



Chatteris Business Park – Chatteris – Cambridgeshire – PE16 6SA – UK
Telephone ++44 1354 692391, www.avingtrans.plc.uk

Dear Member,

Request to send or supply documents and information via a website AND/OR in electronic form

The Company recently published its results for the year to 31st May 2022. We are pleased to note that results were in line with market expectations and highlights for the year include:

Financial Highlights

- Revenue from continuing operations increased by 1.9% to £100.4m (2021: £98.5m)
- Gross Margin improved by 360 basis points to 34.0% (2021: 30.4%)
- Adjusted¹ EBITDA from continuing operations increased slightly to £12.7m (2021: £12.5m)
- Adjusted¹ PBT from continuing operations increased to £8.2m (2021: £7.7m)
- Adjusted¹ Diluted earnings per share from continuing operations reduced slightly to 21.8p (2021: 22.4p) due to increased tax charge
- Net Cash (excluding IFRS16) of £16.7m (31 May 2021: £23.3m) following investment in business
- Final Dividend 2.6p per share (2021: 4.0p) resulting in a total dividend for the year of 4.2p (2021: 4.0p)

¹ Adjusted to add back amortisation of intangibles from business combinations, acquisition costs and exceptional items

Operational Highlights

Energy

- Revenue increased 5.7% to £97.9m (2021: £92.7m)
- Metalcraft contract progressed to next phase to supply the Sellafeld 3M3 boxes - up by £20m to £70m
- Booth continues to recover strongly and has completed its factory extension for the HS2 contract
- Hayward Tyler and Energy Steel win multiple nuclear bids, including next generation enabling contracts
- Apprentice training school at Chatteris completed and handed over to operator, West Suffolk College
- Energy Steel restructured and moved to new, smaller facility in Michigan
- Acquired Transkem for £0.6m (net of cash) plus deferred consideration £0.4m. Concluded the successful integration into Fluid Handling in East Kilbride

Medical

- Revenue decreased to £2.5m (2021: £5.8m) following pivot away from 3rd party component manufacture
- Compact helium-free MRI system making good progress – expected to launch in Q4 calendar 2023
- Complementary £4.0m (11.9%) stake purchased in emerging 3D X-ray leader, Adaptix, in Oxford, UK
- Adaptix has launched its veterinary product and submitted its 510(K) to FDA in USA for orthopaedics
- Potentially significant market opportunities in the target imaging markets for both businesses

In October 2009, The Company amended its articles of association to include electronic communication with its members. However, in order for the Company to continue to communicate electronically with its members, it requires members' consent to send or supply documents and information (Documents and Information) to them in electronic form and via a website.

Increased use of electronic communications delivers savings to the Company in terms of administration, printing and postage costs, as well as speeding up the provision of information to shareholders. The reduced use of paper also has environmental benefits.

Under the provisions of the Companies Act 2006, we are also required to ask you individually to confirm your agreement to the Company sending or supplying the Documents and Information to you as a member of the Company via www.avingtrans.plc.uk (the Website).

If you have previously agreed to the Company sending or supplying the Documents or Information to you via the Website, **you need take no further action** in relation to this part of the letter.

