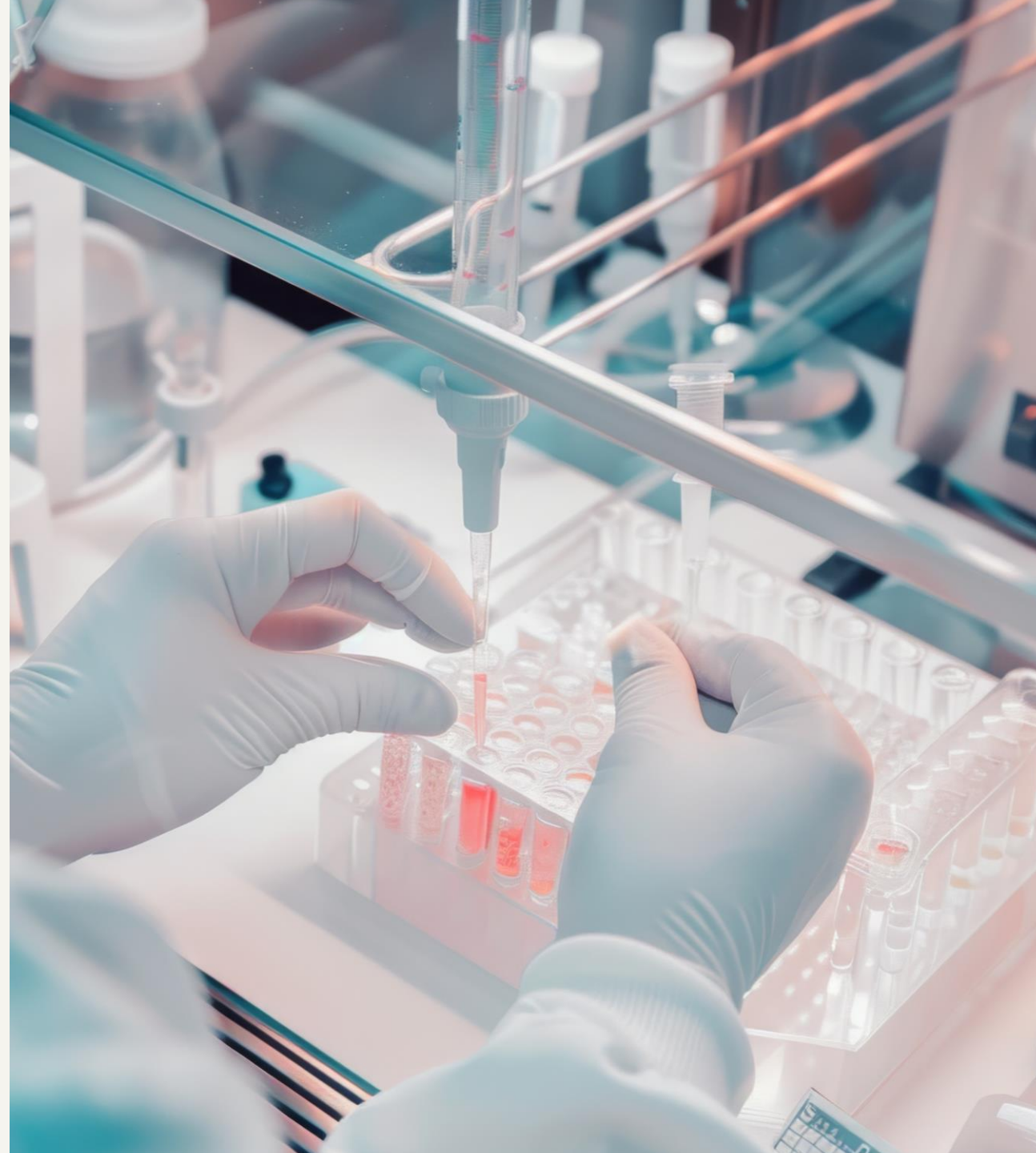


**Change as Catalyst:  
Elevating Performance**

**Half-year results for the six months  
ended 30 September 2024**

**December 5, 2024**

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Delivering Turnaround Success

## Precision, Growth, and Value Creation.

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**Carclo is delivering a transformative turnaround:** strengthened margins, reduced debt, and a clear strategy to capitalise on growth opportunities in precision-driven sectors.

### AGENDA

Leading Through Change

Performance in Numbers

Strategy in Motion

Frank Doorenbosch

Eric Hutchinson

Frank Doorenbosch

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# Leading Through Change

Frank Doorenbosch  
CEO

---



# CTP and Speciality: Delivering Excellence Across Diverse Markets



## CTP DIVISION

*Life Science and Precision Components*

- In Vitro Diagnostics
- Drug Delivery
- Precision Components

## SPECIALITY DIVISION \*\*

*Cable & Wires, Light & Motion, Machined Components*

- Aerospace
- Light & Motion
- Precision Components

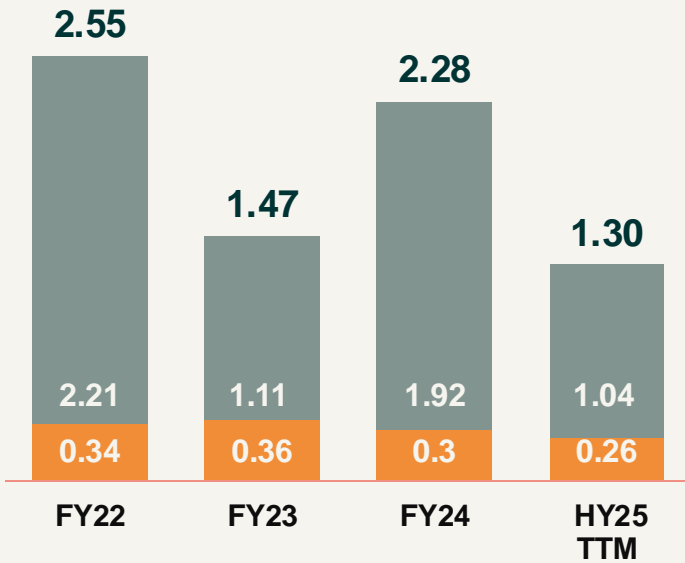


\* Trailing twelve Months Revenue

\*\* New 'Speciality Division' = Aerospace + Optics

# Significant Improvement in Health & Safety Performance Across All Our Operations

**43% REDUCTION IN TOTAL INCIDENT RATES DEMONSTRATES OPERATIONAL EXCELLENCE.**



**Graph:** Total Incident Ratio of **all** incidents per 100.000 hrs worked

Legend: ■ Lost Time Incidents Ratio ■ No Lost Time Incidents Ratio

- Significant improvements in Health & Safety reflect Carclo’s commitment to operational excellence and risk management.
- Safer working environments enhance workforce resilience and productivity.
- Health & Safety performance directly supports sustainable operational success.



**Carclo**

**STAY ALERT... DON'T GET HURT!**

Celebrating our global dedication to employee safety and welfare!

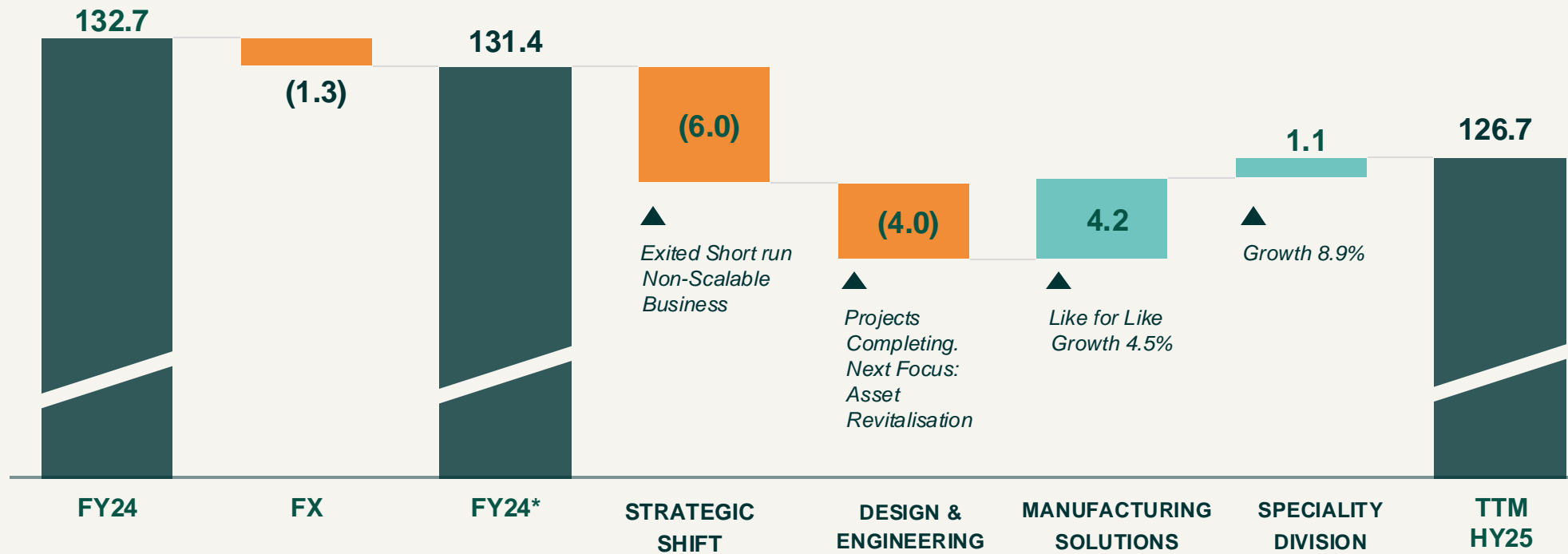
#OneCarclo

*Note: Carclo records all health and safety incidents, from minor occurrences such as papercuts to severe events, ensuring comprehensive reporting and continuous improvement.*

# Driving Growth in Core Operations While Exiting Short Run Non-Scalable Business

Strategic Shifts Reshaped Our Revenue Mix, Driving Growth in Manufacturing (+4.5%) and Speciality Division (+8.9%).

TTM\*\* REVENUE BRIDGE IN £M



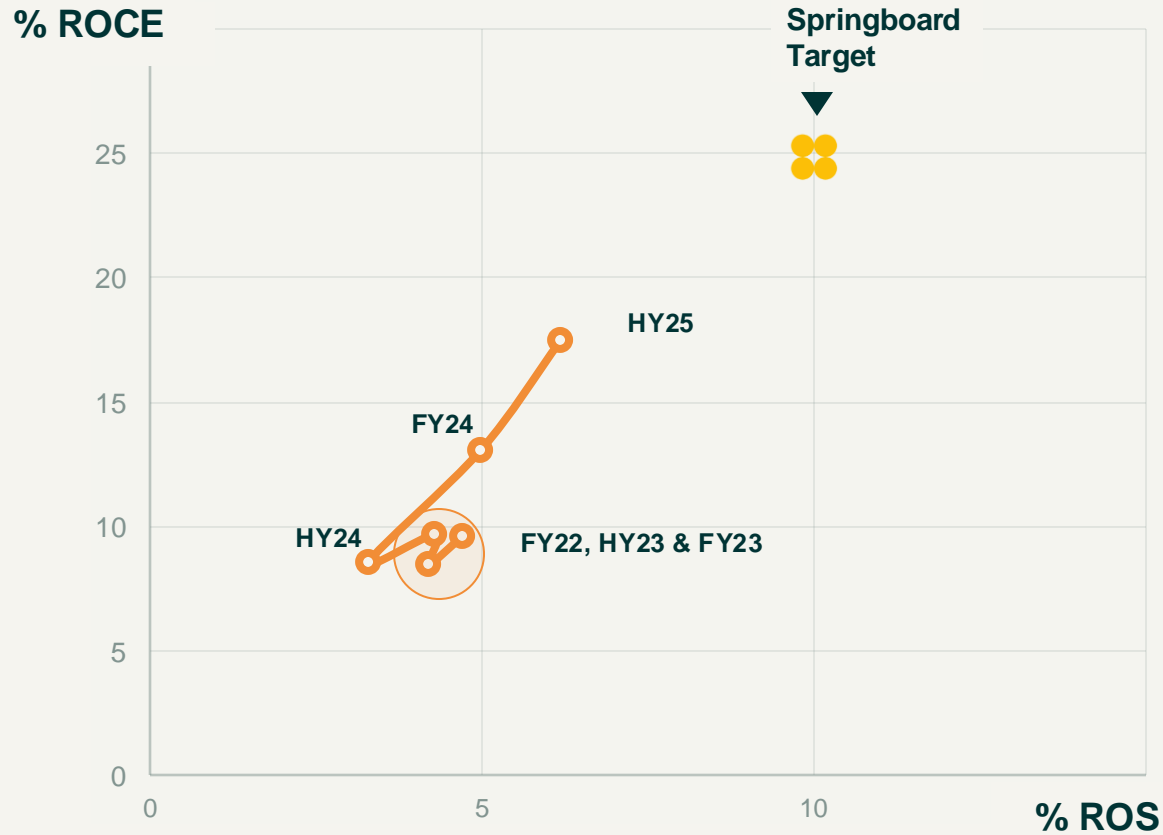
\* At Constant Currency \*\* Trailing Twelve Months

Strong TTM Financial Performance on all Fronts

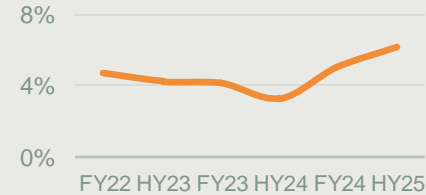
# Advancing Financial Efficiency and Moving Towards Our Target Performance

## EVOLUTION IN ACTION

ROS and ROCE Break New Ground

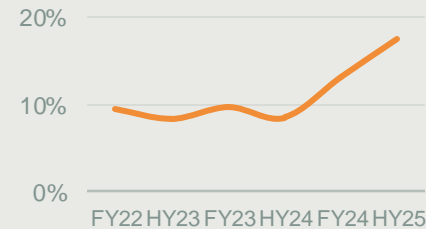


**ROS** ▲ **6.2%** (5.0% FY24)



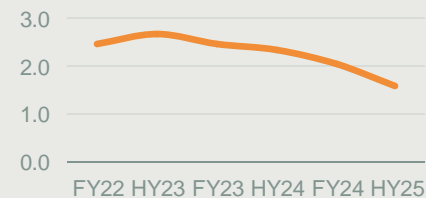
Driven by operational efficiencies and higher-value focus, fuelling sustainable profit growth.

**ROCE** ▲ **17.5%** (13.1% FY24)



Strategic shifts boost capital efficiency, showcasing agile return optimization across evolving operations.

**Net Debt Ratio** ▼ **1.6x** (2.0x FY24)



Effective debt management strengthens financial position, enhancing resilience and growth potential.

Note: All P&L items are TTM and Balance Sheet items are Period End

## Performance in Numbers

Eric Hutchinson  
CFO



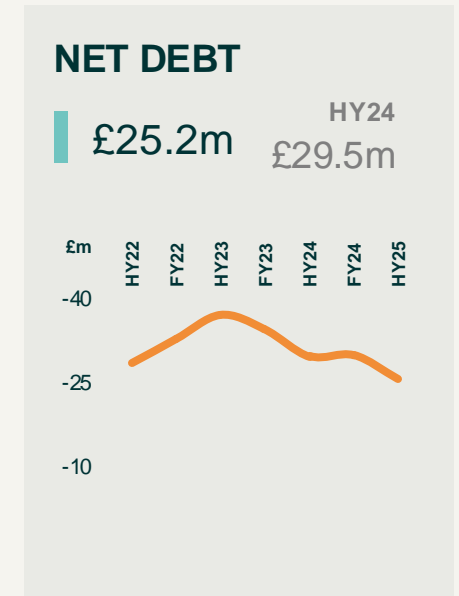
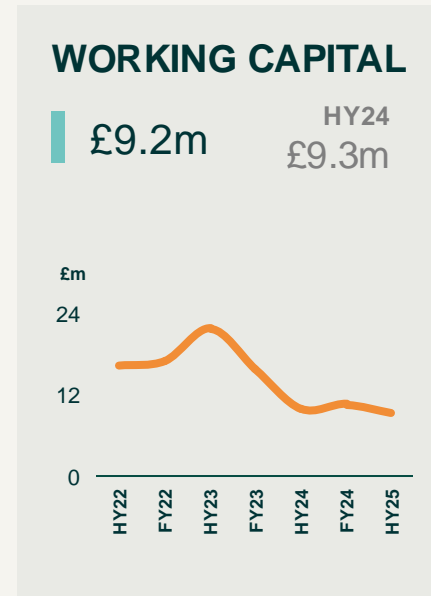
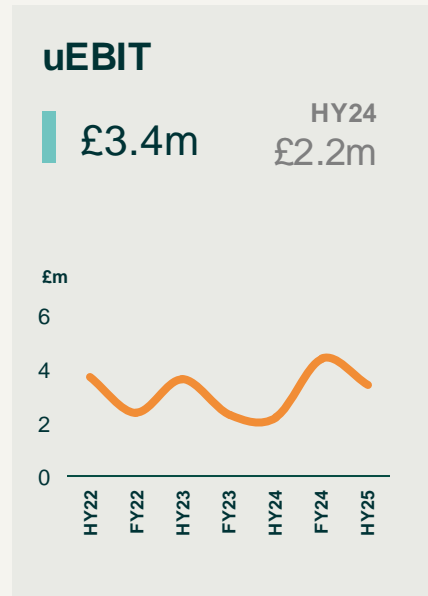
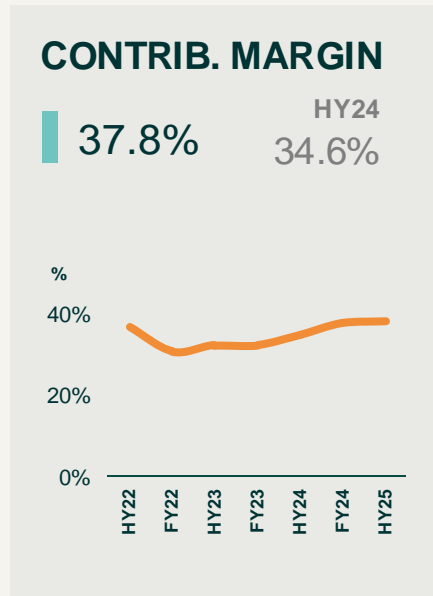
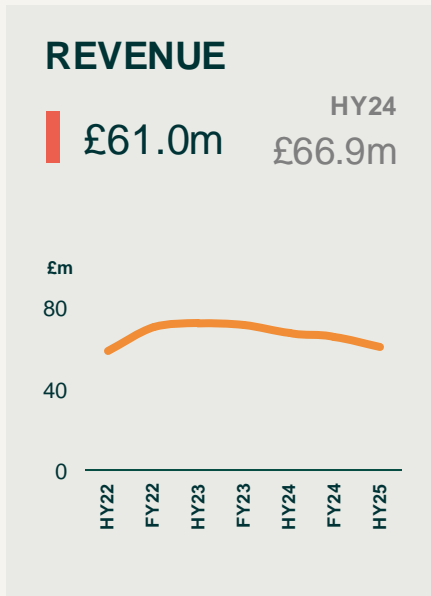


# Strong Margins and Debt Reduction Supporting Resilience

## RESILIENT FINANCIAL RESULTS

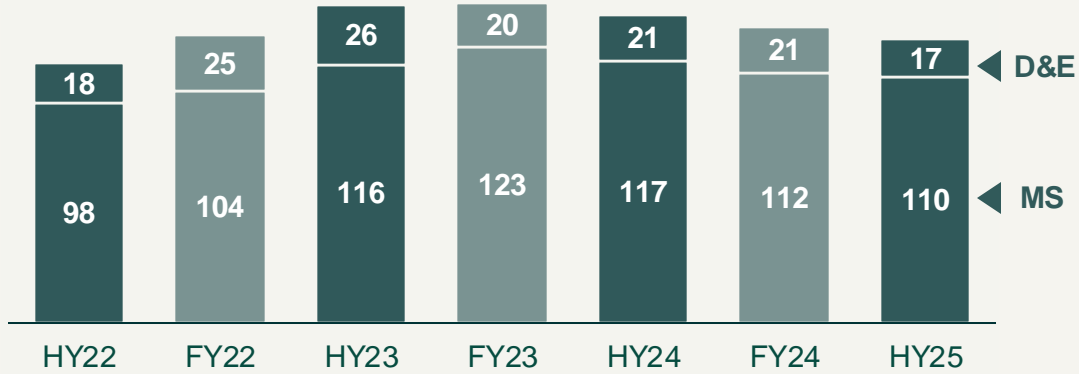
Focus on margin ahead of revenue.

Considerable uEBIT growth and improved working capital position, resulted in significant reduction in net debt versus September 2023.

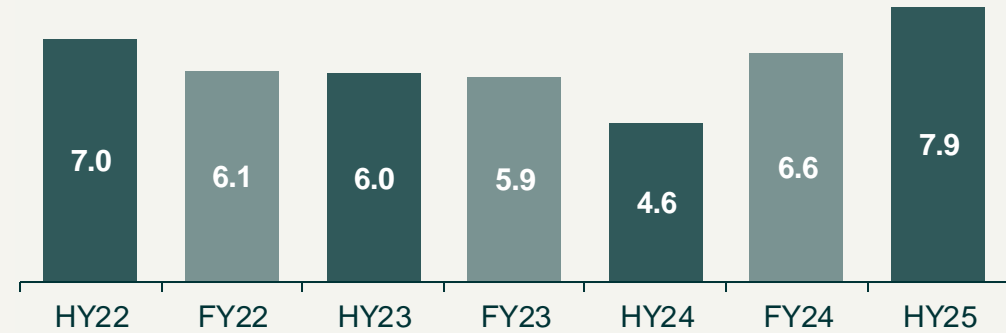


# KPIs continue to demonstrate delivery of the strategy (1)

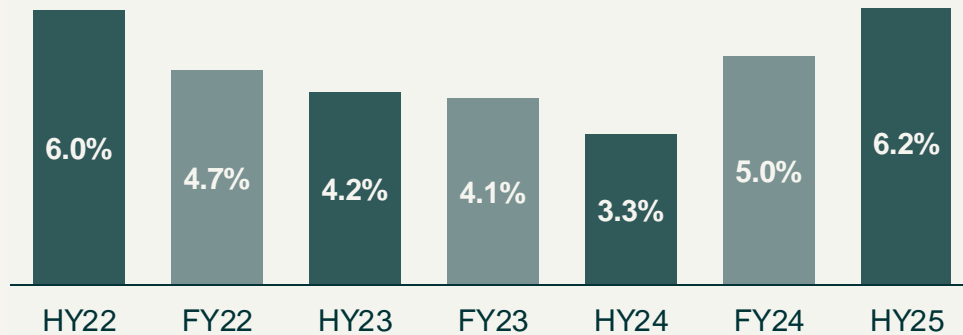
TTM REVENUE (£M)



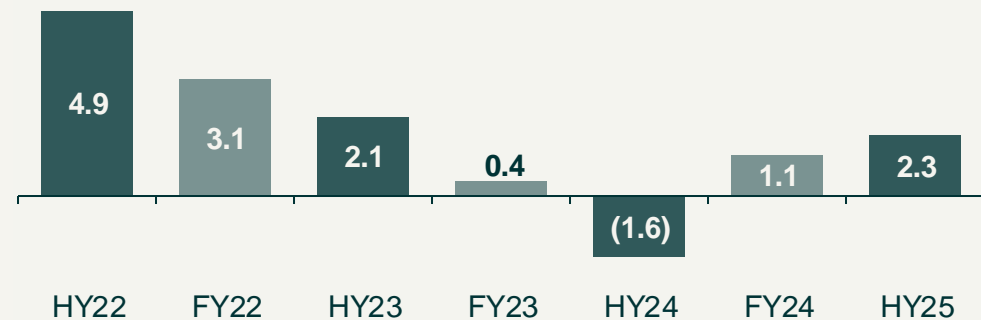
TTM UNDERLYING OPERATING PROFITS (£M)



TTM RETURN ON SALES

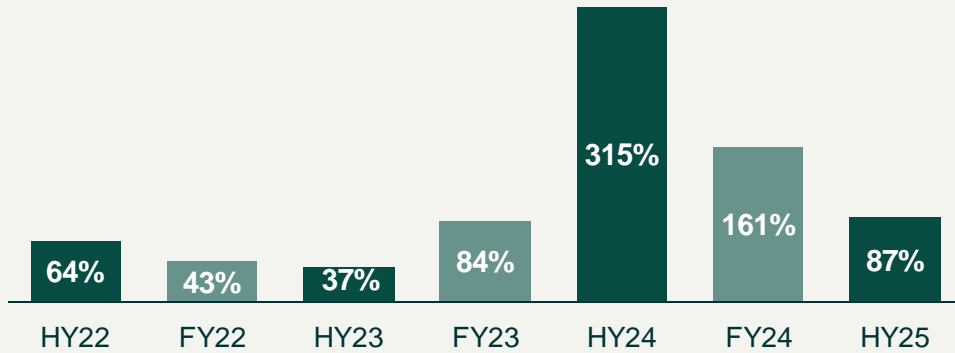


TTM UNDERLYING EARNINGS PER SHARE (PENCE)

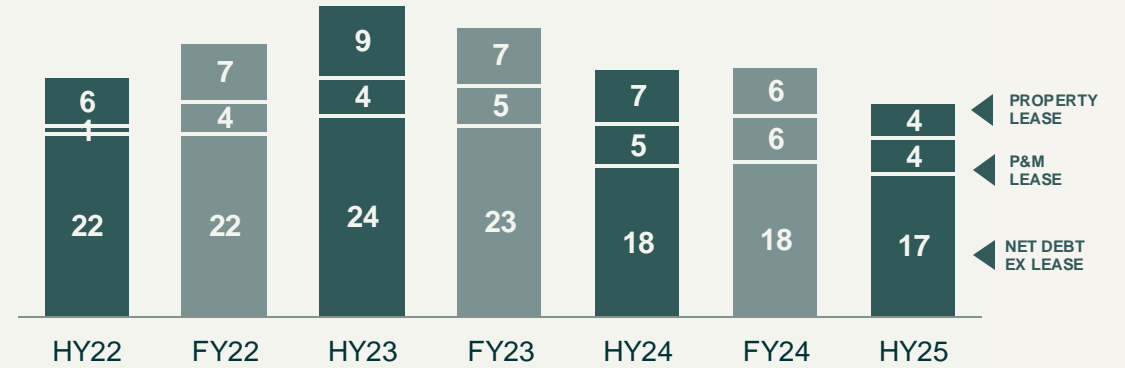


# KPIs continue to demonstrate delivery of the strategy (2)

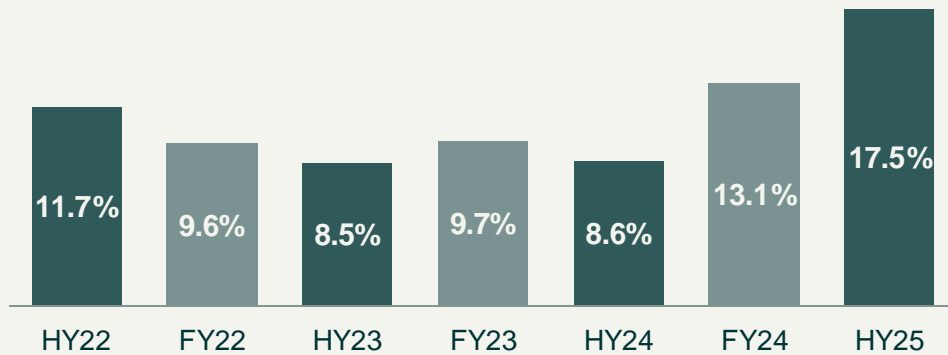
## TTM CASH CONVERSION\*



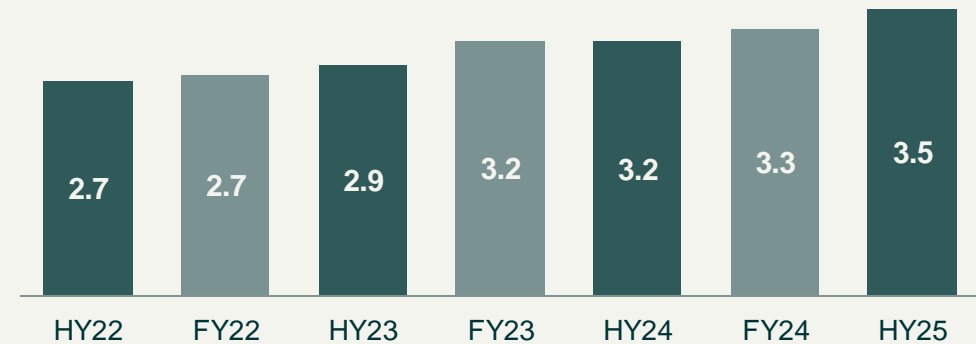
## NET DEBT (£M)



## TTM RETURN ON CAPITAL EMPLOYED



## FIXED ASSET UTILISATION\*\* (TIMES)



All data:[Balance sheet items = Period End][P&L items = Trailing Twelve Months (TTM)]  
 \* Cash conversion is calculated as the Cash generated from operations divided by EBITDA  
 \*\* Fixed Asset Utilisation = Total Revenue / Net Tangible Assets

# Stable Financials with Focus on Margins Over Growth

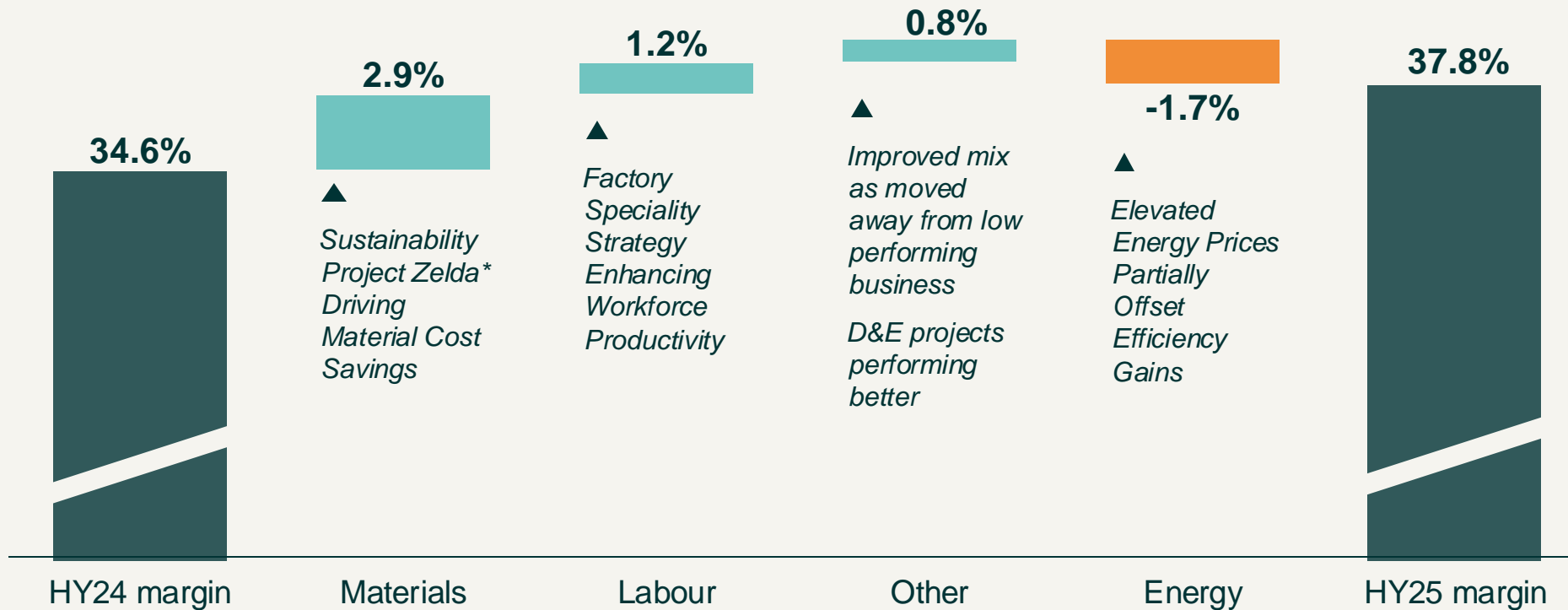
£'000	HY25	HY24	Change
Revenue	60,957	66,921	(5,964)
<b>Contribution</b>	<b>23,019</b>	<b>23,178</b>	<b>(159)</b>
Contribution margin	37.8%	34.6%	3.2%pts
Overheads	(15,969)	(16,985)	1,016
<b>Underlying EBITDA</b>	<b>7,050</b>	<b>6,193</b>	<b>857</b>
Depreciation and amortisation	(3,605)	(3,961)	356
<b>Underlying operating profit</b>	<b>3,445</b>	<b>2,232</b>	<b>1,213</b>
Exceptional items	(973)	(2,095)	1,122
<b>Operating profit</b>	<b>2,472</b>	<b>137</b>	<b>2,335</b>

## KEY POINTS

- Revenue as expected: as we exited low margin business, and the lower D&E revenue anticipated.
- Focus on margin improvements over revenue growth, with +3.2%pts increase in contribution margin.
- Operational efficiencies delivering +14% growth in EBITDA.
- Depreciation charge reduced: reflecting site closures.
- Exceptional items reflect lower than planned business restructuring costs and expenses to obtain debt refinancing.

# Operational excellence transforms rising costs into sustainable margin gains

## HY24 TO HY25 CONTRIBUTION MARGIN BRIDGE



\* **Project Zelda** : encompasses Carclo's comprehensive sustainability initiative, targeting waste reduction, energy efficiency, and long-term environmental impact mitigation across operations.

# Restructuring Charges Reflect Strategic Realignment

## EXCEPTIONAL COSTS

£'000	HY25	HY24	FY24
Rationalisation costs (cash)	(663)	(914)	(1,148)
Rationalisation costs (non-cash)	973	(57)	(2,212)
Debt refinancing costs (cash)	(1,284)	-	(308)
Debt refinancing costs (non-cash)	-	-	(125)
Other expenses (cash)	-	631	846
Other expenses (non-cash)	1	(735)	(890)
Past service cost in respect to retirement benefits (non-cash)	-	(1,020)	(1,020)
<b>Total exceptional costs</b>	<b>(973)</b>	<b>(2,095)</b>	<b>(4,857)</b>
<b>Cash exceptional costs</b>	<b>(1,947)</b>	<b>(283)</b>	<b>(610)</b>

## KEY POINTS

- Strategic restructuring of the US manufacturing business continued as Derry and Tucson closures were finalised. US manufacturing capability centred around Latrobe operation.
- Final restructuring costs offset by provision releases following the final closure accounting, most significantly in relation to the advantageous property lease exit negotiations.
- Further costs in H2 for refinancing of c. £0.7m.
- Through negotiation and careful management of potential liabilities, £1.0m of cash expenditure has been avoided. The Impact of the non-cash exceptionals on the balance sheet is as follows
  - Property lease provisions: £0.6m
  - Tangible fixed asset: £0.2m
  - Accruals and inventory: £0.2m

## Pension Deficit

# Pension Deficit Movement

£m	Sep 24	Mar 24	Sep 23
<b>Deficit b/f</b>	<b>(37.2)</b>	<b>(34.5)</b>	<b>(34.5)</b>
Net interest cost	(0.9)	(1.8)	(0.8)
Administration cost	(0.4)	(0.7)	(0.4)
Company Contributions	1.5	3.5	1.8
Change in Liabilities	1.9	0.3	7.8
Asset return experience	(2.8)	(3.0)	(9.6)
Exceptional past service cost	-	(1.0)	(1.0)
<b>Deficit c/f</b>	<b>(37.9)</b>	<b>(37.2)</b>	<b>(36.7)</b>

## KEY POINTS

- IAS19 valuation shows minimal change over recent periods.
- The triennial valuation as of 31 March 2024 is underway, with results expected in the first calendar quarter of 2025.
- Liabilities driven by gilt yields, with a 1% movement affecting the net deficit by £8m.
- Improved financial position expected to strengthen covenant.

## Balance Sheet

# Strengthening the Balance Sheet for Long-Term Resilience

£m	Sep 24	Mar 24	Sep 23
Tangible Fixed Assets	35.7	40.1	43.8
Inventories	11.7	11.3	12.5
Other working capital	(2.5)	(0.8)	(3.2)
<b>Working capital</b>	<b>9.2</b>	<b>10.5</b>	<b>9.3</b>
<b>Net assets employed</b>	<b>44.9</b>	<b>50.6</b>	<b>53.1</b>
Cash	7.3	6.0	7.2
Gross Debt	(32.5)	(35.5)	(36.7)
Net tax liabilities	(2.4)	(2.5)	(3.1)
Retirement benefit obligations	(37.9)	(37.2)	(36.7)
Intangibles	21.5	22.2	23.1
<b>Net assets</b>	<b>0.9</b>	<b>3.6</b>	<b>6.9</b>

	Sep 24	Mar 24	Sep 23
Return on capital employed*	17.5%	13.1%	8.6%
Fixed asset utilisation*	3.5	3.3	3.2
Working capital to revenue*	7.3%	7.9%	6.7%
Net debt	(25.2)	(29.5)	(29.5)
Net debt to uEBITDA*	1.6	2.0	2.3
Undrawn facilities	1.5	3.2	-

\* Trailing Twelve Months (TTM) used for income statement figures above

### KEY POINTS

- Efficiency of asset utilisation allowed moderate capital expenditure, leading to a reduction in fixed assets.
- Working capital maintained at a level consistent with recent periods, both in absolute and percentage terms.
- Positive trending ratios demonstrate performance and improved efficiency.



## Cash Flow

# Strong Cash Flow Generation Supporting Debt Reduction

£m	HY25	HY24	FY24
<b>Underlying EBITDA</b>	<b>7.1</b>	<b>6.2</b>	<b>14.6</b>
Change in working capital	2.0	7.0	4.6
<b>Trading cash</b>	<b>9.1</b>	<b>13.2</b>	<b>19.2</b>
Net interest paid	(1.8)	(1.9)	(3.8)
Net taxes paid	(0.6)	(0.7)	(1.1)
Net pension contribution	(1.1)	(1.4)	(2.8)
Cash exceptional costs	(1.9)	(0.3)	(0.6)
Other	-	(0.1)	(0.1)
<b>Cash from operating activities *</b>	<b>3.7</b>	<b>8.8</b>	<b>10.8</b>
Net capital expenditures	(0.3)	(1.9)	(2.9)
Lease repayments	(2.1)	(2.1)	(3.7)
Foreign exchange impact	(0.4)	0.0	(0.2)
<b>Free cash flow</b>	<b>0.9</b>	<b>4.9</b>	<b>4.0</b>

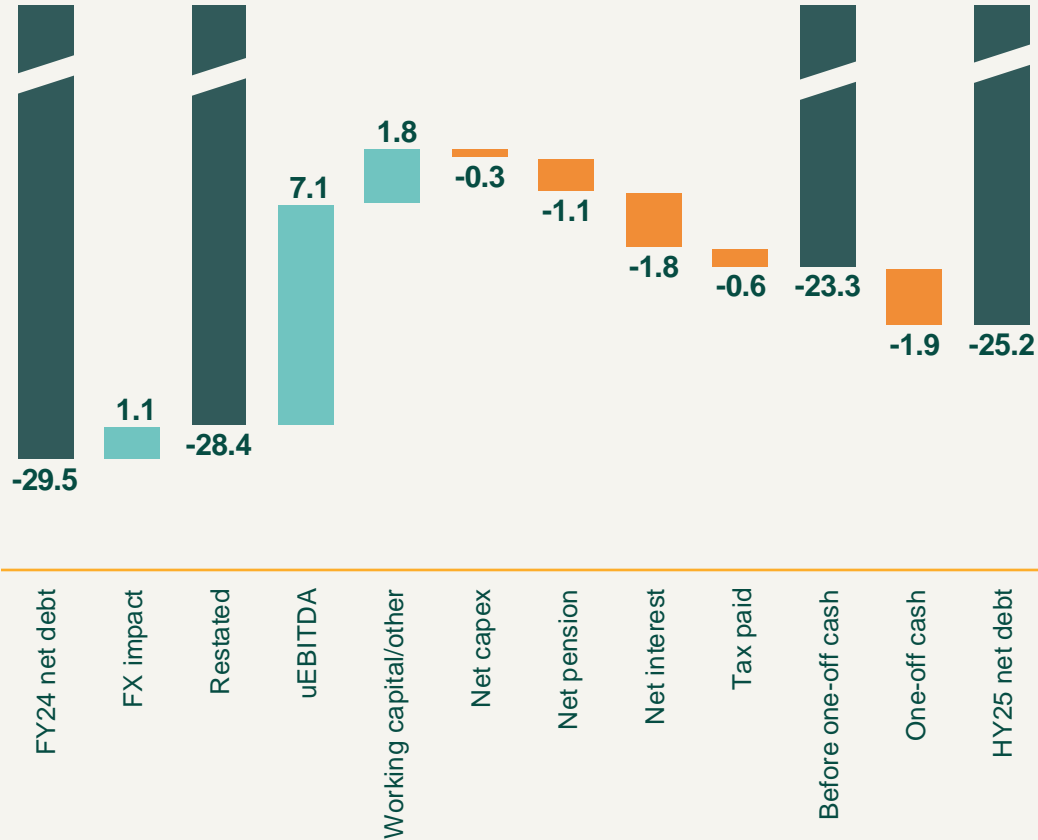
### KEY POINTS

- Underlying operating profit growth.
- Working capital now at a sustainable level.
- Capex spend kept minimal.
- Free cash flow positive and sustainable.

\* Cash from operating activities agrees to the statutory cash flow measure of net cash from operating activities, increased by interest received

# Continued Debt Reduction with Improved EBITDA Leverage

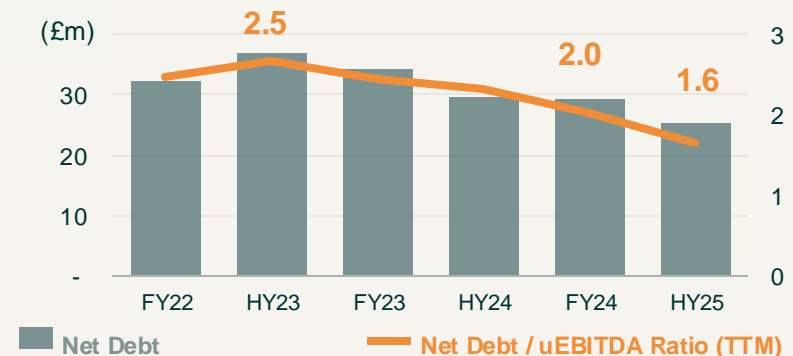
## NET DEBT REDUCTION (£M)



## REFINANCING EXPECTED TO BRING SUBSTANTIAL BENEFITS

- Project substantially progressed.
- Secure committed funding for the next three years to facilitate the change catalyst to elevate performance.
- Funds to invest in automation for greater efficiency and growth.
- Pay down of finance lease creditor which will increase free cash flow.
- Enable further cash generation to pay down debt and thereby reduce financing cost.

## ONGOING REDUCTION: ABSOLUTE & RELATIVE



# Strategy in Motion

Frank Doorenbosch

CEO

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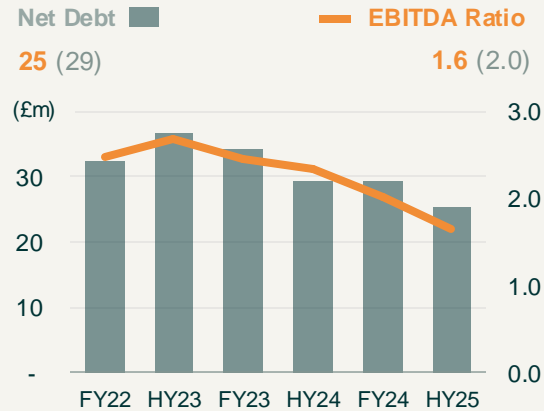
# Advancing a Balanced Strategy for Operational Excellence and Future Innovation



# Delivering a Strong Foundation with Financial Resilience and Operational Excellence...

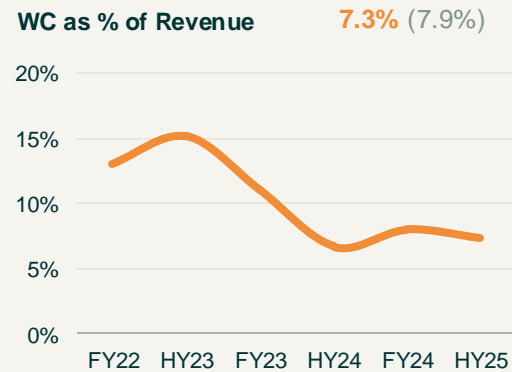
## 1 FINANCIAL RESILIENCE

Net Debt Declines, Ratio Improve,



Continuous focus on cash and cash-conversion rate, delivered stronger financial health and shows improving management of our finances.

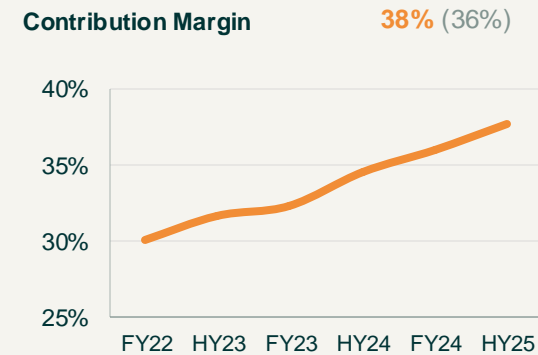
Working Capital Efficiency Improved,



Working capital as a percentage of revenue has been stable over recent periods. A testimony of our improved short-term finance management, freeing up cash for other business needs.

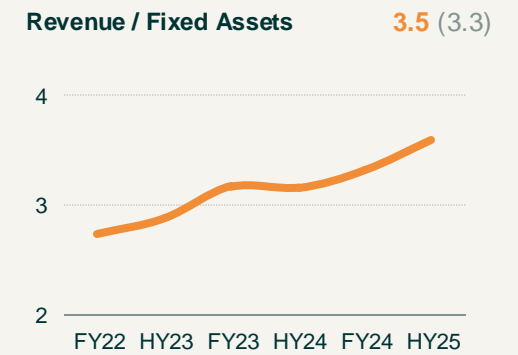
## 1 OPERATIONAL EXCELLENCE

Profit Efficiency Climbing,



Our continuous margin improvement reflects our focus on value creation and operational excellence. Positioning us for more resilient financial results and a solid base for sustainable growth.

And Assets Work Harder.



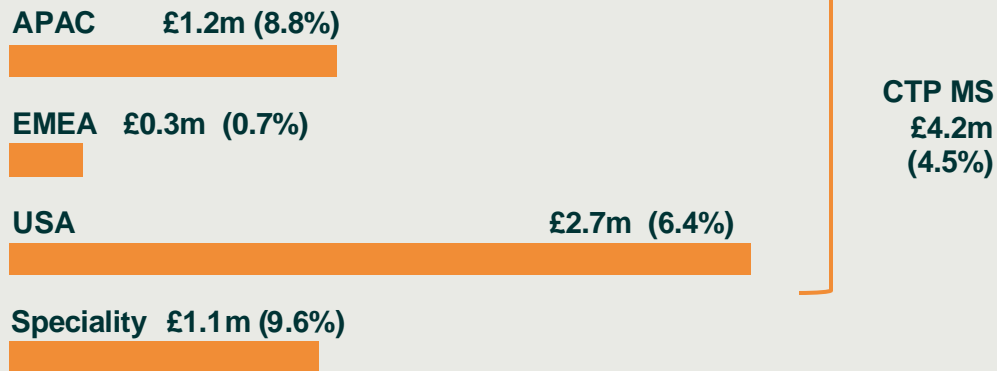
This improved efficiency indicates better utilization of our resources, contributing to overall profitability and demonstrating effective operational and asset management.

# ...While Accelerating Growth Through Strategic Expansion and Innovation

## 2 EXPANSION

- CTP MS achieves 4.5% like-for-like TTM growth, aligning with market trends
- Speciality revenue advances due to relaxing supply chain Aerospace and bringing Optics (Light & Motion) back to growth
- Focusing on growth opportunities where we create value.
- Driving sustainable revenue through strategic initiatives.

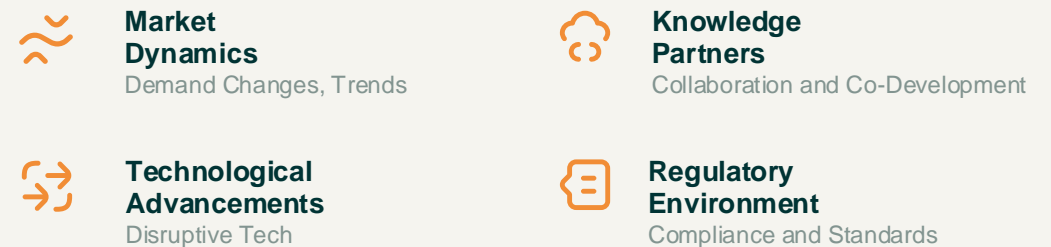
### TTM Sales Movement FY24 to HY25



## 3 INNOVATION INCUBATOR

- Innovating **new** processing **technologies** to drive efficiency.
- Advancing sustainability by developing **eco-friendly materials** and enhancing **recyclability**.
- Innovating in '**Connected Care**' by advancing digital life science technologies.

### Innovation Drivers



# Speciality Division Emerges: Aerospace + Optics

## FOCUSED LEADERSHIP DELIVERS GROWTH

Revenue HY25: £13.0m; FY24: £11.8m; +9.6% ▲



### Aerospace Expertise and Leadership

- Leveraging decades of industry know-how for operational efficiency.
- Driving focused growth through specialised capabilities.

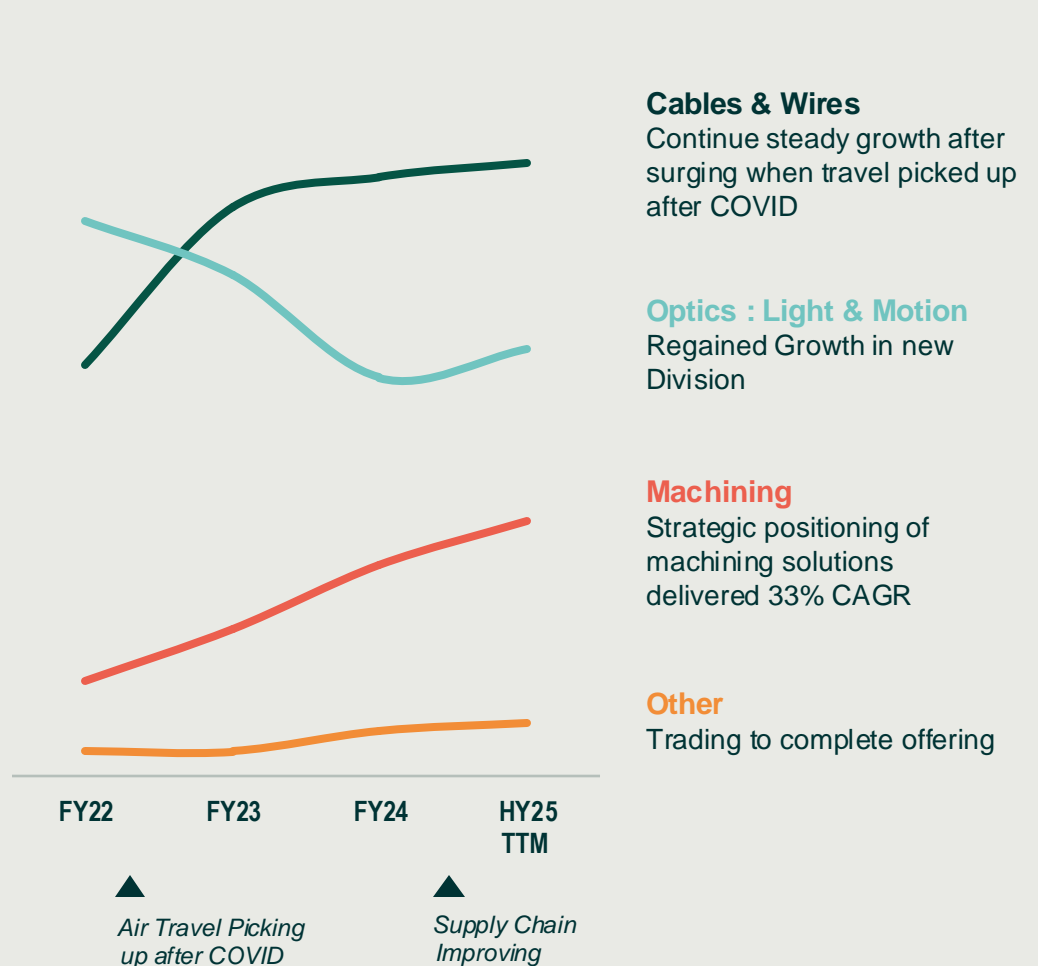
### Optics Complementary Solutions

- Providing short-series, value-added solutions.
- Targeting niche markets with tailored approaches.

### Strategic Alignment

- Combining aerospace leadership with optics versatility.
- Enhancing operational efficiency and market reach.

## TTM REVENUE BY PRODUCT GROUP



▲ Indicator TTM HY25 Revenue Growth vs FY24. Figures are TTM at constant currency.

# Executing Strategic Growth Across Our Global CTP Division

## DESIGN & ENGINEERING (D&E) - GLOBAL

Revenue HY25: £16.7m; FY24: £20.7m; -19.5% ▼

Strategic Project Transition to Manufacturing

Asset Revitalisation for Efficiency Gains

## MANUFACTURING SOLUTIONS (MS) - US

Revenue HY25: £45.1m; FY24: £42.2m; +6.9% ▲

Strengthening core operations in PA

Market rebounding in the US region

## MANUFACTURING SOLUTIONS - EMEA

● Revenue HY25: £37.1m; FY24: £36.8m; +0.7%

Stable sales level

Process optimisation driving profitability.

## MANUFACTURING SOLUTIONS - APAC

▲ Revenue HY25: £14.8m; FY24: £13.6m; +8.8%

Major customer regains traction

New projects in India and China

Geopolitical shifts are set to shape the region's development





# Factory Specialisation in CTP Completed Across APAC & EMEA; US On Track

## ADVANCING OUR JOURNEY OF GLOBAL FOCUS AND SPECIALISATION, ...

### MANUFACTURING SOLUTIONS OPERATIONAL OPTIMISATION

#### APAC and EMEA

- Factory specialisation has boosted capacity, efficiency, and **customer satisfaction**. This first phase of operational excellence lays groundwork for future growth.

#### USA

- Completed the closure of the Tucson facility ahead of plan and below projected costs
- Optimisation in our centralised facilities in PA ongoing, expected to align with **global standards**

 “Lights out Manufacturing”

 Operational Stabilisation

 Back-End Automation

 Material & Processing

 Factory Specialisation

EMEA

APAC

USA

### DESIGN & ENGINEERING

- Asset Revitalisation programme to support Operational Excellence
- Regional Focus to Deliver Maximum Value

 REGIONAL FOCUS

New technology, materials and products

Back End Automation

Major Project Validations

# Building on Strengths to Create Long-Term Value Through Sustainable Growth

Carclo's transformation is delivering results today and positioning us for sustainable, long-term growth through targeted investments and operational excellence.



## SHORT-TERM - RESILIENCE

Reinforcing financial stability through cash management and operational efficiency, ensuring a robust foundation for future growth.



## MEDIUM-TERM - EXPANSION

Our medium-term focus is on capitalising on our core markets that are expected to grow above GDP, leveraging our enhanced operational capabilities and focus on strategic automation investments.

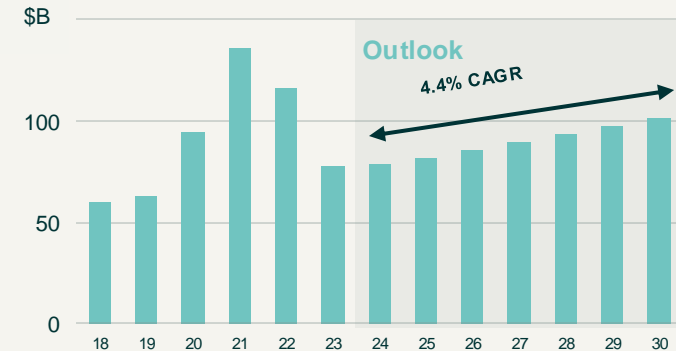


## LONG-TERM - GROWTH

Focusing on innovation and market leadership in Life Sciences and Speciality to deliver sustainable top-line growth.

### CORE MARKET\*

Global In Vitro Diagnostics (IVD) Market Size & Outlook



Source: Horizon Grand View Research

\* Other Target Market Data in Appendix

# Change as Catalyst: Elevating Performance Through Strategy

## DELIVERING FINANCIAL STRENGTH...

- **ROS** rises to **6.2%**
- **ROCE** climbs to **17.5%**
- **Debt** ratios improving to **1.6x**
- **Working Capital** efficiency stabilises in our targeted rate of **7%**

## THROUGH OPERATIONAL EXCELLENCE...

- **Health & Safety** strengthened throughout all operations
- Factory specialisation benefits coming through in **stronger margins**
- **US** revitalisation project progressing to **plan**
- Factory closures in US completed **ahead** of **plan** and **below** projected **costs**

## WHILE BUILDING MARKET LEADERSHIP

- Optimising Strategic Portfolio and exited the non-scalable business
- Newly formed Speciality Division growth **9.6%**
- New projects with existing and new customers
- Innovation pipeline expanding, delivery is long term

## OUTLOOK

### Positioned for Growth and Long-Term Success

- **Life Sciences:** Medium-term growth expected to outpace GDP.
- **Speciality:** Enhanced position in precision components for market share gains.
- **Operational Progress:** Accelerated Tucson closure and US restructuring boost performance.
- **Confidence:** FY25 targets and long-term goals remain firmly on track.



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Thank you

**Carclo plc**

Delivering Precision. Creating Value.

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United Kingdom

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# Appendix

**Carclo plc**

Delivering Precision. Creating Value.

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# A Partner for End-to-End Solutions, When Precision Matters



PROJECT MANAGEMENT

SOLUTION DESIGN, MOULD & AUTOMATION ENGINEERING

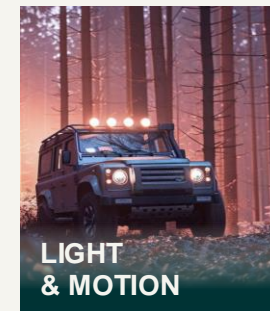
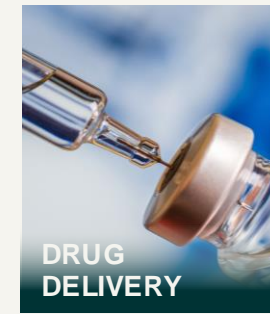
EDUCATION

**CTP DIVISION**

INJECTION MOULDING, WELDING, DECORATION, ASSEMBLY

**SPECIALITY DIVISION**

CNC MACHINING, THREAD ROLLING, CABLE ASSEMBLY, ROTARY SWAGING

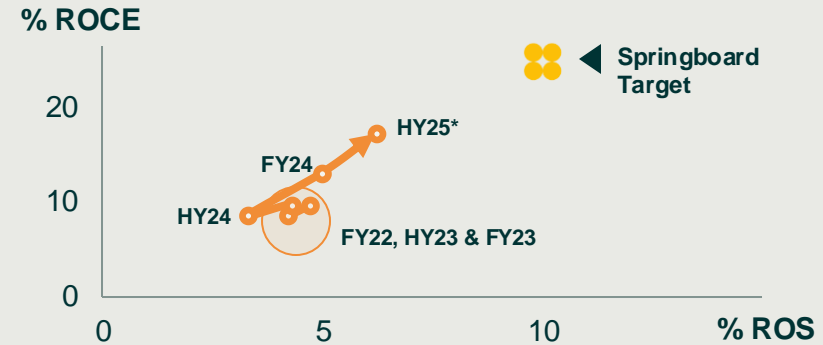


# Restructured, Reliable, and Ready to Deliver

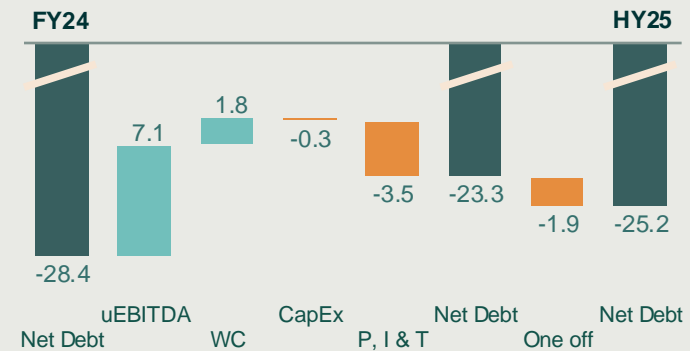
## KEY MESSAGES

- **Successful execution** of restructuring plan, delivering profitability on planned revenue reductions.
- Strengthened operational performance through factory **specialisation** and **efficiency** improvements.
- Achieved consistent progress on **ROS** and **ROCE**, through focused restructuring and **cash discipline**, moving away from high-risk operations.
- **Restructuring Milestones**: Progressing well on the US restructuring to improve contribution margin, with full annualised benefits by FY26.
- **Reliable Global Platform**: Established a well-performing, precision-driven global-standard manufacturing platform ready to deliver critical value-added end-sectors.

## BUILDING FINANCIAL STRENGTH – CONSISTENT PROGRESS



## SUSTAINED CASH PROGRESS – FY24 TO HY25



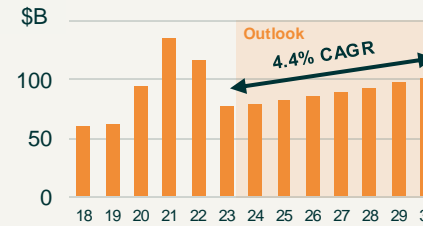
## Capturing Growth in High-Demand Markets

# Aligned to Life Sciences and Speciality Opportunities

### LIFE SCIENCES: "Innovating Diagnostics and Drug Delivery Solutions"

Carclo's core business drives growth through precision manufacturing, meeting global healthcare demands with scalable, high-quality solutions. Strong partnerships with leading providers and strict compliance ensure sustained market leadership.

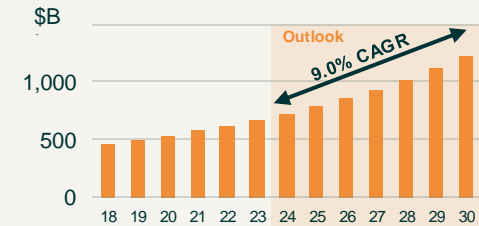
**Global In Vitro Diagnostics (IVD) Market Size & Outlook**



Source: Horizon Grand View Research

*Precision manufacturing positions Carclo to meet growing diagnostic demands.*

**Global Drug And Gene Delivery Devices Market Size & Outlook**



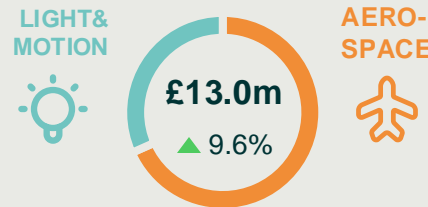
Source: Horizon Grand View Research

*Innovating solutions to capture rapid growth in drug delivery markets.*

### SPECIALITY DIVISION: "Driving Value in Aerospace and Light & Motion"

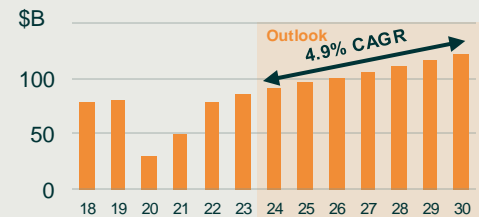
Supporting growth in niche, high-value markets, the Speciality Division focuses on precision-engineered aerospace components and innovative automotive and LED lighting solutions. By delivering specialised, high-demand products, the division complements Carclo's core Life Sciences business.

**TTM Speciality Revenue Split HY25 and Growth % vs FY24**



*Speciality drives value through Aerospace and Light & Motion solutions.*

**Global Aircraft MRO\* Market Size & Outlook**



Source: Horizon Grand View Research

\* Maintenance, Repair & Overhaul

*Addressing growing demand for precision-engineered aerospace components niche.*



# Carclo: Positioned for Resilient Growth and Long-Term Value.

## WHY CARCLO?

### PROVEN EXECUTION

- **HY25 results demonstrate turnaround success**, with restructuring creating a stable, growth-ready business and setting the stage for long-term expansion.
- **Achieved targeted growth in product lines**, showcasing agility to innovate and effectively capture opportunities in high-demand markets.

### MARKET ALIGNMENT

- Positioned in **stable growth** markets: Life Sciences (IVD, Drug Delivery), Aerospace, and Light & Motion.
- Precision manufacturing platform trusted by leading **blue chip customers** in critical sectors.

### RESILIENCE AND SUSTAINABILITY

- Strengthened financial resilience with disciplined cash management and robust performance metrics (**ROS/ROCE** improvements).
- Committed to sustainable innovation through early-stage proprietary technology development.

## MOMENTUM

### RESTRUCTURING MOMENTUM

- Restructuring nearly complete, with margin expansion starting **FY25** and annualised impact in **FY26**.
- **De-risked business**, offering a safer investment opportunity at this critical growth juncture.

### EXPANSION PHASE UNDERWAY

- Transitioning to a **growth phase** with new projects, market expansion, and innovation-driven value creation.
- Unique window to capitalise on Carclo's **evolution** into a long-term growth story.

### ATTRACTIVE TIMING

- Positioned to deliver **immediate gains** from operational improvements and ongoing sector growth.
- Long-term innovation pipeline offers sustained **value creation** for stakeholders.



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Thank you

**Carclo plc**

Delivering Precision. Creating Value.

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