

Strategy.

Our products are sold throughout the world. The Group management team is passionate about developing the business for the benefit of the shareholders, employees and customers. With the energy and ability of our staff we look forward to the future with enthusiasm. Our aim is to create shareholder value through market leadership in the design, manufacture and supply of professional lighting systems.

Our focus is for long-term growth and stability, achieved through the following priorities:

Risks key

- A** Adverse economic conditions
- B** Changes in government legislation or policy
- C** Competitive environment
- D** Price changes
- E** Business continuity
- F** Credit risk
- G** Movements in currency exchange
- H** Cyber security
- I** Exit from the European Union
- J** Impact of Ukraine conflict on domestic and global economies



Focus on high quality products and good leadership in technology

Customers continually require new and innovative ways in which to reduce the operating costs of their lighting installations. There is also the requirement to reduce their environmental impacts.

Progress to date

- Continued enhancement of features for the SmartScan wireless system
- Shared product development between certain companies within Group
- Acquired additional and new product portfolios with the addition of Zemper – emergency lighting and Ratio – Electric vehicle charging

Future opportunities

- Further development of SmartScan
- Continuous research and development
- Targeted acquisition

Associated risks **C**

- Product acceptance
- Initial product introduction

Strategy in action

- SmartScan
- Visio
- D-Sign

Read more on pages 36 to 37 and 50 to 53

Continue to grow the customer base for Group companies

With the continued investment in the product portfolio and the broad range of sectors we can service, the focus will be on expanding our customer base in new markets and territories.

Progress to date

- Targeted approach in the Netherlands with Thorlux industrial product portfolio
- Introduce Famostar product portfolio to territories where the Group has a presence
- Introduce Zemper product portfolio to territories where the Group has a presence

Future opportunities

- Consider further sales offices overseas

- Potential business development investment
- Investment in sales personnel in the UK and overseas
- Targeted acquisition

Associated risks **A C D J**

- Short-term cost increase without immediate return
- Prolonged time required to establish FW Thorpe brands in new territories"

Strategy in action

- Ordnance Survey head offices

Read more on page 22

Overview of strategy.

- Strategy was designed to build on the values that have been at the core of the company since its inception. FW Thorpe has been built on product innovation – design and product development is fundamental.
- The Group is product led. This enables us to maintain competitive advantage with marketing leading products, utilising technology to retain and attract new customers.
- Sustainable growth is key to our stakeholders – targeting new customers in existing or new territories, using our product portfolio to drive into new sectors.
- Control of the manufacturing processes is of utmost importance – key processes are kept in-house with targeted investment in new machinery as required.
- Family principles and how we treat our people is fundamental to our success. The Group prides itself on the development of people from within the organisation providing training and experience as well as maintaining our core values.



Focus on manufacturing excellence

Along with continued product development, the need to innovate the production process is essential.

Progress to date

- Rebuild completed of Lightronics factory following fire in 2020
- Famostar facility extension project commenced
- Complete solar investment at Thorlux

Future opportunities

- Develop manufacturing facilities for Ratio EV products in the UK at Target Park facility

Associated risks C E

- Reduced productivity while changes are implemented
- Learning curve on introduction of new products and processes



Read more about **Strategy in action: Building for the future** on page 38



Continue to develop high quality people

Talent is one of our main sources of competitive advantage and it is imperative we continually develop and retain it within the business.

Progress to date

- Training and development
- Apprentice scheme continues
- Investment in management training

Associated risks C I

- Ability to retain staff in competitive local job markets
- Loss of UK personnel from the EU due to Brexit

Future opportunities

- Continued investment in training and personnel development

STRATEGY IN ACTION

ZEMPER



Established in 1967 by Aurelio Espinosa, father of the current Managing Director Jesús María Espinosa, Zemper was initially involved in the manufacture of transformers and electrical voltage stabilisers. Subsequently, with the aim of increasing its turnover, it began the manufacture of emergency lighting and became Electrozemper S.A. (Zemper) on 25 March 1978.

The company operates from a modern 10,000m² self-contained factory in Ciudad Real manufacturing hundreds of thousands of luminaires per year.

For over 50 years the company has focused on manufacturing quality products, and this mentality has not been lost over time. Zemper has adapted to changes in the market and in the needs of its customers, who not only demand high quality products but also a greater commitment to environmental sustainability.

Market sectors



Commercial Infrastructure Industrial



Retail & hospitality Healthcare Education

43M

Luminaires
manufactured

9,000

Emergency
lighting projects

30

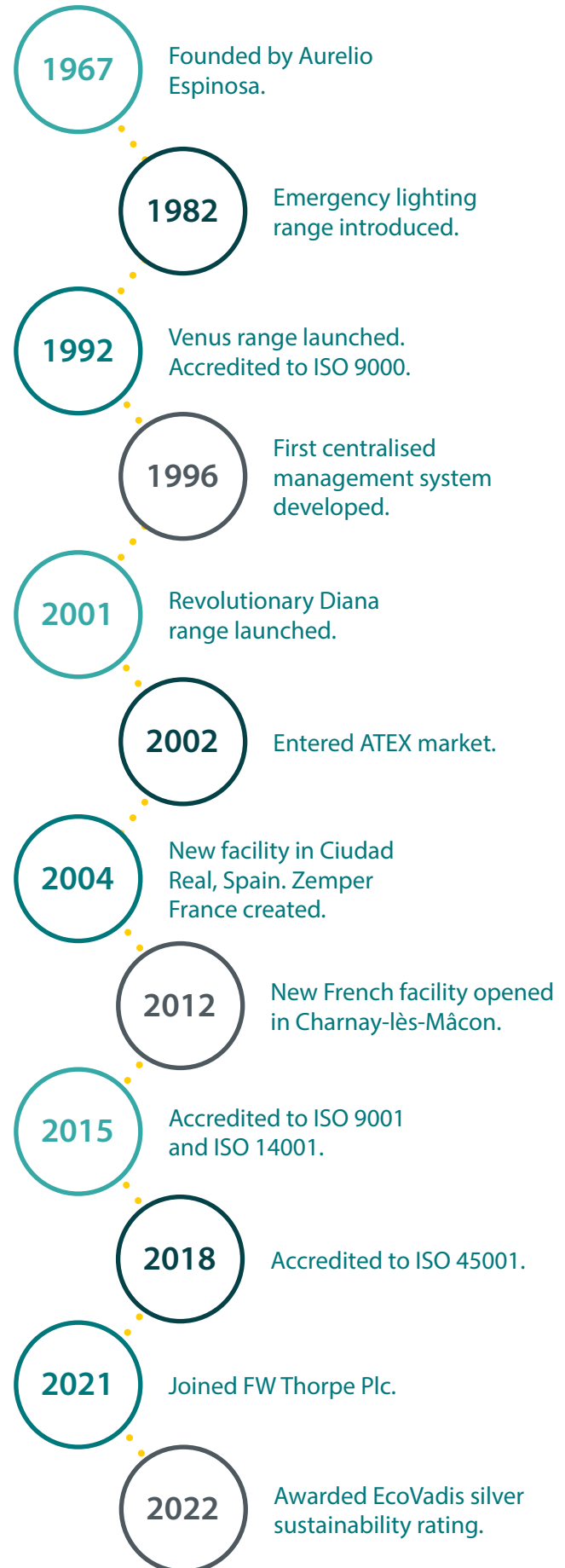
Countries
served



In 2018, Zemper made the commitment to add to its quality system, resulting in the creation of an integrated management system with certification to the following standards:

- ISO 9001:2015: Quality Management System.
- ISO 14001:2015: Environmental Management System.
- ISO 45001:2018: Health and Safety Management System.
- IQNet SR 10: Social Responsibility Management System.

This positions Zemper as the first company in its industry in Spain to be certified with these four management systems at the same time (source provided by AENOR).



Zemper Facilities



Zemper – Head Office

Ciudad Real, Spain

Since: 1967

Staff: 120

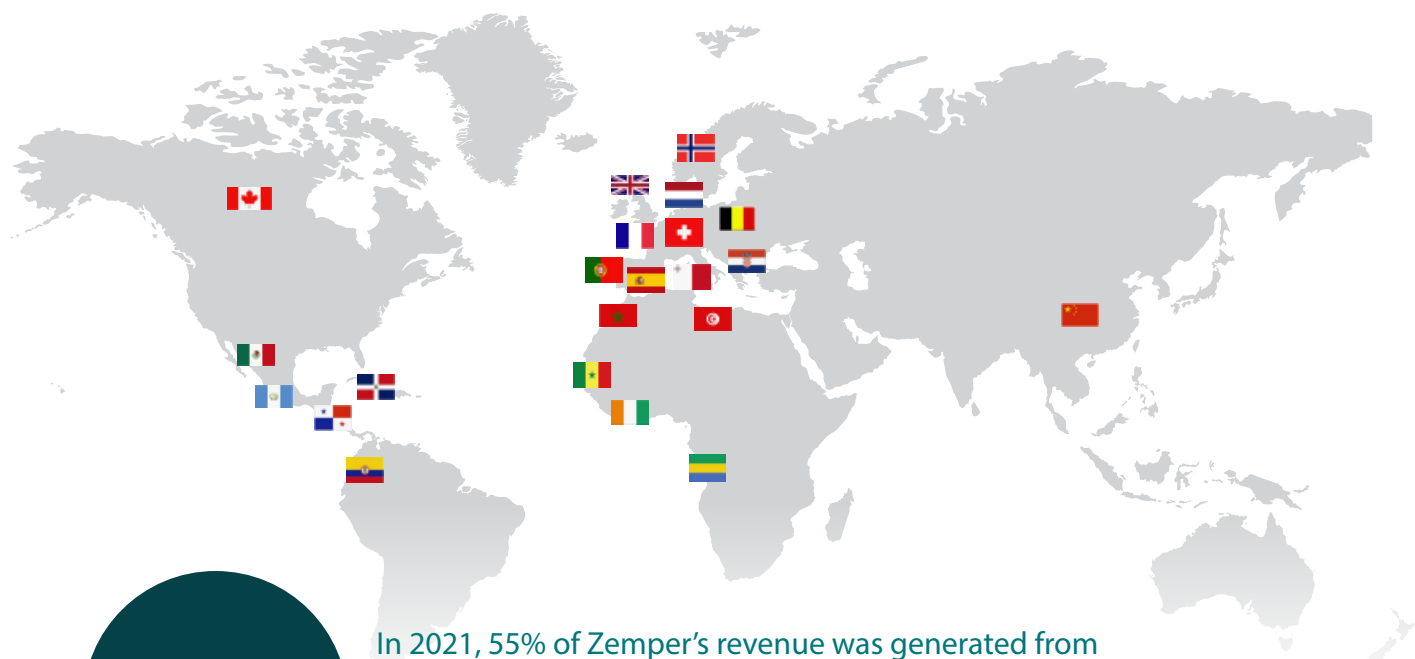


Zemper France

Charnay-lès-Mâcon, France

Since: 2000

Staff: 20



Markets served

In 2021, 55% of Zemper's revenue was generated from outside Spain, largely due to its direct presence in France and sales into Belgium, Columbia and Morocco.

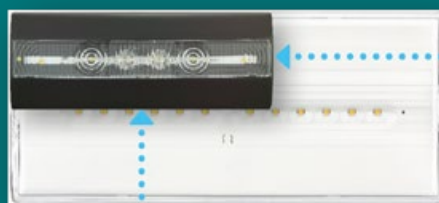
Project:
Gencat,
Barcelona

Product feature – Alya range

Launched in 2021, the Alya family of luminaires is a new concept within the emergency lighting sector.

Its size, up to 60% smaller than similar luminaires of its type, make it unique and one of the smallest emergency luminaires on the market. Sustainability is key to the design of the Alya range. Being compact, it uses fewer materials and also requires significantly less maintenance than its predecessors. Its high efficiency also greatly increases the durability of the battery.

The Alya family is designed for a wide range of applications and consists of three types: Alya, an emergency luminaire specifically designed for use in the ceiling; Walya, an emergency wall luminaire; and Exitalia, designed as an exit information sign that can be adapted to any position and surface, wall mounted or recessed.





In December 2021, FW Thorpe Plc announced the acquisition of 50% of the share capital of Ratio Electric B.V. in the Netherlands. Ratio was established in 1960 by its pioneering founder Hans Snaak. The company developed products such as energy distribution systems for data centres and offices, a breakthrough plug and play shore power connection which set a new standard in the maritime world, and innovative charging solutions for electric cars.

Today Ratio Electric continues to supply high quality, functional and affordable products to OEMs, installers and specialised wholesalers, with e-mobility accounting for nearly 60% of the business.

Over 60 years of experience, combined with FW Thorpe skills and expertise, enable Ratio to develop smart solutions for current and upcoming customer needs, such as connected charging stations and market-leading charging pillars. Ratio EV Charging is a collaboration between FW Thorpe Plc and Ratio Electric. Ratio EV Charging designs, and will manufacture, EV charging products at its factory in Redditch, specifically to serve the UK market.

“This is an exciting opportunity for the Group. FW Thorpe’s know-how in electrical engineering, manufacturing and lighting, combined with Ratio’s experience in electrical vehicle charging, will allow the introduction of new products into the UK market as well as supporting growth in Ratio’s existing markets.

We see similarities in technology and engineering skills, giving the Group the opportunity to diversify into new areas of engineering with high growth potential.”

**Mike Allcock
Chairman**



E-Mobility

Data Centre

Office

Marine



SmartScan development.

The next generation.

Launched in 2016, SmartScan has continued to evolve over the last 6 years. The latest generation offers an extensive range of new customer features that improve user interaction and simplify maintenance of the system.

An increase in wireless network speed enables faster access to information, providing a larger data set and improved analytics. In addition, this faster network allows for a live, secure, truly IOT (internet of things) system that is now online permanently. This allows users to interact with installations from anywhere in the world without any delay, a valuable feature for larger multi-site users.

User control has been improved with the addition of manual dimming and an increase in the number of available scenes on offer. A new selection of battery or mains powered switches complements the range and offers a simplified method for connection of smart phones for app control. The SmartScan website and method of communication with installations has evolved to meet the latest security standards, future proofing the system for years to come.

The first installation of this next generation of SmartScan commenced early 2022 at two manufacturing facilities in Europe, both owned by the same company. In total 4558 high bay industrial luminaires and 6650 office luminaires have been supplied.

The base requirements of the installation included automated lighting control (presence detection and daylight dimming) in the production halls and automated

lighting with user control (scene setting) in the offices.

However, the customer also asked for features that were not previously available. Subsequently, the next generation of SmartScan was developed to secure the order. These additional features include:

- Web based commissioning of luminaires (reducing time and cost by 50%).
- The ability for the customer to re-zone or adjust lighting parameters via the SmartScan website.
- The ability to change luminaire parameters via the interactive site drawing.
- Manual dimming via a push switch.
- Additional scenes and fixed manual dim levels via the new scene plate.
- New battery powered options for the scene plate, to simplify installation.
- New smart phone connection and app.
- New global commands for system override for out of hours or for alarm signals.
- New calendar function that will change system parameters out of hours.
- Faster remote testing and diagnostics.

The first phases have been commissioned successfully.

Client testimonial

“As long-term users of the amazing Thorlux SmartScan system we are fully aware of its capabilities; however certain end users have asked for more. We approached Thorlux with our requests and they exceeded all of our expectations with the ‘generation 2’ update. This helped us secure our largest installation to date and the end user is delighted with the new features on offer.”





-50%
Commissioning time

+49%
Revenue
2021/22

NEW LIGHTRONICS FACILITY

Building for the future.



Following the devastating fire in September 2020 that destroyed the assembly area and experience centre at Lightronics, work is now complete on the new structure at Waalwijk.

Both levels of the new building are being used as a production facility and warehouse. At 4200m², the floor space is almost double that of the old property, optimising production routing and improving the working climate for Lightronics employees. The high bay warehouse adjoins the manufacturing area, ensuring that components are always to hand for assembly, minimising internal logistics.

The new building is entirely gas-free, reducing the CO₂ footprint, and it will be equipped with solar panels for energy-neutral manufacturing. In addition to these measures, the Group carbon offsetting scheme compensates for emissions from manufacturing and logistics and the company is installing multiple charging points for visitor and employee electric vehicles. Behind the property, a waste recycling plant will be established to ensure the optimum sorting and disposal of various waste flows.

The new building has not only added space, but has also improved and streamlined the manufacturing facility, further strengthening Lightronics' position as a leading Dutch lighting manufacturer.

“With our new facility, we can continue to define our targets for the future of Lightronics. This property puts our employees even more centre stage. We were able to scrutinise the work climate and layout again. In addition, the new building has allowed us to further reduce our CO₂ footprint.”

Jos Spapens
Lightronics Managing Director



+59%
Manufacturing space

0%
Reliance on gas

+146%
Solar capacity

