Avingtrans

PINPOINT-INVEST-EXIT

2025 Preliminary Statement

About

Avingtrans has a proven strategy of “buy and build” in highly regulated engineering markets. A strategy it has named Pinpoint-Invest-Exit. Significant value is delivered through a clear strategy, a strong balance sheet and an agile and experienced management team.

www.avingtrans.plc.uk

Avingtrans plc

CHAIRMAN'S STATEMENT

Avingtrans PLC (AIM: AVG), which designs, manufactures and supplies critical components, modules, systems and associated services to the energy, medical and industrial sectors, is pleased to announce its preliminary results for the year ended 31 May 2025.

Financial Highlights

- Revenue from continuing operations increased by 14.5% to a record £156.4m (2024: £136.6m)
- Gross Margin was stable at 31.7% (2024: 32.2%)
- Adjusted[1] EBITDA from continuing operations was slightly ahead of the previously upgraded market expectations at £16.7m (2024: £14.0m). AES recorded a 20% uplift in adjusted EBITDA across the division to £21.5m, offset by a smaller than forecast investment in the MII division
- Adjusted[1] PBT from continuing operations was £8.6m (2024: £7.3m), reflecting strong underlying growth in AES results alongside lower restructuring costs
- Adjusted[1] Diluted earnings per share from continuing operations was 23.7p (2024: 18.5p)
- Net Debt (excluding IFRS16) at 31 May 2025 of £12.3m (31 May 2024: £6.1m), ahead of market expectations
- Final dividend of 3.0p per share proposed, resulting in a total dividend of 4.9p per share (2024: 4.7p)

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

Operational Highlights

Energy (AES)

- Revenue increased by 13.9% to a record £151.5m (2024: £132.9m)
- Adjusted[1] EBITDA up 20% to £21.5m (2024: £17.9m)
- Strong performance by Hayward Tyler, driven by rapid global growth in AI and data centre infrastructure, electrification of transport and links to new nuclear power requirements
- Positive progress made in the HT Inc with a $10.0m contract from TerraPower, for novel nuclear pumps
- Ormandy reported record results, benefitting from growth in energy demanding AI and data centres
- Metalcraft continues to ramp-up 3M3 box output in serial production phase for Sellafield
- Booth completed tests of HS2 doors and won additional HS2 contracts worth £12m (£7.5m post-period end)
- S&P recovery continues, with improved year on year result
- Post period end, HTI secured $16m of nuclear equipment and spares orders from Korea Hydro & Nuclear Power (KHNP) in S. Korea

Medical (MII)

- Revenue increased to £4.9m (2024: £3.7m), pending build-up of new MRI and X-ray products
- LBITDA increased to £3.6m (2024: £2.8m) as new MRI and X-ray products progress to market
- Adaptix appointed multiple initial distributors in the UK and the USA, across three addressable market sectors, with potential EU distributors also identified
- Encouraging customer reactions at Radiological Society of North America, London Vet Show and Farnborough International Airshow. Customers overwhelmingly commend high quality of images
- Adaptix's NDT product, recognised for its high image quality, was awarded "Innovation of the Year" by the Aerospace Technologies Institute, UK, highlighting its groundbreaking impact on aerospace inspection
- Magnetica expects to submit 510(k) approval to the FDA during H2 FY26
- In the period, Magnetica started work on a new MRI guided therapy product concept for ViewRay® Inc

Current Trading & Outlook

- In the quarter since 31 May 2025, the Group has performed in line with management expectations, with the strong momentum of FY25 continuing into FY26, bolstered by a series of contract wins in AES
- The Board remains confident about the current strategic direction and potential future opportunities across both the AES & MII divisions, whilst continually monitoring market conditions
- We will continue to refine our business by pinpointing specific additional acquisitions as the opportunities arise, to generate superior shareholder value, whilst maintaining a conservative approach to debt

Commenting on the results, Roger McDowell, Chairman, said:

"We are very pleased to present investors with another enhanced set of results. In challenging global markets, Avingtrans has again performed robustly as a group and exceeded market expectations. During the year, we made good use of our resources, to continue with the Investment phase of our PIE strategy at Slack and Parr, Adaptix and Magnetica. This activity was, in turn, supported by a record set of results in the AES division. With several of our businesses now benefitting from positive global trends in AI, data centres and, relatedly, new nuclear power, we have a strong order book moving into FY26 and, therefore, we anticipate further organic growth as a Group this year."

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Avingtrans business units

Hayward Tyler – Luton & East Kilbride, UK and USA, China and India
Specialises in the design, manufacture and servicing of performance-critical motors and pumps for challenging environments.

Slack and Parr, Kegworth, UK and USA, China
Focused on the design, manufacture and servicing of advanced precision gear metering pumps, industrial dosing pumps and hydraulics flow divider solutions.

Energy Steel, Inc – Rochester Hills, Michigan, USA
Provider of custom fabrications for the nuclear industry, specialising in: OEM parts obsolescence; custom fabrications; engineering design solutions; product refurbishment; on-site technical support.

Stainless Metalcraft Ltd – Chatteris, UK
Provider of safety-critical equipment for the energy, medical, science and research communities, worldwide, specialising in precision pressure and vacuum vessels and associated fabrications, sub-assemblies and systems.

Booth Industries - Bolton, UK
Designs, manufactures, installs and services doors and walls which can be tailored to be: blast & explosion proof; fireproof; acoustically shielded; high security/safety; or combinations of the above.

Ormandy Group, Bradford, UK
Design, manufacturers and servicing of off-site plant, heat exchangers and other HVAC (heating, ventilation and air conditioning) products.

Composite Products Ltd – Buckingham, UK
Centre for composite technology, parts and assemblies, serving customers in industrial markets.

Magnetica Ltd - Brisbane, Australia
Magnetica Limited specialises in the development of next generation MRI technologies, including dedicated extremity MRI systems and MRI system components. Magnetica has successfully built and tested a compact, integrated 3 Tesla orthopaedic MRI system, demonstrating clinical-quality imaging. Commercialisation of this system (and others) is on-going. Magnetica's structure now includes two other business units:

Scientific Magnetics - Abingdon, UK
Designs and manufactures superconducting magnet systems and associated cryogenics for a variety of markets including MRI and provides services for Nuclear Magnetic Resonance instruments.

Tecmag Inc - Houston, USA
Designs, manufactures and installs instrumentation, including consoles, system upgrades, and probes, mainly for Magnetic Resonance Imaging (MRI) and Nuclear Magnetic Resonance (NMR) systems.

Adaptix Ltd, Oxford & Edinburgh, UK
Designs and manufactures novel 3D X-ray systems, with imaging from a stationary source, at a significantly lower dose than CT. Markets include orthopaedics, veterinary and non-destructive testing.

Chairman's Statement

Once again, we are pleased to announce that Avingtrans has demonstrated a strong performance across the period, with record revenue and Adjusted EBITDA and PBT slightly ahead of the previously upgraded market expectation (note 2). The modest Net Debt position was materially below the expected outcome. We have a very healthy order book as we move into FY26 which has been bolstered by a number of recent contact wins in AES.

Our Pinpoint-Invest-Exit ("PIE") mantra has been the core of our strategy for many years. It was again successfully deployed in shaping investments in Slack and Parr, Adaptix and Magnetica in the period. Whilst still on a recovery journey, Slack and Parr produced improved year on year results. Both Magnetica and Adaptix continue to make positive progress, having developed disruptive and complementary medical imaging products, particularly for orthopaedic applications.

Our value creation goals are on track, supported by a conservative approach to debt, which the Board continues to view as prudent. We are optimally structured for future exits that should maximise shareholder value.

In the period, our Advanced Engineering Systems (AES) division went from strength to strength. We continue to invest in AES and the results again demonstrate that we are proactively managing strong progress in this division. Notably, there were record results at Hayward Tyler and Ormandy in FY25, with good progress also at Metalcraft and Booth.

In the Medical and Industrial Imaging (MII) division, the marketing of the 3D X-ray systems at Adaptix and the development of compact helium-free MRI systems at Magnetica have made substantial progress in achieving key milestones in 2025. Magnetica's 510k application to the FDA in the USA has been further delayed until H2 FY26, mainly driven by the FDA's vastly increased cyber-security requirements for imaging systems. These delays result in some increases to the commercialisation plans and costs for the medical division, though these costs are partially offset by R&D tax incentives and are otherwise absorbable. We are very excited by customer feedback from the images being produced by both our MRI and 3D X-ray systems. Adaptix continues to build up its distribution channels in the UK, Europe and USA, with sales of Vet, Non-Destructive Testing and Orthopaedic products now all underway.

Our divisional management teams have again demonstrated agility and resilience, building strong business platforms. Aftermarket growth in AES remained steady, supporting our value propositions to OEM and end-user customers. The positive sentiment in the nuclear sector, defence and, to an extent, in oil and gas resulted in increased orders in those arenas. The focus on end-user access continues to drive improved profitability and underpins our product and service development.

The investments in Adaptix and in Magnetica have firmly established the Medical and Industrial Imaging (MII) division as a new specialist imaging systems supplier, with exciting X-ray and MRI products now well advanced. The Board is encouraged by the division's potential, expecting longer-term, highly positive returns for the Group, we will carefully consider the best route to deliver shareholder value.

In view of the promising overall results, the Board is proposing a final dividend of 3.0 pence per share, resulting in a total dividend of 4.9p for the year (2024: 4.7p). With a robust balance sheet, the Group remains vigilant in seeking shareholder value-enhancing M&A opportunities, while also being cautious and selective in a still uncertain world.

As always, I extend my heartfelt appreciation and thanks for all Avingtrans employees' hard work and for their dedication and resilience in navigating another challenging, but ultimately successful year.

Roger McDowell
Chairman
23 September 2025

Strategy and Business Review
Group Strategy

Our core strategy is to buy and build engineering companies in niche markets, particularly where we see turnaround and consolidation prospects; a strategy we call Pinpoint-Invest-Exit ("PIE"), thanks to which, we have had a strong track record in returning significant shareholder value for well over a decade.

With an increased presence in our target markets, a focus on aftermarkets, strength in depth of the management teams and a lean central structure, the Group continues to grow profitably – despite the effects of macroeconomic uncertainties - and the Board is focused on seeking additions to the Avingtrans value-add proposition.

The majority of the Group's adjusted key financial metrics trended positively in the period, despite the ongoing impacts of global financial stress.

The Group is focused on the global Energy, Infrastructure and Medical markets, which play into some of the world's mega-trends, such as urbanisation; ageing populations; and a transition towards a cleaner and healthier planet.

Divisional Strategies

Advanced Engineering Systems (AES): AES continues to strengthen its nuclear installed base, focusing on civil, defence, and national security applications, particularly for life extension purposes. The business also explores opportunities in the hydrocarbon market sectors. In the USA, Hayward Tyler ("HT") is actively developing solutions for new nuclear technologies and other low carbon energy sources, like concentrated solar power, to leverage the global energy supply transition. HT has been executing the large contracts it previously secured, including pumps for the next generation nuclear business, TerraPower, in the USA and further life extension equipment for the Forsmark nuclear power station in Sweden. The HT strategy is strengthened by partnership agreements with companies like Shinhoo, expanding our product portfolio and creating cross-selling opportunities. The 2023 acquisition of Slack and Parr further enhances our global specialist pumps footprint.

An important target for AES is to establish a comprehensive offering in the nuclear decommissioning and waste management markets, building on long-term contracts for nuclear waste storage containers and the existing equipment installed across the vast Sellafield site. During the period, Metalcraft and Sellafield Limited continued with the contract to provide high integrity stainless steel storage boxes for Sellafield. The 3M3 ('three metre cubed') box contract is currently valued at over £60m worth of boxes still to be manufactured. The division's nuclear credentials were again enhanced by Booth Industries' strong performance, expanding our market reach into Critical National Infrastructure (CNI). Booth's multi-year contract with HS2, currently still worth over £30m, is progressing well, with manufacturing of doors now having commenced and two additional contracts from HS2 having been won in recent months. Ormandy's market position in HVAC was strengthened by the HES/HEVAC acquisition in 2023, with a resulting wider product proposition including AI and data centres. AES continues to benefit from a robust prospect pipeline, positioning it well to bid for new opportunities as they arise.

Medical and Industrial Imaging (MII): Following the Magnetica acquisition in 2021 and the acquisition of the remaining shares in Adaptix in 2023, the focus for the highly experienced management teams in the medical division is to become a niche market leader in the production of compact helium-free MRI systems and 3D X-ray systems, for applications such as orthopaedic and veterinary imaging and non-destructive testing (NDT). This is an exciting opportunity for the Group. In support of the core strategy, the division will continue to work on niche Nuclear Magnetic Resonance (NMR) and scientific magnet products and services, since these are complementary technologies. Adaptix's 3D X-ray technology is being developed in parallel to Magnetica's MRI technology and, as we envisioned, the two businesses are working together in a complementary manner.

Across the Group's customers, we are capitalising on the continued pressure on aftermarket expenditure, where operational efficiency, reliability and safety are paramount. Customers are looking for reliable supply chain partners, to provide long term support of both new infrastructure and legacy installations.

Pinpoint-Invest-Exit

Continuing with our evergreen Pinpoint-Invest-Exit strategy, we have been working through structured investments in Magnetica, Adaptix and Slack and Parr as mentioned earlier. The Group invested around £13m in Magnetica and Adaptix in the period, as both businesses press ahead, to complete the development and commercialisation of their disruptive imaging products.

The Group remains confident about the current strategic direction and potential future opportunities across its chosen markets. Some of our market sectors (eg Nuclear and defence) benefitted from the global trends in the period, such as a worldwide drive to build more AI and data centres and global security issues.

Markets - Energy

The global demand for energy remains relentless and we anticipate sustained growth in the coming years. The aftermath of the pandemic and recent conflicts have spurred a push towards enhanced efficiency and decarbonisation. However, the Russia-Ukraine conflict subsequently raised political awareness of the importance of energy security, leading to a recalibration of the rush towards renewable energy in the short to medium term. The energy hungry deployment of AI and growth in data centres will further increase world energy consumption. This situation could potentially benefit our businesses, notably in the nuclear sector.

End User/Aftermarket

Operators and end-users demand a quick response through local support and a requirement to drive improvements through equipment upgrades and modernisation. Power stations are being operated for much longer than their intended design lives, resulting in a strong demand for solution providers in the supply chain to partner with end-users for the longer term. The AES division is well positioned to grow in this end-user market space.

Nuclear

Nuclear energy as a low carbon, baseload power source remains an asymmetric market with respect to future growth. Almost all the 1GW+ new build opportunities are in Asia, with the exception of the limited UK programme and recent plans announced in France. However, we are still experiencing buoyant market segments, including supporting the operational fleet, continued safe operation and life extensions, decommissioning and waste management. We are also working on the long-term development of the next generation of technologies – i.e. Small Modular, or Advanced Generation IV Reactors – e.g. with TerraPower and GE-Hitachi. In addition, these segments all have the backdrop of a consolidating supply chain and paucity of expert knowledge.

The USA still operates the biggest civil nuclear fleet in the world, with 94 reactors generating around 30 percent of the world's nuclear electricity. Coupled with the heritage Westinghouse technology operating in Europe and Asia, the division's long-standing position in this market provides opportunities for further growth. Obsolescence and life extension are key issues for nuclear operators worldwide and the AES division is well positioned to support operators in addressing this critical risk.

The UK remains pre-eminent when it comes to decommissioning nuclear facilities and subsequent waste management, in terms of innovative technology and overall spend. The Group is embedded in the future manufacture of waste containers for Sellafield and NRS (formerly Magnox) and will continue to expand its presence in the UK and globally in the longer term. The development of new nuclear technologies is ongoing, with activity in the UK, South Korea, the USA and China dominating development activity. The Group views these new technologies as an attractive route forward for nuclear and is well positioned to develop as a global industry partner.

Power Generation

The world continues to electrify, with an increasing amount of primary energy going to the power sector, which remains a key focus across the Group's AES division. Aside from nuclear, the main sub-sectors are as follows:

- **Coal** – the Group continues to see good aftermarket activity from coal fired power stations even though the demand for new power stations is in decline in most of the world. Opportunities still exist in India, China, Southeast Asia and Eastern Europe. AES has optimised its product line, to take market share and to create new opportunities - e.g. in products to remove toxins from the exhaust stacks of power stations.
- **Gas** – natural gas, primarily in the form of combined cycle gas turbine power plants has been a growing market space, primarily in the West, albeit disrupted by the Russia-Ukraine conflict. The Group continues to develop this market with both existing and new product lines.
- **Renewables** – renewable technologies and their supporting infrastructure are a growing market globally. The Group has a range of products that can be applied directly to this market segment and also has expertise that can be used to develop new products for niche parts of this market, such as molten salt pumps for concentrated solar applications.

Hydrocarbons

The conflict in Ukraine initially resulted in a surge in European gas prices, leading to unprecedented levels of volatility in the energy market. Our Hayward Tyler businesses have long been associated with providing top-notch subsea and submersible pumps and motors to the oil and gas fields of the Norwegian Shelf. Recently, we have experienced stronger demand for both new equipment and aftermarket services, as the market seeks to maximise supplies from this region. The current situation, coupled with informed forecasts, indicates that the demand for our products and services is likely to remain relatively solid. This presents a promising opportunity for our business to further capitalise on the evolving energy landscape.

Infrastructure, Defence and Security

Global safety and security concerns, as well as risk mitigation on large infrastructure projects, are key drivers for growth at Booth and we are cultivating these opportunities carefully. Thus far, the vast majority of Booth's sales are in the UK but the business is building up a prospect pipeline overseas. We have also continued to build the aftermarket order book, with good prospects.

With NATO recently agreeing to significantly increase defence spending across the entire alliance, this brings expanded opportunities for the Group. Notably, at Hayward Tyler, we have seen increased interest and orders from defence primes, who are turning to HT for expertise in propulsion equipment.

Threat detection standards for baggage handling at airports and package scanning have been tightened everywhere around the world – especially in Europe and the USA. With many millions of bags and packages flowing across border crossings every day, screening devices have to comply with threat detection standards without impacting throughput. Rapiscan, the biggest customer for Composite Products, is a market leader in this sector, whose presence is increasing as new standards are rolled out.

At Adaptix, we are exploring various possible security applications of their 3D X-ray technology products as tools in various Non-Destructive Testing (NDT) markets, for example to image composite and additive manufactured parts, with an estimated total addressable market of c$1.4bn.

Markets – Medical

The Diagnostic (medical) and molecular imaging markets are large global sectors, dominated by a few large systems manufacturers. The total Medical Imaging Market is expected to reach $55.4billion by 2030 according to Grand View Research, a compound annual growth rate of 5.0%. The largest market is the USA, followed by Europe and Japan. The fastest growing markets are China and India. Magnetica and Adaptix are emerging medtech leaders in the fields of compact helium free MRI and 3D tomosynthesis X-ray equipment. The objective of both businesses is to create innovative, niche MRI and X-ray systems OEMs, which can address specific parts of the market, not well served by dedicated products at present. This includes orthopaedic and veterinary imaging. The development paths of Magnetica and Adaptix are convergent, which enables both businesses to benefit from efficiency and cost gains, as well as optimising the route to market – especially in orthopaedics. Market drivers for these segments include an ageing global population, the rising incidence of chronic diseases and increasing companion animal ownership.

The growing prevalence of chronic diseases, especially in older populations, is increasing demand for medical imaging in hospitals and other diagnostic settings. Technical innovations, including advances in artificial intelligence (AI), have increased the reliability and accuracy of medical imaging, thus driving further demand in global healthcare. Conversely, the market is somewhat inhibited by the high cost of current medical imaging systems.

In 2024, X-ray systems held approximately 32% of the market share, while MRI systems accounted for around 18%. Our estimates indicate that over 20% of all diagnostic imaging scans are related to limbs. As a result, the combined addressable market for Magnetica and Adaptix in medical imaging is approximately $3 billion, in theory. However, it is important to note that the actual addressable market is likely smaller, since both businesses have chosen not to target sales to hospitals. Instead, they are focusing on deploying their products in specialised clinics, where the product attributes align closely with the specific needs of these establishments, for fast, effective imaging at the point of care.

Notably, our strategy is to attack the markets in smaller "point-of-care" locations, where the main players (eg GE, Philips and Siemens) are not present, since they are generally focused on whole body systems located in hospitals. Additionally, our systems are designed to eliminate circa 90% of the infrastructure costs, which severely curtail the locations where whole body systems can be sited worldwide.

Additionally, both Magnetica and Adaptix have plans to expand into other imaging markets, notably the veterinary sector. This is in response to the lack of dedicated products in this arena, which has hindered the widespread use of sophisticated imaging systems in veterinary practices. By targeting these specialised markets and addressing their unique requirements, both companies aim to further grow their market share and create a disruptive impact in the medical and veterinary imaging industries.

End User/Aftermarket

Diagnostic imaging is dominated by a handful of manufacturers, including: GE, Siemens, Philips and Canon. These OEMs account for circa 80% of revenue globally. These same players also dominate the aftermarket, though there are a few independent MRI service businesses in existence. Avingtrans is not present in the imaging aftermarket at this time.

Operations

Operational Key Performance Indicators (KPI's) for continuing operations:

	2025	2024
• Percentage of total revenue from continuing operations deriving from aftermarket revenue	33.2%	38.2%
• Customer quality – percentage of defect free deliveries	94.3%	89.0%
• Customer on-time in-full deliveries	79.1%	73.6%
• Annualised staff turnover including restructuring	13.8%	15.8%
• Health and Safety incidents per head per annum	0.05	0.07
• Environmental incidents per annum	0	0

Aftermarket sales have decreased by 1% in the year, to £51.9m (2024: £52.2m). However, the strong growth in original equipment sales meant that the percentage of aftermarket sales fell to 33.2% (2024: 38.2%).

Both defect-free deliveries and on-time deliveries improved in 2025, reflecting the benefits of ongoing operational enhancements. These improvements were driven by several factors, including the standardisation of products, enhancements to product design, and the continued development of close working relationships with our supply chain partners.

We are pleased to report a reduction in Health and Safety incidents during the year, with employee incidents per head falling from 0.07 in 2024 to 0.05 in 2025. In absolute terms, there were 53 employee incidents reported in the year, down from 67 in the prior year. Importantly, there were no fatalities in either period, and no injuries involving contractors in the current or prior year. These results reflect our continued focus on maintaining a safe working environment across all operations.

As in 2024, there were zero environmental incidents recorded in the Group.

AES Division – Energy, Defence and Infrastructure

The AES division comprises: Hayward Tyler (HT), Energy Steel (ES), Booth, Metalcraft, Ormandy, Slack and Parr and Composite Products.

The division's results again increased materially in the period, both for OE and aftermarket sales.

For Hayward Tyler ("HT"), the main priorities remain to strengthen its aftermarket capabilities and to maximise opportunities in the nuclear life extension market and to expand our defence offerings to UK and US primes. HT was able to deliver a robust result in the period, yet again the best outcome since acquisition, with a strong order book and prospects for the year ahead.

At HT Luton, aftermarket activities remain the focus, including the servicing of third-party equipment. The follow on £3m contract in Sweden with Vattenfall for the Forsmark plant (for nuclear life extension) progressed positively in the period. Further defence orders worth £3.5m have also been received from Rolls Royce. Hydrocarbon related orders from the UK North Sea sector remained steady.

Regarding the HT Luton site redevelopment, there has been limited recent progress, as interest rates in the UK have dampened construction interest for the time being. Therefore, the sale of the site remains paused.

The HT Fluid Handling business in Scotland has been recombined with HT Luton to further align product offerings and enhance routes to Market following a reduction in legacy business, although it did trade positively at operating profit.

HT Inc in Vermont (USA) continues to see solid order intake in the nuclear life extension market in the USA. HT Inc's new R&D opportunities in next generation nuclear power have made good progress, especially the design and development contract for TerraPower, which is progressing to plan. Post period end, HTI secured $16m of nuclear equipment and spares orders from KHNP in S. Korea.

HT Kunshan (China) has developed a very healthy order book, including an improving position in the aftermarket business, with new orders coming from Chinese power station OEMs working on reducing the environmental impact of electricity production.

In India, the local team again delivered a solid annual performance, as India's energy requirements continue to expand.

Energy Steel ('ES') in Michigan (USA) had a challenging year, with several underperforming historic contracts impacting profit, but ES finished strongly with a much improved H2 and a very solid order book to enter FY26 with increased confidence.

Metalcraft continues to make good progress with Phase 2 of the Sellafield 3M3 ('three metre cubed') box contract and with contracts from NRS (formerly Magnox). The next follow-on 3M3 box contract tender, expected to be worth over £900m, is now expected to be tendered in 2026 by Sellafield. The apprentice training centre in Chatteris continues to build momentum.

Ormandy again achieved a record performance in the period, with a robust order book, moving into FY26. Ormandy has made excellent progress in building its aftermarket business, with aftermarket now comprising 13.6% of revenue.

Booth Industries sustained its consistently robust performance. Booth has a record order book, including the large order for HS2 cross-tunnel doors, which was not affected by the HS2 phase 2 cancellation. Post period end, an additional £7.5m order was awarded for doorsets for HS2's Old Oak Common station. We continue to make good progress in building an aftermarket business at Booth, which has strong growth potential.

Composite Products had a solid year, boosted by orders from Rapiscan and some new customers placing initial orders.

Slack and Parr continued its recovery journey as part of the Group and produced improved year-on-year results. Their specialist gear metering pumps are sought after worldwide, for a variety of applications, including the precision production of high-end fibres – eg Kevlar and Lycra.

MII - Medical Division: Magnetica and Adaptix

Magnetica, Scientific Magnetics (SciMag) and Tecmag are working effectively together to make good progress on our exciting development of compact, superconducting, helium-free MRI systems entirely in-house. Magnetica was able to carry out limited marketing of its prototype system in the period, but the FDA 510(k) approval is now anticipated in H2 of 2025. The delay is mainly due to significantly increased demands by the FDA regarding cyber security.

Our initial estimate of the addressable MRI orthopaedic imaging market is circa £1.7bn p.a. (by 2030). This is assuming a capital sale model. Our intended longer term "pay per scan" business model could mean that the opportunity is significantly larger. It is more difficult to quantify other potential market segments (e.g. veterinary imaging) at this stage because equivalent, dedicated products do not exist. We believe that materially reducing the size and total costs of these dedicated MRI systems, coupled with them being much easier to set up in a variety of locations, as well as increasing the scan rate by up to 300%, will produce a compelling sales proposition, again confirmed by interest from Key Opinion Leaders at the prestigious Radiological Society of North America conference, in Chicago. In addition, these dedicated systems could free-up capacity on the existing MRI system installed base, which should be a major benefit to healthcare organisations worldwide.

SciMag and Tecmag will rebrand in due course, to present a seamless image for the business. However, there is still merit in continuing with various existing products and services at SciMag and Tecmag, so long as they do not detract from our core vision for MRI, which holds out the prospect of materially increasing the value of Magnetica over the coming years. Orders for existing SciMag and Tecmag products were robust in the period.

Adaptix has now launched its compact 3D X-ray system for orthopaedics and veterinary applications in the UK, Europe and USA. Sales have also commenced of a non-destructive testing (NDT) product. We estimate that the Total Addressable Market value of these three segments is $6.8bn pa. Adaptix has now appointed multiple distributors as its channels to market expand to drive commercialisation of the products. The strategies of Magnetica and Adaptix are convergent and we see potentially large benefits in combining their approaches to market in technology, software and distribution channels, amongst other initiatives.

Financial Performance

Key Performance Indicators
The Group uses a number of financial key performance indicators to monitor the business, as set out below (all items are "from continuing operations").

Revenue: 14.5% increase – underlying organic growth continues
Group continuing revenue increased to £156.4m (2024: £136.6m), driven primarily by organic growth of £18.5m (13.9%) in the AES division.

Gross margin: Stable despite some OEM/AM mix effects in the year.
Group gross margin reduced slightly to 31.7% (2024: 32.2%) resulting from the relatively higher percentage of OEM sales in the year, versus FY24.

Profit margin: 19% increase – ahead of expectations
Adjusted EBITDA (note 2) increased to £16.7m (2024: £14.0m). The result was better than expected with AES recording a 20% uplift in adjusted EBITDA across the division, offset by a smaller than forecast investment in the MII division.

Operating profit was £8.0m (2024: £5.6m), predominantly due to a £4.3m improvement in EBIT at AES (39%) offsetting £1.7m increased costs (lower than forecast) in MII (Adaptix) and lower restructuring costs.

Tax: Future profits and cash protected by available losses
The effective rate of taxation at Group level was an 8.7% (2024: 24.4%) tax charge. The utilisation of brought forward tax losses in the UK (note 3) kept the charge lower than expected. There was also a prior year tax refund in the US and foreign profits taxed at a lower rate than that in the UK. The tax position will be aided further in the coming years by utilisation of losses in the UK and US. We continue to be cautious, for example by not recognising all of the potential trading tax losses in the UK.

Adjusted diluted Earnings per Share (EPS) increase due to strong AES results
Adjusted diluted earnings per share from continuing operations (note 4) increased to 23.7p (2024: 18.5p) reflecting the strong underlying growth in AES results, and lower tax charge offsetting the investment in the MII division. Adjusted diluted earnings per share attributable to shareholders increased to 23.7p (2024: 18.5p).

Basic and diluted earnings per share attributable to shareholders from continuing activities increased to 18.9p (2024: 11.1p) and to 18.6p (2024: 10.9p), as above, due to strong underlying growth in AES results, lower restructuring costs and lower tax charge offsetting the investment in Medical.

Funding and Liquidity: Modest net debt increase
Net debt (including IFRS16 debt) at 31 May 2025 was £16.9m. Excluding IFRS16 debt, Net debt was £12.3m (31 May 2024: Net debt (including IFRS16 debt) was £11.8m and excluding IFRS16 debt was £6.1m). The cash flows generated from the improved underlying profits were reduced by a £1.1m working capital outflow, a figure much lower than would be expected for the 14% increase in revenue, resulting in an operating cash inflow of £11.5m for the year (2024: £1.3m). As expected, there was significant investment in product development during the period with £11.5m invested, primarily in relation to Magnetica's compact helium-free MRI system £5.9m, Adaptix's disruptive 3D X-ray technology £3.6m and next generation nuclear pumps at HTI £0.8m. A further £2.8m was invested into property plant and equipment. To support the significant investment in the business, the group drew down a modest £1.1m net of repayments from its supportive banking partners, leaving the Group in a strong position to pursue its strategy. The Directors consider that the Group has sufficient financial resources to deliver its strategy, with the Group continuing to actively look for further value enhancing opportunities.

Dividend: Progressive dividend policy continues
A final dividend of 3.0p per share is proposed, making a total dividend of 4.9p per share (2024: 4.7p). The dividend will be paid on 19 December 2025, to shareholders on the register at 7 November 2025.

People

There were no personnel changes at Board level in the period. We are delighted to announce that Austen Adams, Divisional Managing Director of AES, will be joining the Board in the position of Group Chief Operating Officer. This is expected to be approved at the AGM in November 2025. A further announcement will be released upon his formal appointment, including the required regulatory disclosures.

At business management level, there have been a number of appointments to strengthen local teams, as we seek to maximise the potential of our businesses. In addition, we continue to strengthen the apprenticeship and graduate programmes in our businesses, striving to attract the best new talent, and allowing us to plan and build for the future.

Environmental, Social and Governance (ESG) Report

Avingtrans believe that operating in a safe, ethical and responsible manner is at the heart of creating sustainable value for all our stakeholders.

Environmental

As the Group is listed on the LSE AIM market, we fall within the Climate-Related Financial Disclosures ("CRFDs") regime. The four pillars of this regime are governance, strategy, risk management, and metrics and targets.

Governance
The Group established an ESG Committee, Chaired by Jo Reedman (Non-Executive Director). An overview of the Committee's responsibilities is set out in the Corporate Governance Report section of the Annual Report.

Strategy
In 2021, we reassessed our approach to sustainability, with a view of integrating a sustainability strategy into our core business activities, aligning ourselves with the UN's Sustainable Development Goals (SDGs). From our sustainability assessment we identified two principal areas of environmental focus, these are:

- Operational eco-efficiency
- Development of new technologies

Operational eco-efficiency looks at improvements we can make at a site level, including reducing the manufacturing footprint of our sites, investment in improvements, and establishing a culture which promotes carbon reduction.

Development of new technologies allows us to benefit from opportunities designed to mitigate issues associated with climate change. The Group can benefit from its advanced engineering capabilities and world-class technologies to develop new products and services that support low carbon or reduced emissions requirements.

Risk management
Our approach to identifying, assessing and managing environmental risks, including climate related risk, is embedded within our approach to risk management. Environmental risks may present as financial or non-financial risks depending on the extent to which their impacts can be quantified, and how they have been classified.

Climate change and environment is a principal risk for the Group.

Climate-related risks and opportunities
A summary of the climate-related risks and opportunities identified as having a potentially material impact on the Group, and our associated controls, includes:

Shift to renewables
The global transition away from fossil fuels towards renewable and low carbon energy sources continues to gather momentum. While this long-term shift may reduce demand for certain products within our hydrocarbon focused portfolio, it also presents significant opportunities in areas aligned with the energy transition.

In response, the Group has been actively investing in technologies that support the future of clean energy. These include products designed for next generation nuclear applications, such as fusion energy, molten salt fast reactors, and small modular reactors.

Extreme weather events
Disruption may arise from a range of climate-related events, including flooding, extreme temperatures, and drought. Elevated temperatures can lead to increased energy consumption for heating and cooling our facilities, and in more severe cases, may result in site closures and broader logistical challenges.

These risks are becoming more evident across the Group. For example, we have observed record levels of smog in Delhi, India, in recent years, driven by prolonged drought conditions and industrial emissions.

Regulation
The Group operates in a highly regulated environment across many jurisdictions and is subject to regulations relating to environmental factors including, but not limited to, climate change, therefore consideration of current and emerging regulation within our environmental management system is key to mitigating risk. Identified regulatory risks include energy-related taxes and the increased costs of compliance with energy-related schemes.

Statement of carbon emissions -compliance with Streamlined Energy and Carbon Reporting (SECR)

We report greenhouse gas Scope 1, 2 emissions in line with the Streamlined Energy and Carbon Reporting (SECR) regulations.

Given the Group makes regular disposals and acquisitions, we do not consider absolute carbon emissions to be an appropriate method for tracking emissions, instead we focus on carbon intensity ratios.

We have adopted a portfolio approach to tracking carbon emissions. For the division operating in the energy sector (AES) we monitor carbon emissions per £m of revenue. The Medical division (MII) has a greater focus on product development, so instead we focus on emissions per employee.

Sites track their energy usage from a number of sources, including meter readings, mileage reports, and invoices, then converts these inputs to energy (kWh) and carbon emissions (tCO2e) using relevant conversion factors. Conversion factors are published by the UK Department for Environment, Food and Rural Affairs and the US Environmental Protection Agency (EPA).

Our energy usage and carbon emissions are:

	2025			**2024**		
	AES	**MII**	**Group**	**AES**	**MII**	**Group**
Scope 1:						
Gas	775	28	803	715	38	753
Oil	538	-	538	427	-	427
Distribution	88	1	89	27	1	28
Company vehicle travel	8	-	8	20	-	20
	1,409	29	1,438	1,190	39	1,229
Scope 2 – Purchased electricity	1,310	234	1,544	1,307	230	1,537
Total emissions tCO2e	**2,719**	**263**	**2,982**	**2,497**	**269**	**2,766**
Total energy consumption mWh	**13,285**	**814**	**14,099**	**11,684**	**755**	**12,439**
Intensity metrics:						
Average employees	858	142	1,008	840	93	941
Emissions tCO2e per employee	**3.2**	**1.9**	**3.0**	**3.0**	**2.9**	**2.9**
Revenue (£m)	151.5	4.9	156.4	132.9	3.7	136.6
Emissions tCO2e per £m of revenue	**17.9**	**53.2**	**19.1**	**18.8**	**73.1**	**20.2**
UK proportion of:						
Total emissions tCO2e	80%	39%	77%	81%	34%	76%
Total energy consumption	81%	66%	80%	81%	59%	80%

mWh

In compliance with the SECR guidance, electricity emissions are based on grid averages from the regions we operate. As entities within the Group have transitioned to obtaining their power through renewable energy providers our actual electrical emissions will be lower.

In our Advanced Engineering Systems (AES) division, the key carbon intensity metric is emissions per £m of revenue. In 2025, this reduced to 17.9 tCO_2e/£m (2024: 18.8), primarily due to revenue growth delivered without a corresponding increase in our manufacturing facility footprint.

In our Medical & Industrial Imaging (MII) division, the focus remains on reducing emissions per employee. This metric improved to 1.9 tCO_2e per employee in 2025, compared to 2.9 in the prior year.

Integration of environmental considerations into our Pinpoint-Invest-Exit strategy

The Group has expanded upon its environmental due diligence procedures, which historically used to focus on potential environmental liabilities. The focus has now shifted towards identifying opportunities to improve business performance through energy reduction initiatives.

We strongly believe that investing in next generation manufacturing facilities and development of new technologies is key to generating a sustainable business for the long term. Demonstrating to potential buyers our environmental credentials and technological capabilities is a key component of our Exit strategy.

Progress in the year

Operational eco-efficiency
A significant proportion of the Group's energy consumption is spent heating premises over the winter months. At some of the older facilities energy in the winter months (December, January and February) can be as much as 4 times higher than over summer (June, July and August). A focused effort has been made to reduce winter energy consumption. This includes the installation of new boilers, additional insulation, automatic timers on heating, as well as reducing the manufacturing footprint.

We carried out a Carbon whole life cycle impact assessment also known as the LCA to measure embedded carbon in some of our key products. This process was guided by the ISO 14067 Lifecycle Carbon Assessment ("LCA") to measure and investigate improvement opportunities that can cut carbon emissions. Following on from this research, we have implemented a number of improvements to our products and processes including:

- Selection of higher quality materials, designed to increase the useful life of products and reduce maintenance.
- Introduction of reusable packaging and enhanced packaging which can be fully recycled.
- Negotiating with customers to make fewer, larger shipments of products, in order to reduce delivery emissions.

Development of new technologies

Next generation nuclear: Molten Chloride Fast Reactor
Our US Hayward Tyler business has been developing high-temperature molten salt pumps, destined for a state-of-the-art Integrated Effects Test (IET) facility, under development by Southern Company and TerraPower, to advance development of the Molten Chloride Fast Reactor (MCFR). This is a transformational, fourth-generation, molten salt nuclear technology, designed to enable low-cost, economywide decarbonization. Located at TerraPower's Everett, Washington facility, the IET is a non-nuclear, externally heated multi-loop system, intended to test and validate integrated operation of MCFR systems, as well as demonstrate multiple auxiliary MCFR functions.

Nuclear energy and decommissioning represent 20.9% of the Group's revenues in the year. The Group believe that working on next generation nuclear projects including MCFR in the US, ITER in France, and Small Modular Reactors ("SMRs") in the UK and the USA, will strengthen the Group's long-term position in the nuclear industry.

Helium-free magnets
Existing MRI systems rely on liquid helium, to cool the superconducting magnets at the heart of each system. Helium is a scarce, non-renewable resource, mostly obtained as a by-product of oil extraction. Therefore, in our new compact MRI designs, we are seeking to take advantage of the smaller system footprint, to enable us to rely on mechanical cooling only, thus virtually eliminating use of helium in these systems.

An update on the status of the progress on the MRI development can be found in Medical Division review on page 7.

Social

Social Responsibility

It is paramount that the Group maintains the highest ethical and professional standards across all of its activities and that social responsibility should be embedded in operations and decision making. We understand the importance of managing the impact that the business can have on employees, customers, suppliers and other stakeholders. The impact is regularly reviewed to sustain improvements, which in turn support the long-term performance of the business. Our focus is to embed the management of these areas into our business operations, both managing risk and delivering opportunities that can have a positive influence on our business.

Employees

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them directly and on financial and broader economic factors affecting the Group. The Group regularly reviews its employment policies. The Group is committed to a global policy of equality, providing a working environment that maintains a culture of respect and reflects the diversity of our employees. We are committed to offering equal opportunities to all people regardless of their gender, nationality, ethnicity, language, age, status, sexual orientation, religion or disability. We believe that employees should be able to work safely in a healthy workplace, without fear of any form of discrimination, bullying or harassment. We have rolled-out “dignity and respect” training programmes across the Group. We believe that the Group should demonstrate a fair gender mix across all levels of our business, whilst recognising that the demographics of precision engineering and manufacturing remain predominantly male, which is, to an extent, beyond our control.

Apprenticeships and training

All larger Group locations are running apprenticeship schemes for young people, both to act as socially responsible employers and to optimise the demographics of our workforce over the mid to long term.

The apprentice training school, based at Metalcraft, Chatteris continues to be successful. We are partnered with West Suffolk College (WSC), as the operator and training provider at the centre, which plans to take on between 80 and 130 students each year. Construction of the centre was funded through a £3.16 million grant from Cambridgeshire and Peterborough Combined Authority.

The Group continues to be recognised nationally for the strength of its apprenticeship training schemes. At 31 May 2025, the Group had 37 apprentices, of which 35 were in the UK and 2 in USA.

Health, safety, and wellbeing

The Group takes H&S matters and its related responsibilities very seriously.

As regular acquirers of businesses, we find different levels of capability and knowledge in different situations. A frequent investment need in smaller acquisitions is to spread H&S best practice from other Group businesses and bring local processes up to required standards. Larger acquisitions usually have well developed H&S processes, and we seek to learn from these in other business units.

Employee equality, welfare and engagement are critical for developing our key asset. We focus on pro-active actions, including, internal training, certifications, and employee engagement through listening, survey and involvement.

Our Health and Safety KPIs can be found in the key performance indices section of the strategic report (page 9). We are pleased to report a reduction in Health and Safety incidents during the year, with employee incidents per head falling from 0.07 in 2024 to 0.05 in 2025. In absolute terms, there were 53 employee incidents reported in the year, down from 68 in the prior year. Importantly, there were no fatalities, or serious injuries at any of our sites, in either period, and no injuries involving contractors in the current, or prior year. At Board level, Les Thomas has H&S oversight and he conducts inspections with local management, as appropriate.

Ethical policy

The Group complies with the Bribery Act 2010. We do not tolerate bribery, corruption or other unethical behaviour on the part of any of our businesses or business partners in any part of the world. Employee training has been completed in all areas of the business to ensure that the Act is complied with.

Outlook

Avingtrans is a market leader in specialist engineering markets, primarily in the energy, medical, and industrial sectors. Our tried-and-trusted "PIE" strategy has driven our profitable growth record. Recent acquisitions should enable the Group to further generate long-term value for investors in robust market areas. As we continue to implement our PIE approach, we will remain prudent and work to crystallise value and return capital when the time is right. Our approach has worked effectively for us during recent multi-year uncertainties and we believe will lead to opportunities to further increase shareholder value.

The Group continues to invest in both of its divisions, with a particular focus on the global energy and medical markets, to position our businesses for maximum shareholder value, via eventual exits in the years to come. Magnetica's MRI product development continues to make solid progress, albeit further delayed by additional FDA requirements. The expected approval of the orthopaedic product is now anticipated in the H2 FY26, subject to FDA certification in the USA. Magnetica's MRI activity is fully complemented by Adaptix and its disruptive 3D X-ray technology, with products addressing the orthopaedic, veterinary and non-destructive testing (NDT) markets and now with sales beginning to build. The Slack and Parr recovery is progressing to plan and we anticipate a further improvement in performance in the current financial year. As anticipated, the Group remains in a net debt position, though the gearing is not onerous. Our value creation targets continue to be accomplished as planned and are underpinned by our conservative approach to debt.

The AES division has a strong emphasis on the thermal power, nuclear and hydrocarbon markets and aftermarkets, as well as defence and critical national infrastructure. The MII division is focused on compact, helium-free MRI systems and compact point of care 3D X-ray systems, which the Board believes could create significant future shareholder value. To drive profitability and market engagement, each division has a clear strategy to support end-user aftermarket operations, servicing its own equipment and (where pertinent) that of third parties, to capitalise on the continued market demand for efficient, reliable and safe facilities.

Global unrest and conflicts are still risk factors. However, we have continued to take effective cost and impact mitigation actions, to limit any potential downside and we will continue to be vigilant.

Despite the seemingly never-ending macroeconomic uncertainty, our markets continue to grow and M&A opportunities remain a priority for us. Businesses like ours continue to command superior valuations at the point of exit. As ever, the Board remains cautiously confident about the current strategic direction and potential future opportunities across our markets. We will continue to refine our business by pinpointing specific additional acquisitions as the opportunities arise, to create superior shareholder value, whilst maintaining a prudent level of financial headroom, to enable us to endure any subsequent headwinds.

The Strategic Report was approved by the Board and signed on its behalf by:

Roger McDowell	**Steve McQuillan**	**Stephen King**
Chairman	Chief Executive Officer	Chief Financial Officer
23 September 2025	23 September 2025	23 September 2025

Consolidated Income Statement	**Note**	**2025 £'000**	2024 £'000
Revenue	1	**156,406**	136,615
Cost of sales		**(106,889)**	(92,573)
Gross profit		**49,517**	44,042
Distribution costs		**(3,613)**	(3,663)
Administrative expenses		**(37,896)**	(34,743)
Operating profit before amortisation of acquired intangibles, other non-underlying items and exceptional items		**9,703**	8,167
Amortisation of acquired intangibles		**(819)**	(819)
Share based payment		**(337)**	(324)
Acquisition costs		**(204)**	(347)
Restructuring costs		**(335)**	(1,041)
Operating profit	1	**8,008**	5,636
Finance income		**120**	364
Finance costs		**(1,268)**	(1,175)
Profit before taxation		**6,860**	4,825
Taxation	3	**(596)**	(1,180)
Profit for the financial year		**6,264**	3,645
Profit is attributable to:			
Owners of Avingtrans PLC		**6,558**	3,662
Non-controlling interest		**(294)**	(17)
Total		**6,264**	3,645
Earnings per share:			
From continuing operations			
- Basic	4	**18.9p**	11.1p
-Diluted	4	**18.6p**	10.9p

Consolidated Statement of Comprehensive Income

	2025 £'000	2024 £'000
Profit for the year	**6,264**	3,645
Items that will not subsequently be reclassified to profit or loss		
Remeasurement of defined benefit asset	**(294)**	(493)
Income tax relating to items not reclassified	**74**	123
Items that may/will subsequently be reclassified to profit or loss		
Exchange differences on translation of foreign operations	**(2,638)**	(667)
Total comprehensive income for the year attributable to equity shareholders	**3,406**	2,608

Consolidated Balance Sheet	Note	2025	2024
		£'000	£'000
Non current assets			
Goodwill		**27,835**	27,874
Other intangible assets		**41,503**	33,647
Property, plant and equipment		**27,864**	29,611
Deferred tax		**5,066**	3,718
Pension and other employee obligations		**83**	84
		102,351	94,934
Current assets			
Inventories		**19,470**	19,871
Trade and other receivables: falling due within one year		**58,532**	57,098
Trade and other receivables: falling due after one year		**3,137**	1,394
Current tax asset		**712**	927
Cash and cash equivalents		**8,556**	12,115
		90,407	91,405
Total assets		**192,758**	186,339
Current liabilities			
Trade and other payables		**(41,507)**	(39,432)
Lease liabilities		**(2,980)**	(2,855)
Borrowings		**(8,428)**	(5,176)
Current tax liabilities		**(1,089)**	(823)
Provisions		**(2,542)**	(1,813)
Total current liabilities		**(56,546)**	(50,099)
Non-current liabilities			
Borrowings		**(8,677)**	(8,726)
Lease liabilities		**(5,388)**	(7,200)
Deferred tax		**(6,641)**	(6,972)
Other creditors		**(274)**	(328)
Total non-current liabilities		**(20,980)**	(23,226)
Total liabilities		**(77,526)**	(73,325)
Net assets		**115,232**	113,014
Equity			
Share capital		**1,654**	1,654
Share premium account		**19,005**	19,005
Capital redemption reserve		**1,299**	1,299
Translation reserve		**(1,540)**	913
Merger reserve		**28,949**	28,949
Other reserves		**1,457**	1,457
Investment in own shares		**(4,235)**	(4,235)
Retained earnings		**66,552**	61,402
Total equity attributable to equity holders of the parent		**113,141**	110,444
Non-controlling interest		**2,091**	2,570
Total equity		**115,232**	113,014

Consolidated Statement of Changes in Equity
at 31 May 2025

	Share capital	Share premium account	Capital redemp-tion reserve	Merger reserve	Trans-lation reserve	Other reserves	Invest-ment in own shares	Retained earnings	Total Attributable owners of the Group	Non-controlling interest	Total Equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 June 2023	1,612	15,979	1,299	28,949	1,170	1,457	(4,235)	59,812	106,043	2,413	108,455
Ordinary shares issued	42	3,026	-	-	-	-	-	-	3,068	-	3,608
Dividends paid	-	-	-	-	-	-	-	(1,441)	(1,441)	-	(1,441)
Share-based payments	-	-	-	-	-	-	-	324	324	-	324
Total transactions with owners	42	3,026	-	-	-	-	-	(1,117	1,951	-	1,951
Profit for the year	-	-	-	-	-	-	-	3,662	3,662	(17)	3,645
Investment in subsidiary with non-controlling interest	-	-	-	-	410	-	-	(585)	(175)	175	-
Other comprehensive income											
Actuarial gain for the year on pension scheme	-	-	-	-	-	-	-	(493)	(493)	-	(493)
Deferred tax on actuarial movement on pension scheme	-	-	-	-		-	-	123	123	-	123
Exchange gain	-	-	-	-	(667)	-	-	-	(667)	-	(667)
Total comprehensive income for the year	-	-	-	-	(257)	-	-	2,707	2,450	158	2,608
Balance at 31 May 2024	**1,654**	**19,005**	**1,299**	**28,949**	**913**	**1,457**	**(4,235)**	**61,402**	**110,444**	**2,570**	**113,014**

Consolidated statement of changes in equity (continued)
at 31 May 2025

	Share capital £'000	Share premium account £'000	Capital redemp-tion reserve £'000	Merger reserve £'000	Trans-lation reserve £'000	Other reserves £'000	Invest-ment in own shares £'000	Retained earnings £'000	Total Attributable owners of the Group £'000	Non-controlling interest £'000	Total Equity £'000
At 1 June 2024	1,654	19,005	1,299	28,949	913	1,457	(4,235)	61,402	110,444	2,570	113,014
Ordinary shares issued	-	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	(1,526)	(1,526)	-	(1,526)
Share-based payments	-	-	-	-	-	-	-	337	337	-	337
Total transactions with owners	-	-	-	-	-	-	-	(1,189)	(1,189)	-	(1,189)
Profit for the year	-	-	-	-	-	-	-	6,558	6,558	(294)	6,264
Investment in subsidiary with non-controlling interest	-	-	-	-	185	-	-	-	185	(185)	-
Other comprehensive income											
Actuarial gain for the year on pension scheme	-	-	-	-	-	-	-	(294)	(294)	-	(294)
Deferred tax on actuarial movement on pension scheme	-	-	-	-	-	-	-	74	74	-	74
Exchange loss	-	-	-	-	(2,638)	-	-	-	(2,638)	-	(2,638)
Total comprehensive income for the year	-	-	-	-	(2,453)	-	-	6,338	3,885	(479)	3,406
Balance at 31 May 2025	**1,654**	**19,005**	**1,299**	**28,949**	**(1,540)**	**1,457**	**(4,235)**	**66,552**	**113,141**	**2,091**	**115,232**

Consolidated Cash Flow Statement for the year ended 31 May 2025

	Note	2025 £'000	2024 £'000
Operating activities			
Cash flows from operating activities	**5**	**15,323**	3,604
Finance costs paid		**(1,782)**	(1,294)
Income tax paid		**(1,769)**	(952)
Contributions to defined benefit plan		**(281)**	(24)
Net cash inflow from operating activities		**11,491**	1,334
Investing activities			
Acquisition of subsidiary undertakings, net of cash acquired		**-**	(1,548)
Finance income		**120**	364
Purchase of intangible assets		**(11,482)**	(8,430)
Purchase of property, plant and equipment		**(2,812)**	(3,967)
Proceeds from sale of property, plant and equipment		**-**	4
Net cash outflow from investing activities		**(14,174)**	(13,577)
Financing activities			
Equity dividends paid		**(1,526)**	(1,441)
Repayments of bank loans		**(1,689)**	(3,213)
Repayment of leases		**(2,821)**	(3,863)
Proceeds from issue of ordinary shares		**-**	563
Proceeds from borrowings		**5,600**	14,734
Net cash (outflow)/ inflow from financing activities		**(436)**	6,780
Net decrease in cash and cash equivalents		**(3,119)**	(5,463)
Cash and cash equivalents at beginning of year		**11,793**	17,386
Effect of foreign exchange rate changes on cash		**(174)**	(130)
Cash and cash equivalents at end of year		**8,500**	11,793

1 Segmental analysis

Year ended 31 May 2025	Energy AES £'000	Medical MII £'000	Unallocated central items £'000	Total £'000
Original Equipment	**99,870**	**4,592**	**-**	**104,462**
After Market	**51,589**	**355**	**-**	**51,944**
Revenue	**151,459**	**4,947**		**156,406**
Operating profit/(loss)	15,215	(5,652)	(1,555)	8,008
Net finance (expense)/income	(1,436)	214	74	(1,148)
Taxation (charge)/credit	(1,345)	964	(215)	(596)
Profit/(loss) after tax from continuing operations	**12,434**	**(4,474)**	**(1,696)**	**6,264**
Segment non-current assets	**49,975**	**16,286**	**36,090**	**102,351**
Segment current assets	**83,438**	**5,427**	**1,542**	**90,407**
	133,413	**21,713**	**37,632**	**192,758**
Segment liabilities	**(63,852)**	**(35,231)**	**21,557**	**(77,526)**
Net assets	**69,561**	**(13,518)**	**59,189**	**115,232**
Non-current asset additions				
Intangible assets	**1,894**	**9,588**	**-**	**11,482**
Tangible assets	**3,077**	**914**	**-**	**3,991**
	4,971	**10,502**	**-**	**15,473**
Other income statement items:				
Depreciation and amortisation	**(4,996)**	**(1,986)**	**-**	**(6,982)**

Unallocated assets/ (liabilities) consist primarily of interest-bearing assets and liabilities and income tax assets and liabilities.

Year ended 31 May 2024	Energy AES £'000	Medical MII £'000	Unallocated central items £'000	Total £'000
Original Equipment	81,044	3,322	-	84,336
After Market	51,893	356	-	52,249
Revenue	132,937	3,678	-	136,615
Operating profit/(loss)	10,961	(3,990)	(1,335)	5,636
Net finance (expense)/income	(968)	(78)	235	(811)
Taxation (charge)/credit	(1,350)	291	(121)	(1,180)
Profit/ (loss) after tax from continuing operations	8,643	(3,777)	(1,221)	3,645
Segment non-current assets	60,771	34,163	-	94,934
Segment current assets	79,798	4,913	6,694	91,405
	140,569	39,076	6,694	186,339
Segment liabilities	(71,163)	(19,763)	17,602	(73,324)
Net assets	69,406	19,313	24,296	113,014
Non-current asset additions				
Intangible assets	2,220	6,210	-	8,430
Tangible assets	4,277	1,720	-	5,997
	6,947	7,930	-	14,427
Other income statement items:				
Depreciation and amortisation	(4,741)	(1,114)	-	(5,855)

1 Segmental analysis (continued)

Geographical

The following tables provides an analysis of the Group's revenue by destination and the location of non-current assets (excluding deferred tax assets and defined benefit pension surplus) by geographical market:

	2025	2024	**2025**	2024
			Non-current	Non-current
	Revenue	Revenue	**Assets**	Assets
	£'000	£'000	**£'000**	£'000
United Kingdom	**57,008**	60,851	**51,368**	37,454
Europe (excl. UK)	**11,789**	7,011	**-**	-
United States of America	**37,311**	35,615	**28,072**	40,680
Africa & Middle East	**3,652**	6,031	**-**	-
Americas & Caribbean (excl. USA)	**1,927**	3,501	**-**	-
China	**35,033**	16,979	**442**	595
Asia Pacific (excl. China)	**9,686**	6,627	**17,319**	12,404
	156,406	136,615	**97,201**	91,133

2 Adjusted Earnings before interest, tax, depreciation and amortisation

	2025	2024
	£'000	£'000
Profit before tax from continuing operations	**6,860**	4,825
Share based payment expense	**337**	324
Acquisition costs	**204**	347
Restructuring costs	**335**	1,041
(Gain)/loss on derivatives	**-**	(15)
Amortisation of intangibles from business combinations	**819**	819
Adjusted profit before tax from continuing operations	**8,555**	7,341
Finance income	**(120)**	(364)
Finance cost	**1,268**	1,175
Gain/(loss) on derivatives	**-**	15
Adjusted profit before interest, tax and amortisation from business combinations ('EBITA')	**9,703**	8,167
Depreciation	**5,466**	4,817
Amortisation of other intangible assets	**1,337**	904
Amortisation of contract assets	**178**	137
Adjusted Earnings before interest, tax, depreciation and amortisation ('EBITDA') from continuing operations	**16,684**	14,025

The Directors believe that the above adjusted earnings are a more appropriate reflection of the Group performance.

All costs noted above, apart from the share based payment expense, depreciation and amortisation of intangibles had a reduction in the cashflow in the year. The tax impact on the above costs is relatively immaterial.

3 Taxation

	2025 £'000	2024 £'000
Continuing operations		
Current tax		
Corporation tax – current year	**-**	-
Corporation tax – prior year	**475**	219
Overseas tax – current year	**2,357**	418
Overseas tax – prior year	**(683)**	(275)
Total current tax	**2,149**	362
Deferred tax		
Deferred tax – current year	**(854)**	479
Deferred tax – prior year	**(699)**	339
Deferred tax – rate	**-**	-
Total deferred tax	**(1,553)**	818
Total tax charge in the year	**596**	1,180

Corporation tax is calculated at 25% (2024: 25%) of the estimated assessable profit/loss for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

4 Earnings per ordinary share

Basic and diluted earnings per share have been calculated in accordance with IAS 33 which requires that earnings should be based on the net profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares in issue during the year.

For diluted earnings per share the weighted average number of ordinary shares is adjusted to assume conversion of all dilutive potential ordinary shares, being the CSOP and ExSOP share options.

	2025 Number	2024 Number
Weighted average number of shares – basic	**33,089,922**	32,733,107
Share option adjustment	**555,775**	628,002
Weighted average number of shares – diluted	**33,645,697**	33,361,109

	2025 £'000	2024 £'000
Profit from continuing operations	**6,264**	3,645
Share based payment expense	**337**	324
Acquisition costs	**204**	347
Restructuring costs	**335**	1,032
Other exceptionals	**-**	9
Loss on derivatives	**-**	(15)
Amortisation of intangibles from business combinations	**819**	819
Adjusted profit after tax from continuing operations	**7,959**	6,161
From continuing operations:		
Basic earnings per share	**18.9p**	11.1p
Adjusted basic earnings per share	**24.1p**	18.8p
Diluted earnings per share	**18.6p**	10.9p
Adjusted diluted earnings per share	**23.7p**	18.5p

The Directors believe that the above adjusted earnings per share calculation for continuing operations is a more appropriate reflection of the Group's underlying performance.

At 31 May 2025, we have excluded 1,651,500 share options from the diluted EPS calculation (2024: £1,700,000) as these options are not expected to vest, given that the exercise price exceeds the market price.

5 Notes to the consolidated cash flow statement

Cash flows from operating activities:

	2025	2024
	£'000	£'000
Continuing operations		
Profit before income tax from continuing operations	**6,860**	4,825
Adjustments for:		
Depreciation	**5,466**	4,817
Amortisation of intangible assets	**1,337**	904
Amortisation of intangibles from business combinations	**819**	819
Loss on disposal of property, plant and equipment	**31**	23
Finance income	**(120)**	(364)
Finance expenses	**1,760**	1,175
Share based payment charge	**337**	324
Changes in working capital		
Increase in inventories	**(263)**	(4,818)
Increase in trade and other receivables	**(4,404)**	(8,003)
Increase in trade and other payables	**2,759**	3,825
Increase in provisions	**782**	107
Other non cash changes	**(41)**	(30)
Cash flows from operating activities	**15,323**	3,604

	2025	2024
	£'000	£'000
Cash and cash equivalents		
Cash	**8,556**	12,115
Overdrafts	**(56)**	(322)
	8,500	11,793

6 Net debt and gearing

	2025 £'000	2024 £'000
Cash	**8,556**	12,115
Overdrafts	**(56)**	(322)
Loans	**(17,049)**	(13,581)
Lease liability – finance leases under IAS17	**(3,785)**	(4,293)
Net debt - excluding IFRS 16	**(12,334)**	(6,081)
Lease liability – under IFRS 16	**(4,583)**	(5,762)
Net debt	**(16,917)**	(11,843)
Equity	**115,232**	113,014
Net debt to equity ratio	**14.7%**	10.5%

7 Preliminary statement and basis of preparation

This preliminary statement, which has been agreed with the auditors, was approved by the Board on 23 September 2025. It is not the Group's statutory accounts within the meaning of Section 434 of the Companies Act 2006.

The Financial information set out in this announcement does not constitute the Company's Consolidated Financial Statements for the financial years ended 31 May 2025 or 31 May 2024 but are derived from those Financial Statements. Statutory Financial Statements for 2024 have been delivered to the Registrar of Companies and those for 2025 will be delivered following the Company's AGM. The auditors Cooper Parry Group Limited have reported on the 2025 financial statements. Their report was unqualified, did not draw attention to any matters by way of emphasis without qualifying their report and did not contain statements under Section 498(2) or (3) of the Companies Act 2006 in respect of the Financial Statements for 2024.

The Company's financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards (IFRSs) as adopted by the UK and those parts of the Companies Act 2006 that apply to companies reporting under IFRS. The principal accounting policies adopted by the company, which remain unchanged, are set out in the statutory financial statements for the year ended 31 May 2025.

8 Annual report and Accounts

The Report and Accounts for the year ended 31 May 2025 will be available on the Group's website www.avingtrans.plc.uk on or around 15 October 2025. Further copies will be available from the Avingtrans' registered office:

Chatteris Business Park, Chatteris, Cambridgeshire PE16 6SA.

9 Annual General Meeting

The Annual General Meeting of the Group will be held at Shakespeare Martineau LLP, No1 Colmore Square, Birmingham, B4 6AA on 27 November 2025 at 11:00am.