LETTER FROM THE CHAIRMAN

Hardy Plc

(the "Company")

(Incorporated in the Isle of Man under the Companies Act 2006 with company number 018168V)

Directors		*Registered office*
Michael Bretherton	Chairman	First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF

13 August 2026

To the holders of issued shares in the Company's capital (the "Shareholders")

Final capital distribution to Shareholders of 0.43 pence in cash per issued share in the Company's capital

As previously announced in 2025, the Company has been pursuing an orderly realisation of existing investments and return of capital to Shareholders by way of capital distributions as and when funds permit. The first of these was the payment of a 6.50 pence per share capital distribution to shareholders on 21 October 2025 amounting to a total value of £4.79 million. Subsequently a further capital distribution of 1.95 pence per share was paid to Shareholders on 11 February 2026 amounting a total value of £1.44 million.

A notice of dissolution of the Company was sent to all Shareholders on 30 April 2026 and on 22 July 2026, Hardy received confirmation from the Isle of Man Companies Registry (the "IoM Registry) that it was entitled to make a final distribution of surplus assets to Shareholders.

On 12 August 2026, the Director then approved the payment of a final capital distribution to Shareholders of 0.43 pence in cash per issued share in the Company's capital (the "Final Capital Distribution"). The Final Capital Distribution is payable to all Shareholders on the register of members of the Company as at the close of business on Monday 17 August 2026.

This Final Capital Distribution will have the resultant effect of eliminating the Company's surplus assets of £0.32 million and reducing the capital and reserves to £nil.

Final Capital Distribution entitlement payments to Shareholders will either be made by cheque or by CREST on or around Wednesday 26 August 2026 as follows:

Shares in certificated form

Where a Shareholder holds shares in certificated form, payment will be by sterling cheque despatched by first class post on or around 26 August 2026 at the risk of the person(s) entitled thereto. All cheques will be drawn on a branch of a UK clearing bank.

Shares in uncertificated form (that is, in CREST)

Where a Shareholder holds shares in uncertificated form, payment will be made in sterling on or around 26 August 2026 by means of CREST in accordance with the CREST payment arrangements.

In order to avoid the cost burden of processing small payments, Shareholders will only receive a Final Capital Distribution entitlement payment where the value of their Final Capital Distribution entitlement is £5 or more.

The Final Capital Distribution represents a repayment of capital out of the distributable reserves created by the cancellation of the Company's share premium following approval of the special business resolution 3 at the Company's Annual General Meeting on 29 September 2021 and as also created by the subsequent reduction of the Company's share capital to £1 on 5 March 2025 and with the nominal value of the issued shares reduced to £1 divided by 73,764,035 per share.

Financial update

Financial highlights and extracts from the Hardy Annual Report & Accounts for the 12 months to 31 March 2026 were included in the Chairman's letter Shareholders of 30 April 2026. The Annual Report & Accounts are available on the Company's website at www.hardyplc.com. The Hardy website will remain in operation for a further period to 31 October 2026 post the expected dissolution of the Company at the end of August 2026 or shortly thereafter.

The Annual Report & Accounts were approved by the Directors on 30 April 2026 and include the following key performance indicators:

	31 March 2026	**31 March 2025**
	£'000	**£'000**
Net assets	252	6,657
Loss after tax	(277)	(639)
Cash and short term deposits with banks	260	38
Net asset value per share (pence)	0.34	9.02

Subsequent to 31 March 2026, the Company benefited from the forfeit and return of £72,000 of historic unclaimed capital distributions, partially offset by further wind down costs of £7,000, to give a net increase of £65,000 to the Company's net assets position which now amounts to £317,000 at today's date of 13 August 2026 as set out below

	£'000
Net assets at 31 March 2026	252
Forfeit and return of historic unclaimed capital distributions	72
Additional wind down costs	(7)
Net assets at 13 August 2026	317
Net asset value per share (pence)	0.43

The net assets of £317,000 are wholly represented by cash balances of that same amount.

Dissolution of the Company under section 190 of the Isle of Man Companies Act

As noted above, on 22 July 2026, Hardy received confirmation from the IoM Registry that it was entitled to make a final distribution of surplus assets to Shareholders and that the Company would then be dissolved under section 190 of the Isle of Man Companies Act following notification to the IOM Registry that the final distribution of surplus assets has been made.

That final distribution of surplus assets was approved by the Director on 12 August 2026 as a Final Capital Distribution to shareholders of 0.43 pence in cash per share and with payments to be made on or around

Wednesday 26 August 2026. Following subsequent notification to the IOM Registry, Hardy will then be dissolved at the end of August 2026 or shortly thereafter and the date of the actual dissolution will be notified on the Company's website at www.hardyplc.com.

Unclaimed capital distributions

Under article 13.3 of the Articles of Association of Hardy: All dividends or distributions unclaimed for 3 months after having been declared may be forfeited by a Directors resolution for the benefit of the Company whether the same became payable before as well as after any amendment to Article 13.3 came into effect.

On 12 August 2026, the Director resolved that any Final Capital Distribution entitlements which remain unclaimed for 6 months after becoming payable on 26 August 2026 shall be forfeited on 26 February 2027. Computershare Investor Services Plc will continue to provide certain limited share registration services in relation to unclaimed distributions for a further period post the date on which the Company is dissolved up until 6 months after issue of the Final Capital Distribution payments.

Closing farewell

In late 2024, the Company announced that it would not make any further investments and would instead pursue an orderly realisation of existing investments and a return of capital to Shareholders by way of capital distributions as and when funds permit.

The subsequent Annual Report & Accounts to 31 March 2025 highlighted that the Company had net assets of approximately £6.66 million (equivalent to 9.02 pence per share). The Directors stated in this report that they hoped the total value of such return of capital distributions to Shareholders would not be less than that 9.02 pence net asset value per share.

I am pleased to confirm that the subsequent capital distributions paid and payable of 6.50 pence per share, 1.95 pence per share and 0.43 pence per share, together amount to a total of 8.88 pence per share which is only marginally lower than that 31 March 2025 net asset value per share.

So, it now only remains for me to thank our Shareholders for their support over the last 6 years since I became chairman of the Company.

Action to be taken

Shareholders will not be required to take any action in order receive their Final Capital Distribution entitlements which will be paid by the Company's transfer agent, Computershare Investor Services Plc, under the arrangements referred to above.

Yours sincerely,

Michael Bretherton
Chairman