

The Board
Zytronic plc
Whiteley Road
Blaydon on Tyne
NE21 5NJ

19 August 2025

Dear Sirs

ZYTRONIC PLC ("the Company")

Advice re: range of potential shareholder outcomes from the wind down process

As you are aware FRP Advisory Trading Ltd ("FRP") has been engaged by the Company and its subsidiary Zytronic Displays Ltd ("ZDL"). FRP is to advise in relation to the wind down of the Company and ZDL businesses and to prepare estimated outcome statements showing a potential range returns to the Company's shareholders.

FRP's engagement letter dated 13 November 2024 provides further details on the scope of the engagement.

FRP has produced the estimated outcome statements which have been reviewed by the boards of the Company and ZDL at the board meeting on 25 February 2025 and updated with additional information provided by the Company or ZDL in relation to offers for real estate property, actual trading performance of ZDL and anticipated costs to finalise the wind down of both.

The outcome statements have been prepared from information provided to FRP by the Company, ZDL and their advisers. FRP has not undertaken any work to validate the information provided.

Further, where information/values have been provided by the Company, ZDL or their advisors, and where assumptions have been made by management or FRP, these relate to future events often outside the control of all parties and may change due to market conditions, the prevailing economic conditions or other factors outside of management and FRP's control.

The key assumptions are:

- 1) That the Company's real estate property sells for a value between £3m and £3.2m (£3.2m being the accepted offer, £3m reflecting a potential discount, given ongoing VAT queries);
- 2) ZDL's intangible assets sell within a range of £49k to £300k (£49k being completed sales where cash has not been received by the Company, £300k including anticipated but not completed sales);
- 3) ZDL sells remaining P&M for between £nil and £186k (£186k being all currently anticipated sales);
- 4) That there are no material contingent creditors, other than potential warranty claims in ZDL;
- 5) That the wind down and liquidation of ZDL and PLC proceed as previously anticipated and without delay following realisation of the principal assets.

Taking the above into account, it is FRP's view that there has been no material change to the range of potential outcomes for the Company's shareholders and it remains reasonable for the shareholders to expect to receive a return of **between 48p and 58p per share** by the conclusion of the wind down process.

Should you have any queries in relation to the above please contact Andrew Dyson or I.

Yours sincerely



Allan Kelly

Partner

FRP Restructuring Advisory Ltd

