

Company Registration No. 245433 (Republic of Ireland)

MEGAZYME LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2025

MEGAZYME LTD

COMPANY INFORMATION

Directors	Steven James Donnachie Amy Rocklin William Joseph Waelke Andrew William Holmes	(Appointed 30 June 2025)
Secretary	Amy Rocklin	
Company number	245433	
Registered office	Bray Business Park, Bray, Co. Wicklow.	
Auditor	Browne Murphy & Hughes Chartered & Certified Accountants & Registered Auditors, 28 Upper Fitzwilliam Street, Dublin 2.	
Business address	Bray Business Park, Bray, Co. Wicklow.	
Bankers	AIB Bankcentre Branch, Ballsbridge, Dublin 4	
	AIB Cornelscourt, Dublin 18	
	AIB International Centre, IFSC, Dublin 1	
Solicitors	DWF (Ireland) LLP 2 Dublin Landings, North Wall Quay Dublin 1	

MEGAZYME LTD

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MEGAZYME LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2025

The directors present their annual report and financial statements for the year ended 31 May 2025.

Principal activities

Megazyme Ltd is a global leader in the field of research, development and supply of innovative diagnostic technology for the food, feed, fermentation, dairy, wine and biofuel industries.

Fair review of the business

There has been no significant changes in the company's activities during the financial year. The company made a gross profit in the year of €20,576,057 (2024: €7,083,104) and a profit before tax in the year of €17,580,109 (2024: €4,486,328). Gross profit margin has increased in the year from 62.9% to 81.9%.

The company grew revenues and profits significantly in the financial year to 31 May 2025 after the launch of a new revenue stream in May 2024 with FY25 being the first full year of operation of the licensing revenue.

The directors will continue to control costs and endeavour to increase turnover, with a view to increasing profitability for the next 12 months trading.

Principal risks and uncertainties

The risk associated with economic cycles, movements in foreign exchange, movements in interest rates and inflation could have an adverse impact on the business. The other main risk facing the company would be an increase in competition in the marketplace.

Future developments

There are no significant future developments at period ended 31st May 2025.

Financial risk management

Through financial instruments held the company's operations expose it to a variety of financial risks that include price risk, credit risk, liquidity risk and cash flow risk.

Price risk

The company is exposed to the price risk of chemicals and materials through its operations. The directors, however, review the appropriateness of this policy on an annual basis.

Credit risk

Credit risk is the risk that one party to a financial transaction will cause financial loss for that other party by failing to discharge the obligation. Company policies are aimed at minimising such losses, and requires that appropriate credit checks are carried out on new customers before sales are made. All customers have individual credit terms that are reviewed on an ongoing basis by the directors. Provisions for bad debts are made based on historical evidence and any new events which might indicate a reduction in the recoverability of cash flows.

Liquidity risk

The company holds excess cash so that it can meet its obligations at any point in time.

Cash flow risk

The company holds interest bearing assets. These include cash balances which earn a fixed rate of interest.

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to €6,080,801.

Directors and secretary

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Steven James Donnachie
Amy Rocklin

MEGAZYME LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2025

Matthew Louis Mittino	(Resigned 30 June 2025)
Douglas Ellis Jones	(Resigned 31 March 2025)
William Joseph Waelke	
Andrew William Holmes	(Appointed 30 June 2025)

Directors' and secretary's interests

The directors' and secretary's interests in the shares of the company were as stated below:

	Ordinary shares of 1.27c each	
	31 May 2024	31 May 2025
Steven James Quinlan	-	-
Amy Rocklin	-	-
Matthew Louis Mittino	-	-
Douglas Ellis Jones	-	-
William Joseph Waelke	-	-
	Preference shares of 1.27c each	
	31 May 2024	31 May 2025
Steven James Quinlan	-	-
Amy Rocklin	-	-
Matthew Louis Mittino	-	-
Douglas Ellis Jones	-	-
William Joseph Waelke	-	-
	"A" Preference shares of 1.27c each	
	31 May 2024	31 May 2025
Steven James Quinlan	-	-
Amy Rocklin	-	-
Matthew Louis Mittino	-	-
Douglas Ellis Jones	-	-
William Joseph Waelke	-	-

Supplier payment policy

The directors acknowledge their responsibility for ensuring compliance, in all material respects, with the provisions of the European Communities (Late Payment in Commercial Transactions) Regulations 2012. Procedures have been implemented to identify the dates upon which invoices fall due for payment and to ensure that payments are made by such dates. Such procedures provide reasonable assurance against material non-compliance with the Regulations. The payment policy during the year under review was to comply with the requirements of the Regulations.

Accounting records

The company's directors are aware of their responsibilities, under sections 281 to 285 of the Companies Act 2014 as to whether in their opinion, the accounting records of the company are sufficient to permit the financial statements to be readily and properly audited and are discharging their responsibility by employing qualified and experienced staff, and ensuring that sufficient company resources are available for the task.

The accounting records are held at the company's business premises, Bray Business Park, Bray, Co. Wicklow.

Research and development

The company engaged in research and development activities in the year. The cost incurred in the year was €928,752 (2024: €843,621).

Auditor

In accordance with the company's articles, a resolution proposing that Browne Murphy & Hughes be reappointed as auditor of the company will be put at a General Meeting.

MEGAZYME LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

Statement of disclosure to auditor

Each of the directors in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 330 of the Companies Act 2014.

Taxation status

The company is not a close company as defined by Section 430 Taxes Consolidation Act 1997 and this position has not changed since the end of the financial year.

On behalf of the board

Steven James Donnachie
Director

Andrew William Holmes
Director

12 March 2026

MEGAZYME LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MAY 2025

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

Irish company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Generally accepted Accounting Practice in Ireland) issued by the Financial Reporting Council. 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 assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for that financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; 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 ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

On behalf of the board

Steven James Donnachie
Director

Andrew William Holmes
Director

12 March 2026

MEGAZYME LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEGAZYME LTD

Opinion

We have audited the financial statements of Megazyme Ltd ('the company') for the year ended 31 May 2025, which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 May 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other information

The directors are responsible for the other information in the annual report. 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

MEGAZYME LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF MEGAZYME LTD

Opinions on other matters prescribed by the Companies Act 2014

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

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

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions, are not complied with by the company. We have nothing to report in this regard.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that 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 company's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the company's 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 (Ireland) 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.

A further description of our responsibilities for the audit of the company's financial statements is located on the IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>. This description forms part of our auditor's report.

MEGAZYME LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF MEGAZYME LTD

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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.

Carol Davey
For and on behalf of Browne Murphy & Hughes

12 March 2026

Chartered & Certified Accountants
& Registered Auditors,
28 Upper Fitzwilliam Street,
Dublin 2.

MEGAZYME LTD

INCOME STATEMENT

FOR THE YEAR ENDED 31 MAY 2025

	Notes	2025 €	2024 €
Turnover	3	25,151,301	11,248,056
Cost of sales		(4,575,244)	(4,164,952)
Gross profit		<u>20,576,057</u>	<u>7,083,104</u>
Administrative expenses		(3,687,917)	(3,101,850)
Other operating income		100,530	150,673
Operating profit	4	<u>16,988,670</u>	<u>4,131,927</u>
Interest receivable and similar income	7	591,439	454,567
Amounts written off loans	8	-	(100,166)
Profit before taxation		<u>17,580,109</u>	<u>4,486,328</u>
Tax on profit	9	(2,061,437)	(406,425)
Profit for the financial year		<u><u>15,518,672</u></u>	<u><u>4,079,903</u></u>

The income statement has been prepared on the basis that all operations are continuing operations.

MEGAZYME LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2025

	2025 €	2024 €
Profit for the year	15,518,672	4,079,903
Other comprehensive income	-	-
Total comprehensive income for the year	<u>15,518,672</u>	<u>4,079,903</u>

MEGAZYME LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2025

		2025		2024	
	Notes	€	€	€	€
Fixed assets					
Intangible assets	11		49,061		-
Tangible assets	12		9,367,866		9,786,296
Financial assets	13		-		3
			<u>9,416,927</u>		<u>9,786,299</u>
Current assets					
Stocks	15	2,089,008		2,377,418	
Debtors	17	24,088,250		15,039,454	
Cash at bank and in hand		3,360,132		2,540,568	
		<u>29,537,390</u>		<u>19,957,440</u>	
Creditors: amounts falling due within one year	18	(658,885)		(870,841)	
		<u>28,878,505</u>		<u>19,086,599</u>	
Net current assets			<u>28,878,505</u>		<u>19,086,599</u>
Total assets less current liabilities			<u>38,295,432</u>		<u>28,872,898</u>
Provisions for liabilities					
Deferred tax liability	19	199,489		214,826	
		<u>(199,489)</u>		<u>(214,826)</u>	
Net assets			<u>38,095,943</u>		<u>28,658,072</u>
Capital and reserves					
Called up share capital presented as equity	20		12,827		12,827
Profit and loss reserves	21		38,083,116		28,645,245
			<u>38,095,943</u>		<u>28,658,072</u>
Total equity			<u>38,095,943</u>		<u>28,658,072</u>

The financial statements were approved by the board of directors and authorised for issue on 12 March 2026 and are signed on its behalf by:

Steven James Donnachie
Director

Andrew William Holmes
Director

MEGAZYME LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2025

	Notes	Share capital €	Profit and loss reserves €	Total €
Balance at 1 June 2023		12,827	24,565,342	24,578,169
Year ended 31 May 2024:				
Profit and total comprehensive income		-	4,079,903	4,079,903
Balance at 31 May 2024		12,827	28,645,245	28,658,072
Year ended 31 May 2025:				
Profit and total comprehensive income		-	15,518,672	15,518,672
Dividends	10	-	(6,080,801)	(6,080,801)
Balance at 31 May 2025		12,827	38,083,116	38,095,943

MEGAZYME LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2025

	Notes	2025 €	€	2024 €	€
Cash flows from operating activities					
Cash generated from operations	25	8,632,645		1,463,666	
Corporate taxes paid		(2,119,198)		(366,475)	
Net cash inflow from operating activities		6,513,447		1,097,191	
Investing activities					
Purchase of intangible assets		(49,061)		-	
Purchase of tangible fixed assets		(155,460)		(680,451)	
Proceeds on disposal of tangible fixed assets		-		12,500	
Amounts written off intercompany loans		-		(100,166)	
Interest received		591,439		454,567	
Net cash generated from/(used in) investing activities		386,918		(313,550)	
Financing activities					
Dividends paid		(6,080,801)		-	
Net cash used in financing activities		(6,080,801)		-	
Net increase in cash and cash equivalents		819,564		783,641	
Cash and cash equivalents at beginning of year		2,540,568		1,756,927	
Cash and cash equivalents at end of year		3,360,132		2,540,568	

MEGAZYME LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2025

1 Accounting policies

Company information

Megazyme Ltd is a limited company domiciled and incorporated in Republic of Ireland. The registered office is Bray Business Park, Bray, Co. Wicklow.

1.1 Accounting convention

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”), and the requirements of the Companies Act 2014.

The financial statements are prepared in euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has not prepared consolidated accounts for the period as, being a wholly owned subsidiary of Neogen Corporation (USA), it is exempted from doing so under section 9 of FRS 102 which is accommodated under section 300 of Companies Act 2014.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	33% straight line
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1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

MEGAZYME LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2025

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	2% straight line
Plant and machinery	10% / 20% straight line
Fixtures, fittings & equipment	10% / 33.33% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its intangible and tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its 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.

MEGAZYME LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2025

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

MEGAZYME LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2025

1 Accounting policies

(Continued)

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

The company operates a defined contribution pension scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.15 Foreign exchange

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The following estimates have been included in these financial statements:

a) Establishing useful economic lives for depreciation/amortisation of tangible and intangible fixed assets.

The company's accounting policies for depreciation and amortisation are set out in policies 1.5 & 1.6. The annual depreciation/amortisation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these asset's useful lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned.

b) Provision for doubtful debts.

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experiences in determining the level of debts, which the company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant fluctuations in the level of customers that default on payments would result in an increase/decrease in the level of bad debt provision and this, in turn, would have an impact on the operating results. The level of provision required is reviewed on an on-going basis.

c) Stock provisioning.

The company is involved in supply of innovative diagnostic technology for the food, feed, dairy, wine and biofuel industries. It is necessary to consider the recoverability of the cost of stocks and the associated provisioning required. When calculating stock provisions management considers the quality of stock and the estimated realisable value. The level of provision is reviewed on an ongoing basis.

MEGAZYME LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2025

3 Turnover and other revenue

All turnover derives from activities carried out in the Republic of Ireland. An analysis of the company's turnover is as follows:

	2025	2024
	€	€
Turnover analysed by class of business		
Sale of goods	14,064,312	10,827,471
Freight income	190,872	288,770
Licensing revenue	10,896,117	131,815
	<u>25,151,301</u>	<u>11,248,056</u>

	2025	2024
	€	€
Other significant revenue		
Interest income	591,439	454,567
Distribution centre	100,530	135,926
Other income	-	14,747
	<u>-</u>	<u>-</u>

4 Operating profit

	2025	2024
	€	€
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	577,419	3,008
Research and development costs	928,752	843,621
Depreciation of owned tangible fixed assets	541,434	576,262
Loss on disposal of tangible fixed assets	32,456	-
Loss on disposal of intangible assets	3	-
	<u>2,080,064</u>	<u>1,429,151</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025	2024
	Number	Number
Research and production	41	39
Sales and marketing	15	15
Finance and administration	13	14
	<u>69</u>	<u>68</u>

MEGAZYME LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

		(Continued)	
5	Employees		
	Their aggregate remuneration comprised:		
		2025	2024
		€	€
	Wages and salaries	4,279,206	4,139,369
	Pension costs	168,789	142,886
		<u>4,447,995</u>	<u>4,282,255</u>
6	Retirement benefit schemes		
		2025	2024
		€	€
	Defined contribution schemes		
	Charge to profit or loss in respect of defined contribution schemes	168,788	142,886
		<u>168,788</u>	<u>142,886</u>
	The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.		
7	Interest receivable and similar income		
		2025	2024
		€	€
	Interest income		
	Interest on bank deposits	106	12
	Other interest income	591,333	454,555
		<u>591,439</u>	<u>454,567</u>
8	Amounts written off loans		
		2025	2024
		€	€
	Amounts written back to/(written off) intercompany loans	-	(100,166)
		<u>-</u>	<u>(100,166)</u>
9	Taxation		
		2025	2024
		€	€
	Current tax		
	Corporation tax on profits for the current period	2,076,774	506,946
		<u>2,076,774</u>	<u>506,946</u>
	Deferred tax		
	Origination and reversal of timing differences	(15,337)	(100,521)
		<u>(15,337)</u>	<u>(100,521)</u>
	Total tax charge	<u>2,061,437</u>	<u>406,425</u>

MEGAZYME LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2025

9 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2025 €	2024 €
Profit before taxation	17,580,109	4,486,328
Expected tax charge based on the standard rate of corporation tax of 12.50% (2024: 12.50%)	2,197,514	560,791
Tax effect of expenses that are not deductible in determining taxable profit	4,257	18,173
Depreciation on assets not qualifying for tax allowances	10,806	7,168
Research and development tax credit	(225,070)	(236,528)
Interest taxed at 25%	73,930	56,821
Taxation charge for the year	2,061,437	406,425

10 Dividends

	2025 €	2024 €
Final dividend paid	6,080,801	-

11 Intangible fixed assets

	Website €
Cost	
At 1 June 2024	482,376
Additions - internally developed	49,061
At 31 May 2025	531,436
Amortisation and impairment	
At 1 June 2024 and 31 May 2025	482,376
Carrying amount	
At 31 May 2025	49,061
At 31 May 2024	-

MEGAZYME LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2025

12 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	€	€	€	€	€
Cost					
At 1 June 2024	11,931,090	5,388,864	1,158,030	14,265	18,492,249
Additions	4,750	120,203	30,507	-	155,460
Disposals	-	(259,641)	-	-	(259,641)
At 31 May 2025	11,935,840	5,249,426	1,188,537	14,265	18,388,068
Depreciation and impairment					
At 1 June 2024	3,358,468	4,214,944	1,118,276	14,265	8,705,953
Depreciation charged in the year	232,040	298,489	10,905	-	541,434
Eliminated in respect of disposals	-	(227,185)	-	-	(227,185)
At 31 May 2025	3,590,508	4,286,248	1,129,181	14,265	9,020,202
Carrying amount					
At 31 May 2025	8,345,332	963,178	59,356	-	9,367,866
At 31 May 2024	8,572,622	1,173,920	39,754	-	9,786,296

13 Financial assets

	Notes	2025 €	2024 €
Investments in subsidiaries	14	-	3

Movements in fixed asset investments

	Shares in subsidiaries €
Cost or valuation	
At 1 June 2024 & 31 May 2025	3
Impairment	
At 1 June 2024	-
Disposals	3
At 31 May 2025	3
Carrying amount	
At 31 May 2025	-
At 31 May 2024	3

MEGAZYME LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

14 Subsidiaries

Details of the company's subsidiaries at 31 May 2025 are as follows:

Name of undertaking and country of incorporation	Nature of business	Class of shareholding	% Held Direct
Megazyme IP Ltd	Ireland Patent holding company	Ordinary shares	100.00 -

Megazyme IP Ltd was listed for strike off on 10th November 2025.

15 Stocks

	2025 €	2024 €
Finished goods and raw materials	2,089,008	2,377,418

The replacement value of stock is not materially different from the balance sheet values.

16 Financial instruments

	2025 €	2024 €
Carrying amount of financial assets		
Debt instruments measured at amortised cost	27,383,437	17,498,751
Equity instruments measured at cost less impairment	-	3
Carrying amount of financial liabilities		
Measured at amortised cost	102,235	269,598

17 Debtors

Amounts falling due within one year:	2025 €	2024 €
Trade debtors	6,073,450	2,643,175
Amounts owed by group undertakings	17,949,855	12,281,220
Other debtors	259	33,788
Prepayments	64,686	81,271
	24,088,250	15,039,454

The fair values of debtors and prepayments approximate to their carrying values.

Amounts owed by group companies are unsecured, interest free and repayable on demand.

MEGAZYME LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

18 Creditors: amounts falling due within one year

	2025 €	2024 €
Trade creditors	57,455	211,181
Amounts due to group undertakings	-	3,636
Corporation tax	73,752	116,176
VAT	-	3,729
PAYE and social security	102,922	109,634
Other creditors	44,780	54,781
Accruals	379,976	371,704
	<u>658,885</u>	<u>870,841</u>

Trade and other creditors are payable at various dates within the next 12 months in accordance with usual supplier terms.

Taxation liabilities are repayable at various stages over the next 12 months in line with tax authority guidelines.

19 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances for financial reporting purposes:

	Liabilities 2025 €	Liabilities 2024 €
Balances:		
ACAs	360,960	335,875
Pension accrual	(1,630)	(2,786)
Research & Development tax credit	(159,841)	(118,263)
	<u>199,489</u>	<u>214,826</u>
		2025
Movements in the year:		€
Liability at 1 June 2024		214,826
Credit to profit or loss		(15,337)
		<u>199,489</u>
Liability at 31 May 2025		<u>199,489</u>

The deferred tax liability set out above relates to timing difference on tangible fixed assets and capital allowances through depreciation and amortisation as well as R&D tax credits to be claimed by the company.

MEGAZYME LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

20 Share capital

	2025	2024
	€	€
Ordinary share capital		
Authorised equity		
99,995,000 Ordinary Shares of 1.269738c each	1,269,674	1,269,674
	<u> </u>	<u> </u>
Issued and fully paid equity		
1,010,200 Ordinary Shares of 1.269738c each	12,827	12,827
	<u> </u>	<u> </u>
Preference share capital		
Authorised equity		
250,000 Preference shares of 0.01c each	25	25
400,000 "A" Preference shares of 0.01c each	40	40
	<u> </u>	<u> </u>
	65	65
	<u> </u>	<u> </u>

The authorised share capital of the company includes the following:

99,995,000 Ordinary shares of €0.01269738 each
250,000 Preference shares of €0.0001 each
400,000 "A" Preference shares of €0.0001 each

21 Profit and loss reserves

	2025	2024
	€	€
At the beginning of the year	28,645,245	24,565,342
Profit for the year	15,518,672	4,079,903
Dividends declared and paid in the year	(6,080,801)	-
	<u> </u>	<u> </u>
At the end of the year	38,083,116	28,645,245
	<u> </u>	<u> </u>

22 Related party transactions

The directors are deemed to be the key management personnel of the company. They did not receive remuneration from this company in the year.

The company has taken advantage of the exemptions available under Section 33 of FRS 102 from disclosure of intergroup related party transactions.

23 Ultimate controlling party

The company's immediate and ultimate parent company is Neogen Corporation, a publicly owned company based in the United States of America whose shares are traded on the NASDAQ Stock Market. Copies of group financial statements for Neogen Corporation are available from Neogen Corporation, 620 Leshner Place, Lansing, MI, 48912, USA.

24 Provision of non-audit services

Browne Murphy & Hughes provide non-audit services in relation to assistance in the compilation of statutory financial statements as well as preparation and submission of company secretarial returns.

MEGAZYME LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

25 Cash generated from operations

	2025 €	2024 €
Profit after taxation	15,518,672	4,079,903
Adjustments for:		
Taxation charged	2,061,437	406,425
Investment income	(591,439)	(454,567)
Loss on disposal of tangible fixed assets	32,456	-
Loss on disposal of intangible assets	3	-
Depreciation and impairment of tangible fixed assets	541,434	576,262
Other gains and losses	-	100,166
Movements in working capital:		
Decrease in stocks	288,410	64,058
Increase in debtors	(9,048,796)	(3,489,700)
(Decrease)/increase in creditors	(169,532)	181,119
Cash generated from operations	<u>8,632,645</u>	<u>1,463,666</u>

26 Analysis of changes in net funds

	1 June 2024 €	Cash flows €	31 May 2025 €
Cash at bank and in hand	<u>2,540,568</u>	<u>819,564</u>	<u>3,360,132</u>

27 Approval of financial statements

The directors approved the financial statements on 12 March 2026.