial consideration of £650,000 in cash on a cash free debt free basis and deferred consideration of £650,000 payable in cash over a three-year period, the total deferred consideration of £430,000 (2025: £650,000).

****** Included within accruals is an amount in respect of deferred salaries and expenses owed to the Executive Directors. In September 2025, these amounts were formalised into a convertible loan facility on the same terms as the Smollan facility described in note 23. Interest accrues at 3% per annum above the Bank of England base rate and is rolled up. The balance outstanding at 31 March 2026, including accrued interest, was £319,943. If the outstanding balance is not repaid by the repayment date, it will become convertible into equity in accordance with the terms of the facility agreement.

^ Included in other payables are HSBC Credit Cards totalling £4,205 (2025: £8,279), along with settlement limits, are secured by way of a debenture over the assets of one of the company's indirect subsidiaries.

## 27. Notes to the statements of cash flows

**Net debt reconciliation:**

| | Opening balances £ | Cash flows £ | Non-cash movements £ | Closing balances £ |
|---|---|---|---|---|
| **Year ended 31 March 2026** | | | | |
| Cash & cash equivalents | 820,427 | (84,093) | 345 | 736,679 |
| Right of use lease liabilities | (770,293) | 225,740 | (52,607) | (597,160) |
| Borrowings | (1,887,143) | 50,211 | (146,178) | (1,983,110) |
| **Totals** | (1,837,009) | 191,858 | (198,440) | (1,843,591) |
| **Year ended 31 March 2025** | | | | |
| Cash & cash equivalents | 867,524 | (43,220) | (3,877) | 820,427 |
| Right of use lease liabilities | (717,400) | 205,242 | (258,135) | (770,293) |
| Borrowings | (1,496,488) | (242,320) | (148,335) | (1,887,143) |
| **Totals** | (1,346,364) | (80,298) | (410,347) | (1,837,009) |

## 28. Business combinations during the prior year

Acquisition of Optimised Energetics Ltd

In May 2024, the Group acquired 100% of the share capital of Optimised Energetics Limited for total consideration of £1.3m comprising of initial consideration of £650,000 on a cash free debt free basis and deferred consideration of £650,000 payable in cash over three-year period.

Optimised Energetics Ltd owns natural health and healing brands Natures Greatest Secret and BeNatural and manufactures premium skincare on a contract basis for Napiers the Herbalist. This acquisition brings new on-profile, high growth and high potential brands into our portfolio and secures manufacturing services to our platform through vertical integration.

Details of the fair value of identifiable assets and liabilities acquired and purchase consideration and goodwill are as follows:

| | Book value | Adjustment | Fair value |
|---|---|---|---|
| | £ | £ | £ |
| Intangible assets | - | 249,832 | 249,832 |
| Property, plant and equipment | 100,463 | - | 100,463 |
| Inventories | 99,181 | - | 99,181 |
| Trade and other receivables | 239,176 | - | 239,176 |
| Cash and cash equivalents | 453,182 | - | 453,182 |
| Trade and other payables | (258,689) | - | (258,689) |
| Borrowings | (37,119) | - | (37,119) |
| Deferred tax liability | (24,248) | (47,468) | (71,716) |
| **Net identifiable assets acquired at fair value** | **571,946** | **202,364** | **774,310** |
| | | | |
| Initial consideration | | | 988,802 |
| Deferred consideration | | | 650,000 |
| **Total consideration** | | | **1,638,802** |
| **Goodwill arising on acquisition** | | | **864,492** |
| | | | |
| Total consideration | | | 988,802 |
| Cash and cash equivalents acquired | | | (453,182) |
| **Net cash outflow on acquisition** | | | **535,620** |

Since the acquisition date, Optimised Energetics Ltd contributed £1.1m to the Group revenues and £0.3m to the Group profits. If the acquisition had occurred on the 1 April 2024, it would have contributed £1.3m to Group revenues and £0.4m to Group profits.

## 29. Disposal of subsidiary

On 16 June 2025 the Group disposed of its 51% shareholding in Babawest Limited for cash consideration of £10,377. The disposal did not represent a major line of business and has not been presented as a discontinued operation. Before the disposal, intercompany balances of £429,110 owed by Babawest to other Group companies were written off. These are eliminated on consolidation and do not affect the Group result, but the resulting gain in Babawest is attributed 49% to the non-controlling interest, as shown in the statement of changes in equity. The gain on disposal of £66,147 is included in the statement of comprehensive income.

| | |
|---|---|
| Consideration received in cash | 10,377 |
| Net liabilities of subsidiary | 55,851 |
| Non-controlling interest (deficit) derecognised | (81) |
| **Gain on disposal** | **66,147** |

## 30. Contingencies

There are no known contingencies which might impact on the Group's operations or financial position.

## 31. Related party transactions

***Amounts owed to related parties***

As at 31 March 2026, the Group had a net amount owing to related parties of £nil (2025: £64,000). The amounts owing were to directors of one of the Group's subsidiaries. The above balances were unsecured, interest-free and repayable on demand.

As at 31 March 2026, the Group had a convertible loan facility owing to a related party, with a balance outstanding of £1,471,519 including accrued interest. This facility was entered into in September 2025 and replaced the fixed rate secured loan notes that were in place at 31 March 2025 (balance at that date: £1,436,339). Further details of the facility are provided in note 23. The related party is a shareholder with significant influence, holding more than 20% of the Group's voting rights.

In September 2025, the Group also entered into a convertible loan facility with the Executive Directors in respect of deferred salaries and expenses. The balance outstanding at 31 March 2026, including accrued interest, was £319,943. This facility is on the same terms as the Smollan facility described in Note 23, with interest accruing at 3% per annum above the Bank of England base rate, rolled up. If the outstanding balance is not repaid by the repayment date, it will become convertible into equity in accordance with the terms of the facility agreement.

***Services provided to/purchases from related parties***

During the year ended 31 March 2026, the Group made £2,460 (2025: £540) of livestreaming fees to a related party. The related party is a close family member of a director of one of the Group's subsidiaries.

During the year ended 31 March 2026, the Group made £11,983 (2025: £51,401) of consultancy fees to a related party. This related party was a Director of a subsidiary that was disposed of during the year, following which the relationship ceased.

The above transactions were entered into on terms equivalent to those that prevail in arm's length transactions. The amounts owing are to be settled in cash.

## 32. Material subsequent events

There were no material events after 31 March 2026 to the date these financial statements were approved that require adjustment to, or disclosure in, the financial statements.

## 33. Ultimate controlling party

As at 31 March 2026, Samarkand Group Limited did not have any one identifiable controlling party.

**SAMARKAND GROUP LIMITED**

**COMPANY STATEMENT OF FINANCIAL POSITION**

**FOR THE YEAR ENDED 31 MARCH 2026**

| | Notes | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|---|
| **ASSETS** | | | |
| Investments | 4 | 33,422 | 22,020 |
| Property, plant and equipment | | 1,085 | - |
| Amounts due from group undertakings | 5 | 9,084,591 | 9,667,465 |
| **Non-current assets** | | 9,119,098 | 9,689,485 |
| | | | |
| Other receivables and prepayments | | 4,307 | 6,097 |
| Cash and cash equivalents | | 5,131 | 3,005 |
| **Current assets** | | 9,438 | 9,102 |
| **Total assets** | | 9,128,536 | 9,698,587 |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| Share capital | 8 | 583,582 | 583,582 |
| Share premium | | 22,954,413 | 22,954,413 |
| Accumulated loss | | (16,301,335) | (15,672,365) |
| **Total equity** | | 7,236,660 | 7,865,630 |
| Borrowings | 7 | 1,471,519 | - |
| **Total non-current liabilities** | | 1,471,519 | - |
| Trade and other payables | 6 | 54,488 | 53,822 |
| Accrued liabilities | 6 | 365,869 | 342,796 |
| Borrowings | 7 | - | 1,436,339 |
| **Total current liabilities** | | 420,357 | 1,832,957 |
| **Total liabilities** | | 1,891,876 | 1,832,957 |
| **Total liabilities and equity** | | 9,128,536 | 9,698,587 |

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss and related notes in these financial statements. The Parent Company loss for the period was £675,686 (2025: profit £2,444,376)

The financial statements were approved by the Board of Directors and authorised for issue on 4 November 2026 and are signed on its behalf by:



David Hampstead
**Director**

**Company Registration No. 13127277**

**SAMARKAND GROUP LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 MARCH 2026**

| | Share capital £ | Share premium £ | Accumulated loss £ | Total equity £ |
|---|---|---|---|---|
| Balance at 1 April 2024 | **583,582** | **22,954,413** | **(17,970,262)** | **5,567,733** |
| Profit and total comprehensive income for the period | - | - | 2,444,376 | 2,444,376 |
| Share based payments | - | - | (146,479) | (146,479) |
| **Balance at 31 March 2025** | **583,582** | **22,954,413** | **(15,672,365)** | **7,865,630** |
| Loss and total comprehensive income for the period | - | - | (675,686) | (675,686) |
| Share based payments | - | - | 46,716 | 46,716 |
| **Balance at 31 March 2026** | **583,582** | **22,954,413** | **(16,301,335)** | **7,236,660** |

## 1. Basis of preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102").

In preparing these financial statements the Company has taken advantage of available disclosure exemptions for qualifying entities available under FRS 102 in its individual financial statements.

Therefore, these financial statements do not include the below disclosure requirements on the basis that the parent company information are included in equivalent disclosures provided within these consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

The Company has guaranteed the liabilities of the following subsidiary undertakings under section 479C of the Companies Act 2006. Accordingly, these subsidiaries are exempt from the requirement to have their individual financial statements audited for the year ended 31 March 2026 by virtue of section 479A of the Companies Act 2006:

Samarkand Holdings Limited — registered number 11066615
Duncan Napier Limited — registered number SC351865
Napiers 1860 Group Limited — registered number SC453156

## 2. Accounting policies

***Investments in Subsidiaries***

Investments are included at cost, less amounts written off.

***Pensions***

The Company operates a defined contribution pension scheme. Contributions payable for the year are charged in the Profit and Loss Account as incurred.

**2. Accounting policies (continued)**

***Share-based payment arrangements***

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

***Share-based payment arrangements (continued)***

Where there are no vesting conditions, the expense and equity reserve arising from share-based payment transactions is recognised in full immediately on grant. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity.

***Reserves***

*Share Capital*

The share capital account includes the nominal value for all shares issued and outstanding.

*Share Premium*

The share premium account comprises the premium over nominal value on issued shares. The use of this reserve is restricted by the Companies Act 2006.

*Retained Earnings*

The profit and loss account includes the accumulated profits and losses arising from the Income Statement and certain items from the Statement of Changes in Equity attributable to equity shareholders net of distributions to shareholders.

***Financial instruments***

Financial instruments are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

*Basic financial assets*

Basic financial assets, which comprise of debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at

the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**2. Accounting policies (continued)**

*Basic financial liabilities*

Basic financial liabilities, including trade creditors and bank loans, loans from fellow Group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

***Foreign currency translation***

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

(b) Transactions and balances

Foreign currency transactions are translated into the Company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income or expense'.

**3. Critical accounting estimates and judgements**

The preparation of financial statements under FRS 102 requires the Company to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions which have significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

*Impairment of Investments*

The Company is required to make judgments over the carrying value of investments in unquoted companies where fair values cannot be readily established and evaluate the size of any impairment. It is important to recognise that the carrying value of such investments cannot always be substantiated by comparison with independent markets. Hence, the directors' significant judgement in this regard is that the value of their investment represents their costs less impairment.

Determining whether there are indicators of impairment of investments in subsidiaries. Factors taken into consideration in reaching such a decision include the value in use and the fair value less costs to sell. See note 4 for the net carrying amount of the investment in subsidiaries.

## 4. Investment in subsidiaries

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| | £ | £ |
| Cost at 1 April | 575,628 | 664,540 |
| Capital Contribution | 23,052 | (88,912) |
| | **598,680** | **575,628** |
| Impairment at 1 April | (553,608) | - |
| Charge | (11,650) | (668,742) |
| Reversal | - | 115,134 |
| | **(565,258)** | **(553,608)** |
| **Net book value at 31 March** | **33,422** | **22,020** |

## 5. Amounts due from group undertakings

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| | £ | £ |
| Amounts due from group undertakings | 9,084,591 | 9,667,465 |
| **Total amounts due from group undertakings** | **9,084,591** | **9,667,465** |

At 31 March 2026, the Company was owed £20,486,918 (2025: £21,077,209) by its subsidiaries against which a provision of £11,402,327 (2025: £11,409,743) has been made at the year end, leaving a net balance of £9,084,591 (2025: £9,667,465 ) in the accounts. Amounts owed from group undertakings are unsecured, interest free and repayable on demand.

The provision against amounts owed by group undertakings reflects the Directors' assessment of the recoverable amount of each balance, having regard to the net assets and forecast cash flows of the counterparty. The provision represents 55.7% of the gross balance (2025: 54.1%). Amounts owed from group undertakings are unsecured, interest free and repayable on demand.

## 6. Trade and other payables

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| | £ | £ |
| Trade and other payables | 54,488 | 53,822 |
| Accruals | 365,869 | 342,796 |
| **Total trade and other payables** | **420,357** | **396,618** |

## 7. Borrowings

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| | £ | £ |
| **Current** | | |
| Fixed rate secured loans | - | 1,436,339 |
| | - | 1,436,339 |
| **Non-current** | | |
| Convertible loan note | 1,471,519 | - |
| | **1,471,519** | **1,436,339** |

On 24 September 2020, Samarkand Holdings executed a Non-convertible Loan Note Instrument for up to £1,146,300. The maturity date on which the principal amount is due to be redeemed is 24 September 2025, or, if earlier, the date on which the Notes are redeemed. The redemption value is the par value of such Notes. Interest is fixed at 5% per annum. The secured loan interest is settled on redemption.

On 23 September 2025, the Group entered into a convertible loan facility agreement with Global Smollan Holdings ("Smollan"), replacing the fixed rate secured loan notes which matured on 24 September 2025. The repayment date under the new facility is 25 May 2027. Interest accrues at 3% per annum above the Bank of England base rate and is being serviced by the Company from September 2025. If the loan and accrued interest are not repaid in full by the repayment date, Smollan will have the option to convert the outstanding balance into equity in accordance with the terms of the facility agreement. The facility remains secured by way of: i) a debenture from Samarkand Holdings in favour of Smollan dated 26 July 2019; and ii) a deed of priority amongst Samarkand Holdings, Smollan and HSBC Bank plc dated 26 July 2019.

## 8. Share Capital

| | 31 March 2026 £ | 31 March 2025 £ |
|---|---|---|
| Allotted, issued and fully paid: | | |
| 58,358,201 (2024: 58,358,201) ordinary shares of 1p each | 583,582 | 583,582 |

| Ordinary shares issued: | Number of shares No. | Share capital £ |
|---|---|---|
| At 1 April 2023, 31 March 2025 and 2026 | 58,358,201 | 583,582 |

Shareholders are entitled to receive dividends as declared from time to time and are entitled to one vote per ordinary share at meetings of Samarkand Group Limited.

## 9. Related party transactions

The Company has taken advantage of the exemption included in section 33 of FRS 102 and has not disclosed transactions with other wholly owned members of the Group headed by Samarkand Group Limited.

As at 31 March 2026, the Group had a convertible loan facility owing to a related party, with a balance outstanding of £1,471,519 including accrued interest. This facility was entered into in September 2025 and replaced the fixed rate secured loan notes that were in place at 31 March 2025 (balance at that date: £1,436,339). Further details of the facility are provided in note 7. The related party is a shareholder with significant influence, holding more than 20% of the Company's voting rights.

In September 2025, the Group also entered into a convertible loan facility with the Executive Directors in respect of deferred salaries and expenses. The balance outstanding at 31 March 2026, including accrued interest, was £319,943. This facility is on the same terms as the Smollan facility described in Note 23, with interest accruing at 3% per annum above the Bank of England base rate, rolled up. If the outstanding balance is not repaid by the repayment date, it will become convertible into equity in accordance with the terms of the facility agreement.

## 10. Ultimate parent undertaking and controlling party

As at 31 March 2026, Samarkand Group Limited did not have any one identifiable controlling party.