



# Results for 6 months ended 30 November 2024

Steve McQuillan, CEO

Stephen King, CFO



# Financial highlights



Group Revenue

**£79.0m**

FY24 1H: £65.2m

Gross Profit Margin

**30.0%**

FY24 1H: 31.6%

Adjusted EBITDA

**£8.7m**

FY24 1H: £7.3m

Adjusted Diluted EPS

**12.0p**

FY24 1H: 11.7p

Interim Dividend\*

**1.9p**

FY24 1H: 1.8p

Net Debt\*\*

**£8.9m**

31 May 2024:  
Net debt £6.1m

\* Interim Dividend - Currently proposed

\*\* Net Debt impact of IFRS 16 removed

# Our divisions and brands



## Advanced Engineering Systems (AES)

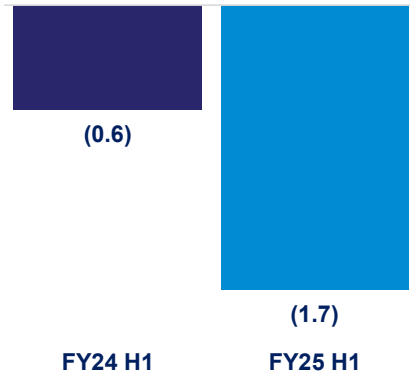
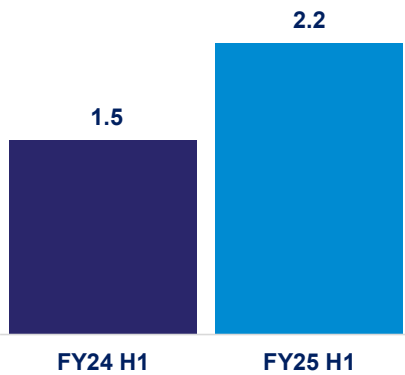
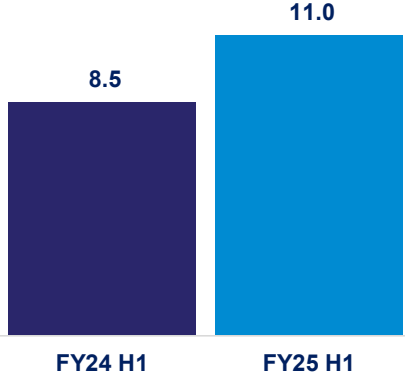
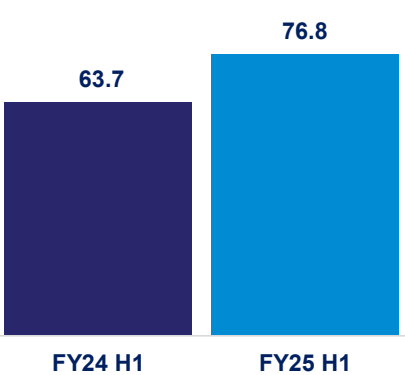
## Medical and Industrial Imaging (MII)

Revenue (£m)

Adjusted EBITDA (£m)

Revenue (£m)

Adjusted EBITDA (£m)



## Pinpoint

- Focus on targeting highly regulated markets.
- Grow existing businesses through bolt-on acquisitions

## Invest

- People
- Facilities and equipment
- Technology and IP
- Routes to market

## Exit

- Return value to shareholders
- Fund new acquisitions
- Fund research and development of new products



## Strengthening the portfolio



- The Group acquired the S&P assets for £4.1m in August 2023
- S&P manufacture specialist gear metering pumps
- Extends product portfolio – including aftermarket offering
- Modern, well-invested leased site in Kegworth, UK
- Additional service and support centres in the USA and China
- Supply chain fully stabilised after administration process
- Recovery continues, new products being launched

A Gear Metering Pump





## Developing world class products

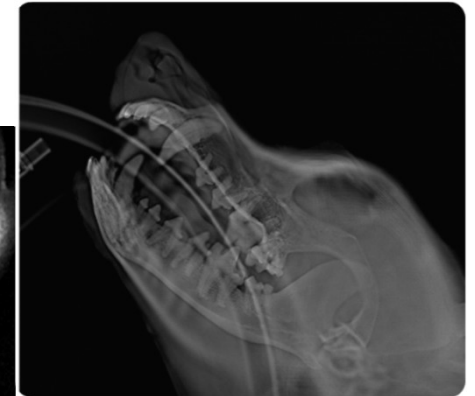


- Adaptix – making compact 3D X-ray systems
- Magnetica – making compact helium-free MRI systems
- Initial markets are orthopaedic, veterinary and NDT\*
- High-quality product images commended by customers
- Multiple distributors appointed by Adaptix, mainly in the UK and USA
- Magnetica continues to prepare for US FDA 510(k) submission
- Adaptix: Scottish facility now fully up and running. Yield increasing.
- Magnetica: scaling up for production in new premises in Australia and USA

\* NDT = Non-Destructive-Testing



Coronal wrist MRI scan



Vet dental 3D Xray scan



## Building and returning shareholder value

PB acquired for c£9m as part of HTG in 2017

Exit of PB for enterprise value of £35m in March 2021

Gross return on original capital investment almost 4X

3<sup>rd</sup> successful exit for Avingtrans since 2013



- Avingtrans is committed to profitable growth and to business exits at advantageous valuations.
- Proceeds can either be returned to shareholders, or redeployed for continued growth in shareholder value.
- Energy markets continue to be robust and M&A activity remains strong in this sector.
- We are confident about the current strategic direction and potential future Exit opportunities.

# Divisional priorities - AES

## Advanced Engineering Systems (AES) division

### Hayward Tyler, Slack & Parr, Energy Steel

- **Markets**

- Nuclear – on-going life extension focus
  - Further contract wins in USA and EU “life extension” market
  - Next Generation – TerraPower contract advancing to plan
  - In discussion with other Small Modular Reactor (SMR) players
- Hydrocarbons – oil and gas orders still solid
  - Chinese Market continues to expand strongly
  - Focus on aftermarket. Targeting 3<sup>rd</sup> party products
- Defence – further Government contracts won at HT Luton
- Fibres – S&P customers stable and new prospects are being cultivated

- **Facilities**

- Optimising use of HT sites
- Sale process for Luton site has been paused for now



**TerraPower technician with  
HT molten salt pump**



# Divisional priorities – AES (cont.)

## Metalcraft, Ormandy, Booth, Composite Products

- **Markets**

- Nuclear decommissioning (Metalcraft)
  - 3M3 box contact continuing to build production volumes
- Defence (Booth) – on-going work on UK Government contracts
- Infrastructure (Booth) – £36m HS2 contract proceeding to plan, plus additional £4.5m contract won, post period end
- HVAC<sup>1</sup> (Ormandy) – record order book with increased aftermarket sales
  - Recorded best results since acquisition. HEVAC/HES fully integrated
- Composites – focus on industrial customers, like Rapiscan

- **Facilities** – Metalcraft unit for NRS<sup>2</sup> (formerly Magnox) contract progressing well

- **Products** – range expansion at Booth and Ormandy. Nuclear focus at Metalcraft

Ormandy  
AquaModule



1 – HVAC = Heating, Ventilation and Air Conditioning

2 – NRS = Nuclear Restoration Services

# Divisional priorities - MII

## Magnetica, Scientific Magnetics, Tecmag and Adaptix

### • Medical and Veterinary Imaging

- Convergent orthopaedic / veterinary market focus
- Total addressable imaging market estimate is circa **\$7bn**
- Further investments in Magnetica (MRI) and Adaptix (3D X-ray)
- Multiple distributors being appointed in the UK and internationally
- New product concept for ViewRay underway

• NMR – steady progress on Tecmag spectrometer sales and service

• Science – niche magnet & cryogenic product sales continuing to build

### • Facilities

- Magnetica and Tecmag scaling-up production in new premises
- Adaptix: factory in Scotland fully up and running. Yield improving.

### • Products

- MRI system: now anticipating 510(k) FDA approval in H2 2025.
- Adaptix marketing orthopaedic and vet products, building volume
- Adaptix also had further sales for non-destructive testing (NDT) product



3D X-ray scanner

# Financial Highlights

# Financial performance



| <u>£m</u>                        | <u>FY25 1H</u> | <u>FY24 1H</u> | <u>FY24</u> |
|----------------------------------|----------------|----------------|-------------|
| Revenue                          | 79.0           | 65.2           | 136.6       |
| Gross Profit                     | 23.7           | 20.6           | 44.0        |
| Gross Profit %                   | 30.0%          | 31.6%          | 32.2%       |
| Adjusted EBITDA                  | 8.7            | 7.3            | 14.0        |
| Adjusted EBITDA %                | 11.0%          | 11.2%          | 10.3%       |
| Adjusted Profit before tax       | 4.5            | 4.4            | 7.4         |
| <i>Adjusted Profit after tax</i> | 4.0            | 3.9            | 6.2         |
| Adj. Diluted EPS (pence)         | 12.0           | 11.7           | 18.5        |

# Divisional Results



| £m                                   | AES          | MII            | Central      | FY25 1H      | AES          | MII            | Central      | FY24 1H      |
|--------------------------------------|--------------|----------------|--------------|--------------|--------------|----------------|--------------|--------------|
| <b>Revenue:</b>                      |              |                |              |              |              |                |              |              |
| Original equipment                   | 51.3         | 1.9            | -            | 53.1         | 40.7         | 1.3            | -            | 42.0         |
| Aftermarket                          | 25.5         | 0.4            | -            | 25.9         | 23.1         | 0.2            | -            | 23.2         |
| <b>Total Revenue</b>                 | <b>76.8</b>  | <b>2.2</b>     | <b>-</b>     | <b>79.0</b>  | <b>63.7</b>  | <b>1.5</b>     | <b>-</b>     | <b>65.2</b>  |
| <b>Operating profit/(loss)</b>       | <b>7.8</b>   | <b>(2.6)</b>   | <b>(0.7)</b> | <b>4.5</b>   | <b>5.5</b>   | <b>(1.1)</b>   | <b>(0.8)</b> | <b>3.6</b>   |
| Adjustments:                         |              |                |              |              |              |                |              |              |
| Exceptional expenses                 | 0.2          | -              | 0.1          | 0.3          | 0.3          | 0.1            | 0.3          | 0.6          |
| Amortisation of acquired intangibles | 0.4          | -              | -            | 0.4          | 0.4          | -              | -            | 0.4          |
| <b>Adjusted EBIT</b>                 | <b>8.4</b>   | <b>(2.6)</b>   | <b>(0.6)</b> | <b>5.2</b>   | <b>6.2</b>   | <b>(1.1)</b>   | <b>(0.6)</b> | <b>4.6</b>   |
| Depreciation and amortisation        | 2.6          | 0.8            | -            | 3.5          | 2.3          | 0.4            | -            | 2.7          |
| <b>Adjusted EBITDA</b>               | <b>11.0</b>  | <b>(1.7)</b>   | <b>(0.6)</b> | <b>8.6</b>   | <b>8.5</b>   | <b>(0.6)</b>   | <b>(0.6)</b> | <b>7.3</b>   |
| <i>Adjusted EBITDA %</i>             | <i>14.3%</i> | <i>(78.2%)</i> | <i>-</i>     | <i>11.0%</i> | <i>13.3%</i> | <i>(43.0)%</i> | <i>-</i>     | <i>11.2%</i> |

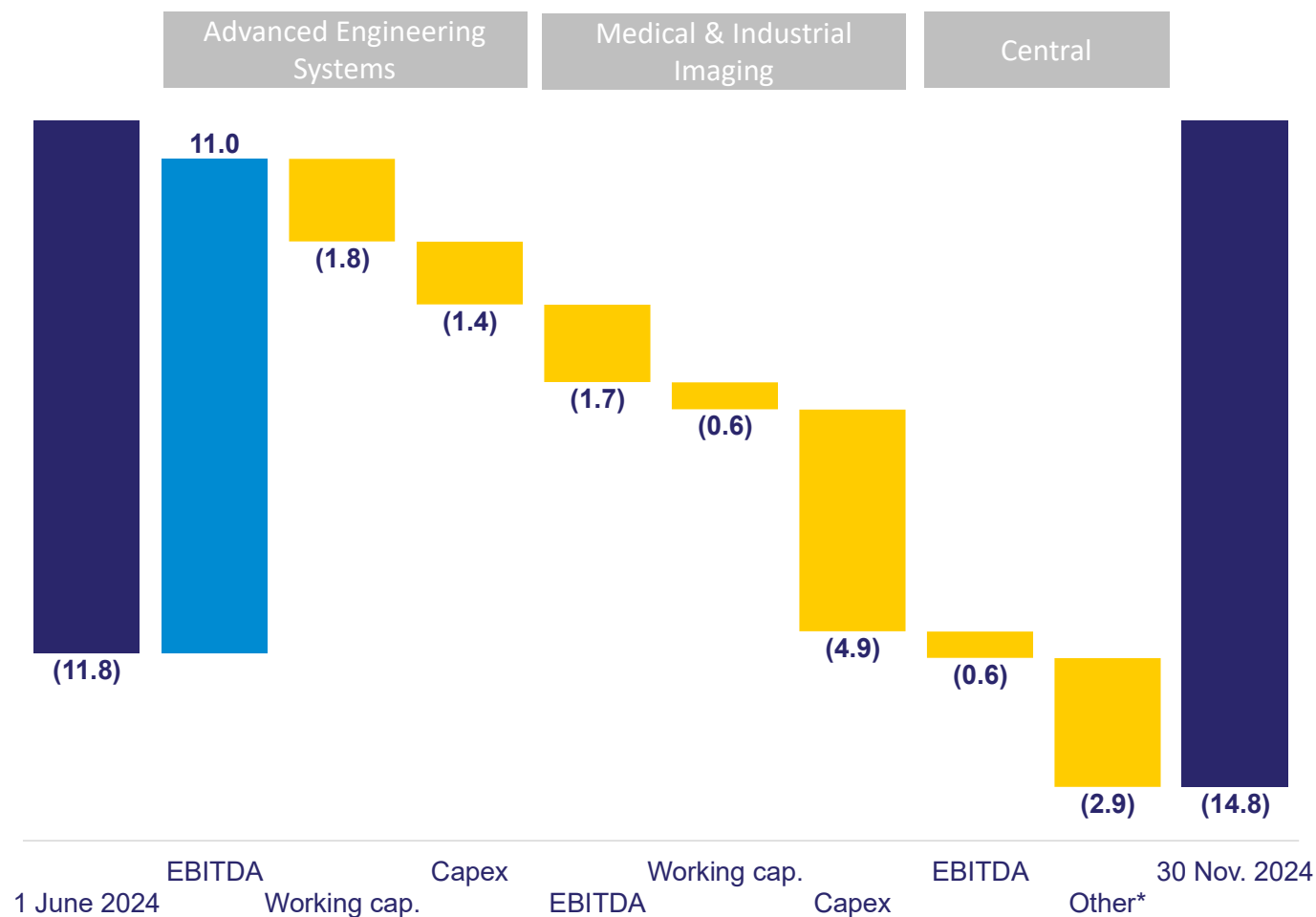
# Balance Sheet



| £m                                   | FY25 1H       | FY24 1H       | FY24          |
|--------------------------------------|---------------|---------------|---------------|
| Tangible fixed assets                | 29.1          | 28.5          | 29.6          |
| Goodwill                             | 27.9          | 28.5          | 27.9          |
| Investments                          | -             | -             | -             |
| Other intangibles                    | 37.4          | 28.9          | 33.6          |
| Deferred tax asset & pension surplus | 4.2           | 1.5           | 3.8           |
| Working capital                      | 40.7          | 39.2          | 38.9          |
| Provisions                           | (2.0)         | (1.2)         | (1.8)         |
| Tax asset                            | 0.1           | 0.4           | 0.1           |
| <b>Net debt incl. IFRS 16</b>        | <b>(14.8)</b> | <b>(7.8)</b>  | <b>(11.8)</b> |
| Creditors > 1 year                   | (0.3)         | (0.3)         | (0.3)         |
| Deferred tax liability               | (6.5)         | (4.6)         | (7.0)         |
| <b>Net assets</b>                    | <b>115.8</b>  | <b>113.0</b>  | <b>113.0</b>  |
| Net debt excl IFRS 16                | (8.9)         | (2.2)         | (6.1)         |
| <i>Net debt to equity</i>            | <i>(7.7%)</i> | <i>(2.0%)</i> | <i>(5.5%)</i> |



# Movement in net debt (£m)



## Net debt

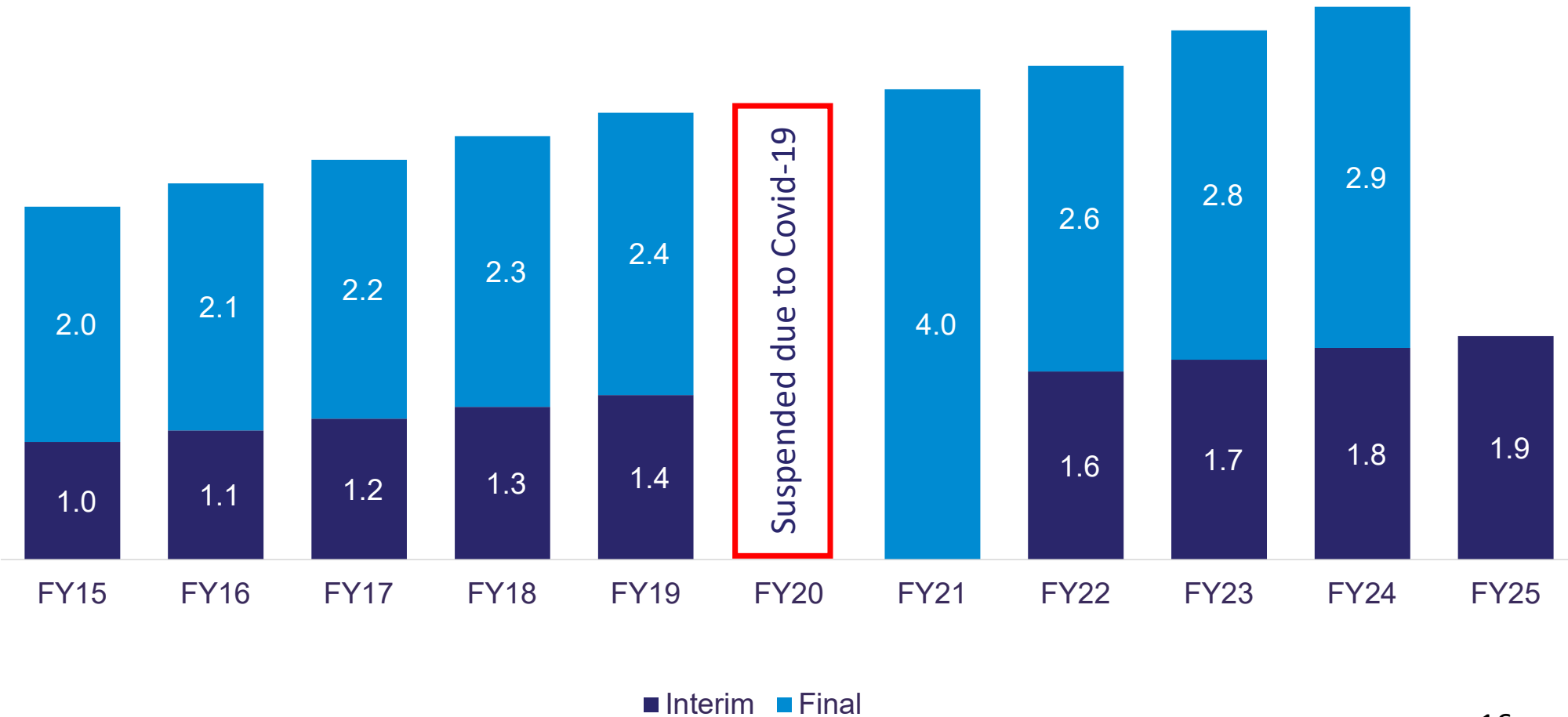
The waterfall chart shows net debt movements based on balances in the financial statements.

Management believe that IFRS 16 lease liabilities are operational in nature rather than financial debt. The table below presents net debt with and without IFRS 16 lease liabilities:

|                               | 30 Nov. 2024  | 31 May 2024   |
|-------------------------------|---------------|---------------|
| Net debt excl. IFRS 16 leases | (8.9)         | (6.1)         |
| IFRS 16 leases                | (5.9)         | (5.8)         |
| <b>Net debt</b>               | <b>(14.8)</b> | <b>(11.8)</b> |

Other\* - interest, tax, dividends, and foreign exchange

# Dividend growth (pence per share)



# Summary

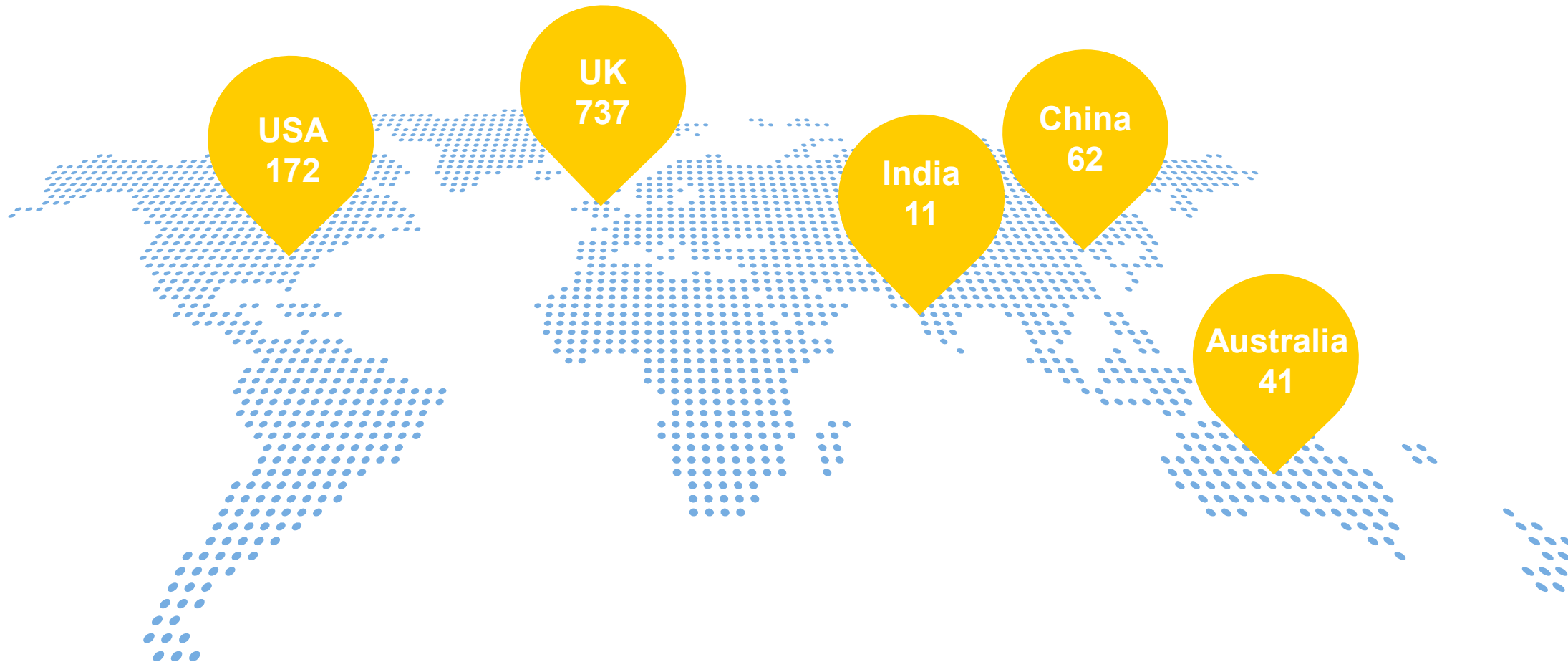


- ✓ **H1 FY25 - on target to deliver full year expectations**
- ✓ **Results improving, in particular at Hayward Tyler and Ormandy**
- ✓ **Results resilience is underpinned by the Group's regional supply chains and regional sales of products**
- ✓ **Order book: best order cover position since before the pandemic**
  - ✓ Nuclear sector contracts continue to be won in the UK and the USA
  - ✓ Sellafield 3M3 box project and NRS (formerly Magnox) contracts progressing well
  - ✓ HS2 project continues to build momentum, with an additional contract win of **£4.5m**
  - ✓ Exciting potential for Medical. Estimated market size **>\$7bn.**
- ✓ **Strong balance sheet – net debt of **£8.9m** (excl. IFRS 16) in H1 – in line with expectations**
- ✓ **PIE strategy (Pinpoint-Invest-Exit) for organic growth and added value through M&A**
  - ✓ Slack & Parr recovering in line with expectations. Now launching new products
  - ✓ Adaptix and Magnetica investments expected to see sales building steadily during 2025
- ✓ **Interim dividend progresses to **1.9 pence****
- ✓ **Outlook: the Board remains vigilant, but also confident about our strategy and prospects**

# Appendix

## Background Info

# Our locations and employees (31 December 2024)



## Our values

### A High Performance Business



#### Integrity

We mean what we say and do what we say we will do, with respect for all concerned



#### Quality

Right first time, on time. Our products and services have enduring value to our customers










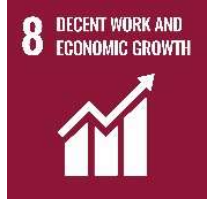

#### Agility

We adapt rapidly and cost effectively – in response to changes in the environment

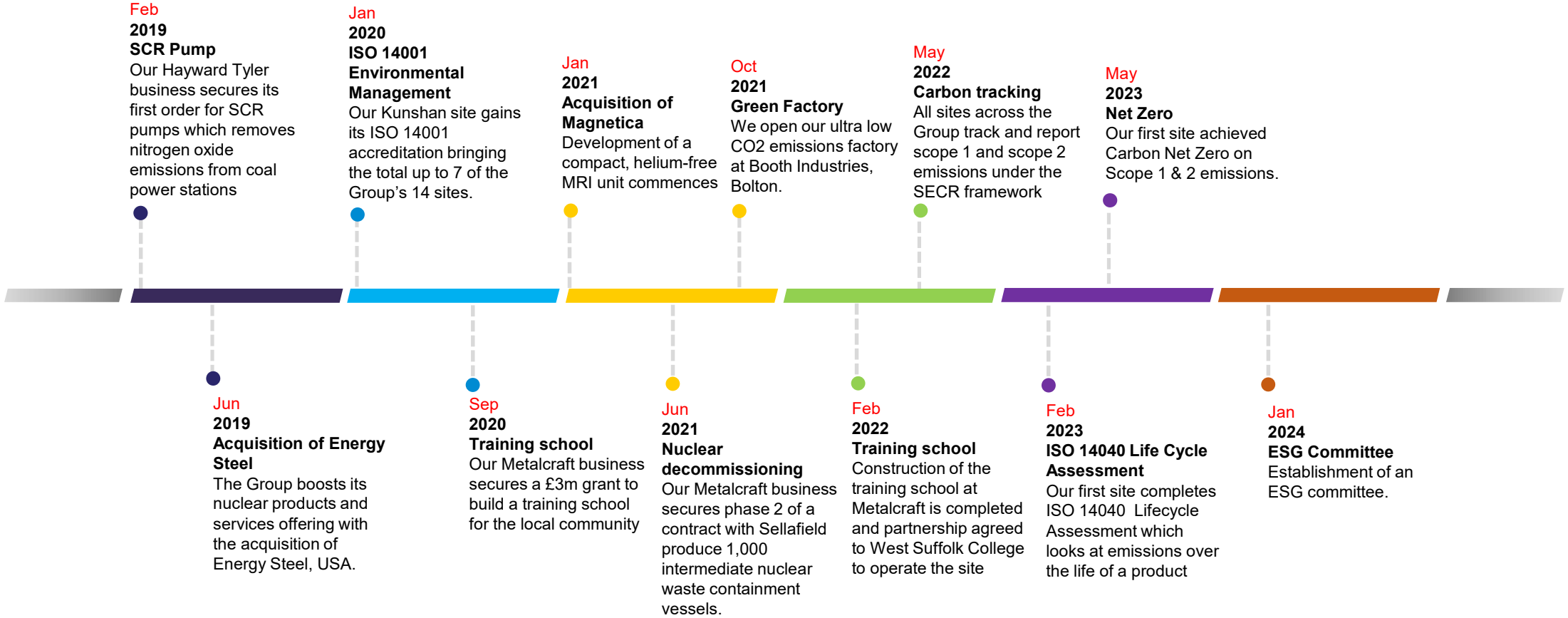


# Environment, Social and Governance (ESG) Avingtrans

- Our goal is to ensure sustainability is embedded into our pinpoint-invest-exit business strategy. Our approach to sustainability is aligned with the UN's Sustainable Development Goals (SDGs). We consider the following to be our priorities:

| Development of new technologies  | Operational eco-efficiency   | Health, safety and wellbeing   |
|--|--|--|
| <ul style="list-style-type: none"> <li>• Development of new pumps for Small Modular Reactors (SMRs), Nuclear Fission (ITER project), and Molten Chloride Fast Reactors (MCFRs)</li> <li>• Adapting existing fossil-fuel technologies for concentrated solar power (CSP) and pollution reduction</li> <li>• Going helium-free in our new compact MRI units</li> <li>• Development of storage vessels for intermediate level waste from Sellafield power station</li> </ul> <div data-bbox="91 1090 707 1289">    </div> | <ul style="list-style-type: none"> <li>• Supporting sites to achieve the ISO 14001 Environmental Management accreditation</li> <li>• Installation of LED lighting to reduce energy consumption and create a safer working environment</li> <li>• Embedding carbon tracking processes across all sites globally</li> </ul> <div data-bbox="797 1090 1413 1289">    </div> | <ul style="list-style-type: none"> <li>• Supporting sites to achieve the ISO 45001 Health and Safety accreditation</li> <li>• Board level oversight including site inspections</li> </ul> <div data-bbox="1518 1090 2134 1289">    </div> |

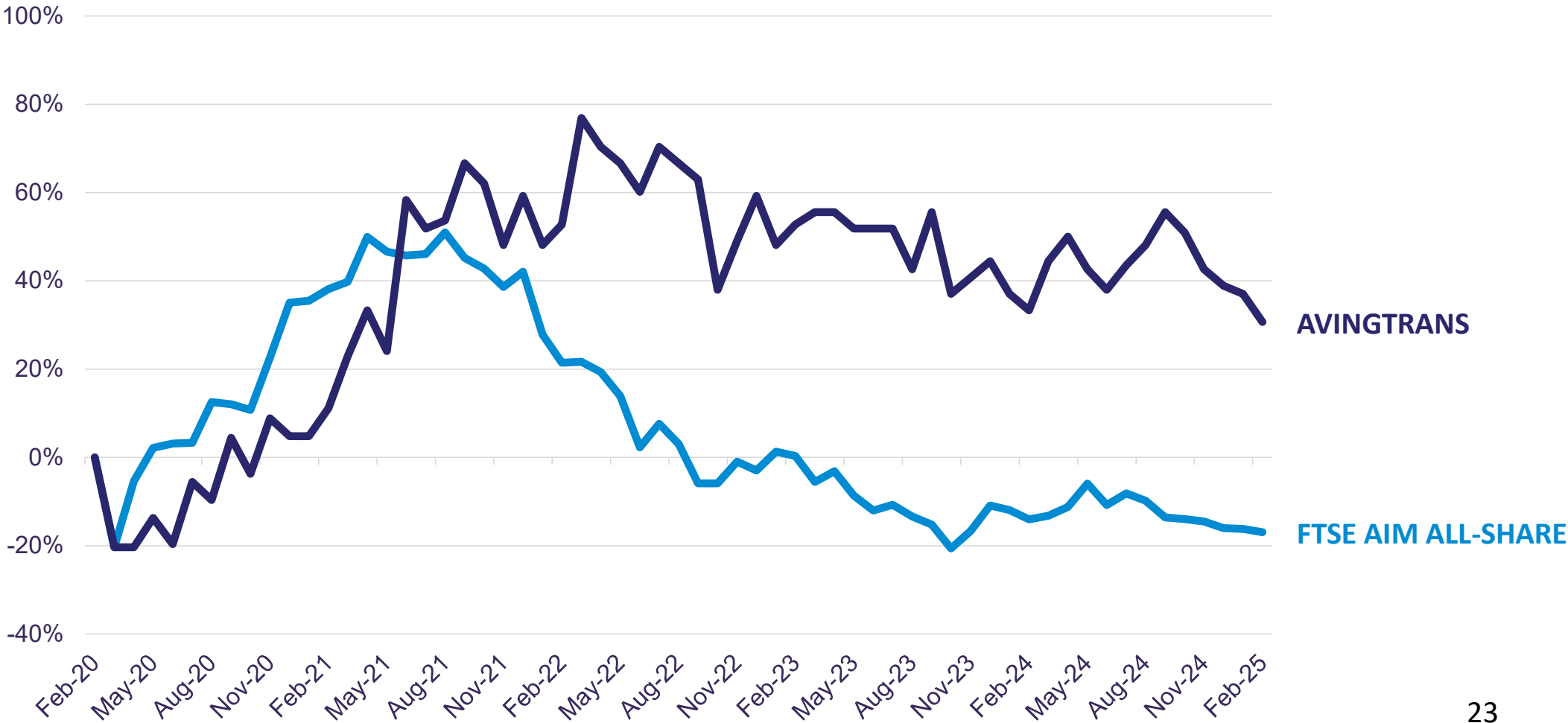
# Sustainability: progress



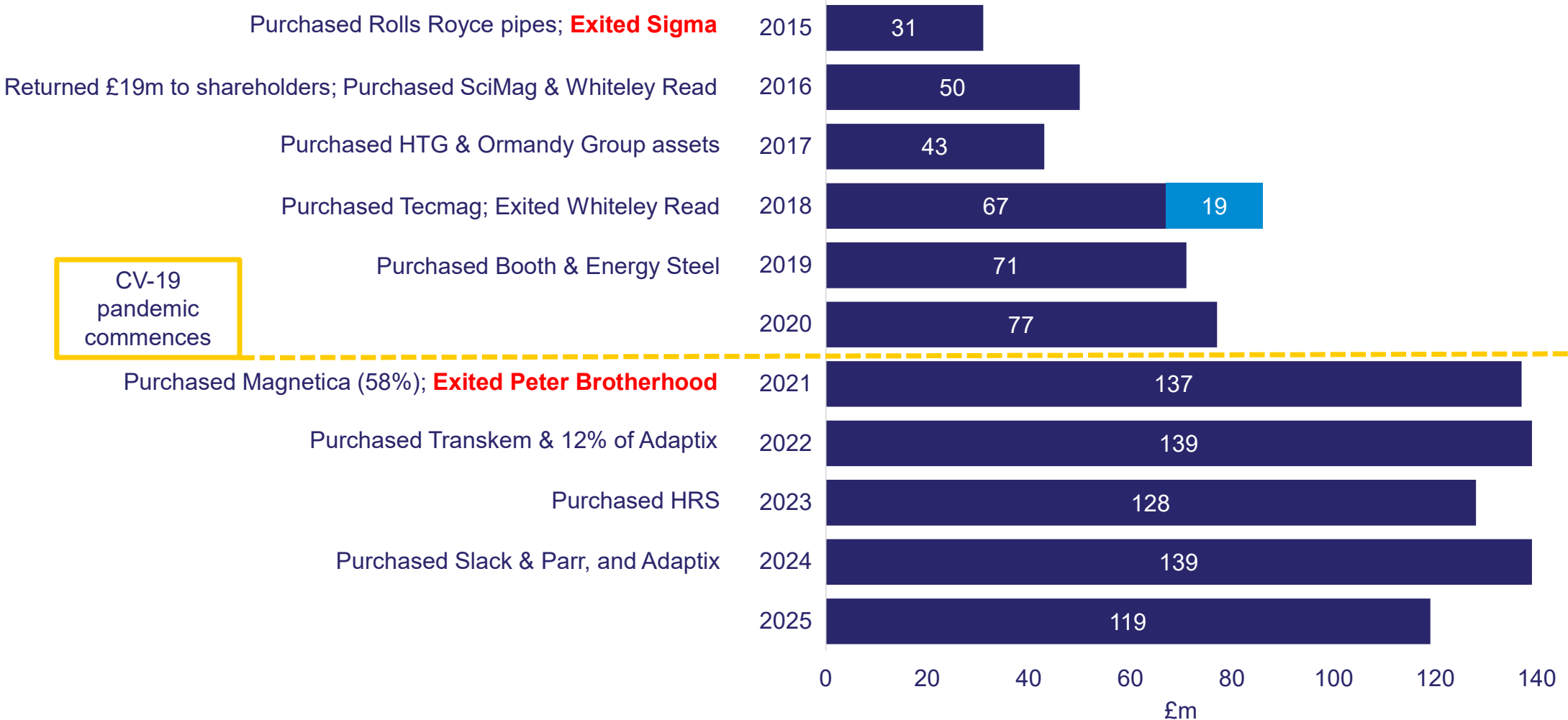
# Share price performance



Our share price has beaten the market over the last 5 years (growth %)



# Market capitalisation progression (£m)



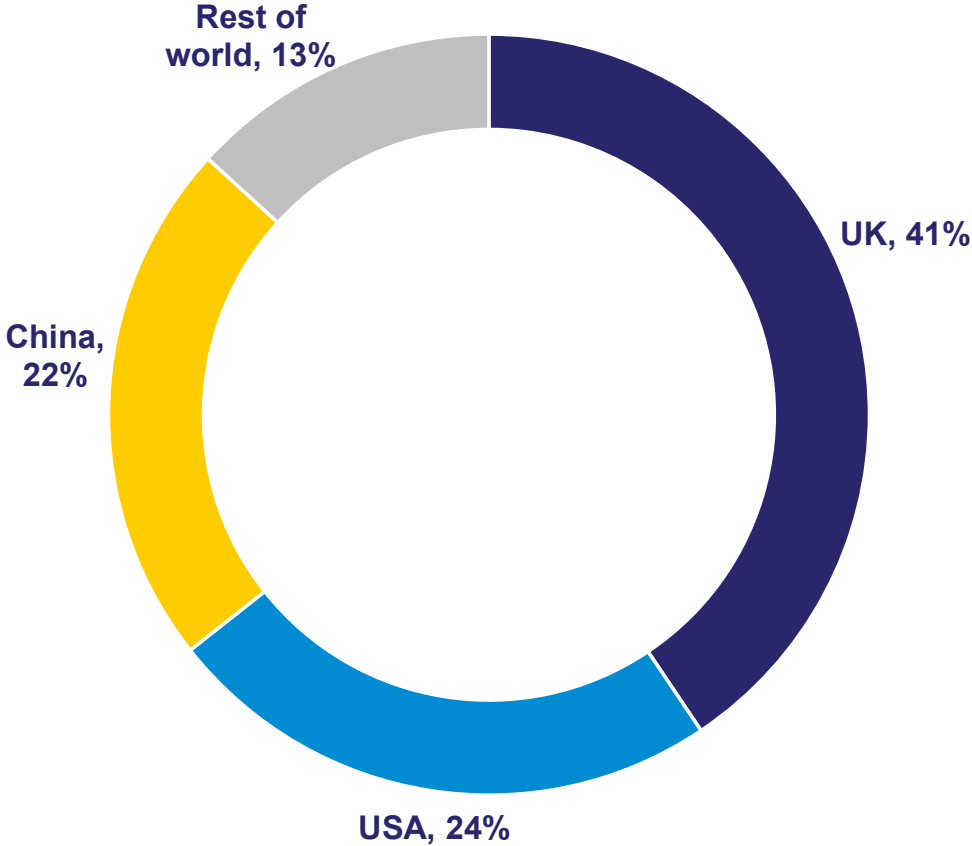
# Blue chip client partnerships



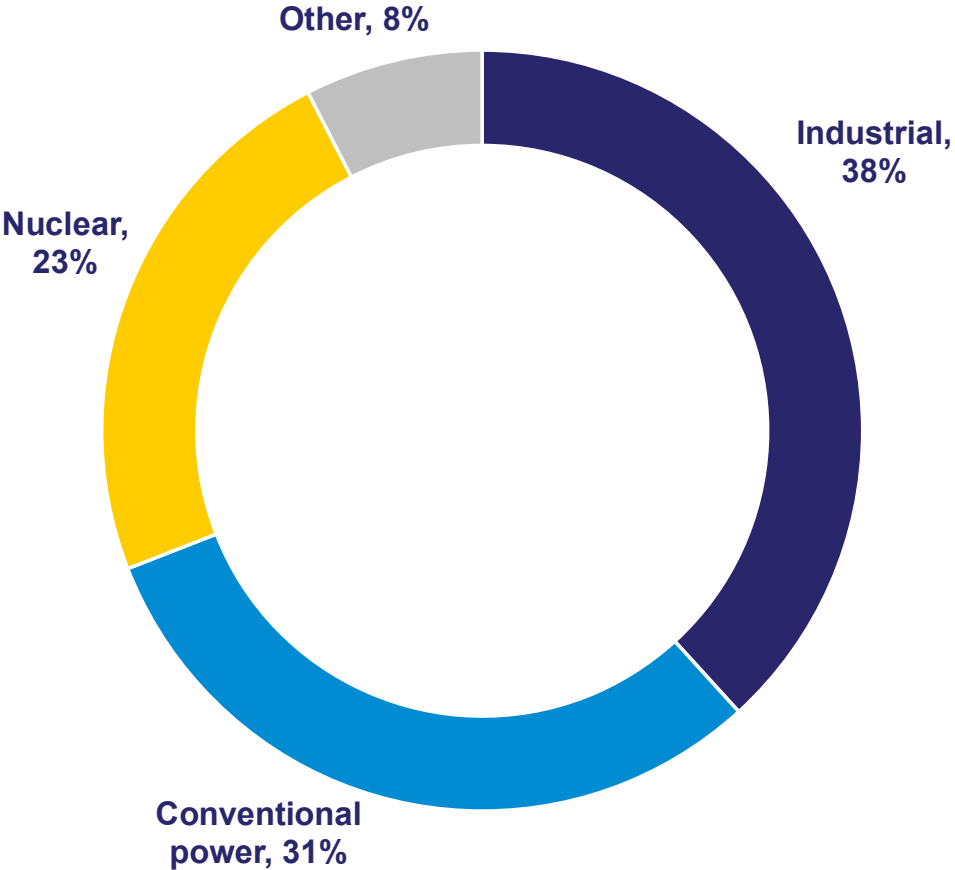
# Diversified end markets



By region



By industry





# M&A – successful exits



| Brand   | Acquisitions  | Bought for £m <sup>1</sup> | Sold for £m <sup>1</sup> |
|---|---|----------------------------|--------------------------|
|    | JRT Ltd<br>JenaTec Inc<br>JGWT GMBH<br>Boneham & Turner<br>Moss Group   | 4.0<br>(FY02 - FY09)       | 14.5<br>(FY13)           |
|   | Sigma Components<br>B&D Patterns<br>C&H<br>Composites Eng Group<br>Aerotech Tubes<br>PFW Farnborough<br>RMDG<br>Rolls Royce Nuneaton<br>Rolls Royce Xi'an | 22.0<br>(FY07 - FY16)      | 65.0<br>(FY16)           |
|  | Peter Brotherhood   | 9.3<br>(FY18)              | 35.0<br>(FY21)           |

<sup>1</sup> – Enterprise Value

# Largest investors



| <b>Ordinary shares of 5p each</b>                   | <b>Number of shares (000s)</b> | <b>% of total shares</b> |
|---|--------------------------------|--------------------------|
| Harwood Capital                                     | 4,030                          | 12.2%                    |
| Funds managed by Business Growth Fund               | 2,363                          | 7.1%                     |
| Funds managed by Unicorn Asset Management Ltd       | 1,946                          | 5.9%                     |
| Funds managed by Downing LLP                        | 1,746                          | 5.3%                     |
| Funds managed by JTC Employer Solutions Trustee Ltd | 1,703                          | 5.1%                     |
| R S McDowell's Pension Fund                         | 1,406                          | 4.3%                     |
| Funds managed by Close Brothers Management          | 1,384                          | 4.2%                     |

Shows the position at 25 February 2025