

Prompt Payments

Date: 25/02/2026

Prompt Payments Action Plan

Payment practices report

Latest reporting period: 1 July 2025 to 31 December 2025

Average time taken to pay invoices: 47 days

Invoices paid:

- **Within 30 days:** 33%
- **In 31 to 60 days:** 58%
- **In 61 days or more:** 9%

Prompt Payments Action Plan

The primary reason(s) why at least 95% of supply chain invoices were not paid within 60 days is due to disputes or queries with supplier(s) on the accuracy of invoice(s) and delays within the group's purchasing approval process.

Invoice disputes or queries can take time to resolve and require communication with several stakeholders across the business. This has resulted in invoices being paid after 60 days of receipt of the invoice because payment is not made until disputes/queries are resolved, but the original invoice due date remains unchanged.

In addition, the off system/manual approval process for supplier invoices creates delays to approved invoices being submitted to group finance on a timely manner, further delaying payment.

Action plan to ensure at least 95% of all supplier invoices are paid within 60 days of receipt of invoice includes the following:

- Implementation of new group finance system to improve the approval workflow ensuring that supplier invoices are promptly submitted as approved to group finance, ensuring invoice(s) are settled to agreed terms.
- Bringing forward mid-month supplier invoice payment run to ensure supplier invoice(s) are settled on or before the due date.
- Monthly review and monitoring of aged supplier ledger by due to date, highlighting invoices due for payment soon as priority payment.

- Monthly reporting on aged supplier ledger to minimise the number of invoices paid late and/or not to payment terms.
- Monthly monitoring of invoices not yet approved to ensure effectiveness of approval workflow in finance system.
- Where a dispute has been raised against an invoice, impacting the prompt payment, introduce regular monthly meetings with supplier account owner to help resolve dispute, including regular communication with the supplier.
- Implementation of supplier invoice OCR/scanning tool integrated with the finance system to improve the accuracies of invoice postings, thus reducing errors that could delay payment.

The group has committed to provide regular reporting on progress of the above action plan to the Board (quarterly) and Audit Committee (semi-annually).

This reporting will include the production of a supplier payment report that demonstrates the time taken, from invoice date, to pay all supplier invoices to ensure that at least 95% of all supplier invoices are paid within 60 days, on a rolling 12 month basis.

This action plan has been approved by the Directors of the Company.

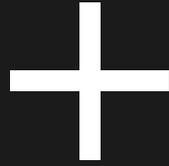
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Simon Fieldhouse
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Simon Fieldhouse

Director

For and on behalf of Serbus Group Limited

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