

17 March 2025

RC FORNAX PLC
("RC Fornax", the "Company" or the "Group")

Half Year Trading Update

Performance in line with expectations
Positive outlook for second half of 2025

RC Fornax (AIM:RCFX), the UK-based, highly accredited engineering consultancy providing high-impact work package solutions for critical military platforms, is pleased to provide a trading update for the six months ended 28 February 2025 ("HY25", "Half Year" or the "Period").

Summary

- Revenue of £3.8 million in line with the Board's expectations, representing growth of 30% compared to the half year ended 31 August 2024.
- Gross profit of £1.1 million. Margin increased to 29% from 25% in Full Year 2024.
- Successful admission on 5 February 2025 to the AIM Market of the London Stock Exchange (AIM), raising over £5 million in new funds from a number of high quality institutional investors.
- The project to automate scope of work definition ("Project FAS-G") is in progress, with full requirement definition and conceptual design ongoing.
- Hiring of new colleagues is continuing as planned with significant interest in the Company and its strategy.

Outlook

- Strong demand for defence engineering services due to increased investment in the defence industry.
- The current pipeline underpins the Board's confidence in meeting current market expectations for the year ended 31 August 2025.
- Client base continues to grow with a new framework agreement being signed with a tier 1 defence company and a continued effort by the Company to grow the number of SMEs with its services.
- RC Fornax's new Headquarters in Bristol is due to open on 4 April 2025 and is designed to meet the requirements for a Facility Security Clearance ("FSC") from the Ministry of Defence.

Paul Reeves, Chief Executive of RC Fornax, commented:

"I'm delighted with the performance of Company and our team during this period, during which we met our targets while completing an IPO that marked a seminal moment in RC Fornax's development. We are now fully focused on building our business for the benefit of all our stakeholders.

"With that in mind, I welcome the UK Government's recent commitment to bolster defence spending. This can only be a positive for the UK's security and armed forces, which RC Fornax is dedicated to serving.

"To maximise the benefits of this increased spending, we anticipate increased reliance on the expertise and dedication of our highly skilled engineering associates. This is in line with the Government's efforts to streamline procurement processes and encourage the increased participation of SMEs in defence contracts. We expect to benefit from these initiatives in the remainder

encourage the increased participation of SMEs in defence contracts. We expect to benefit from these initiatives in the remainder of our financial year and beyond.

"As we move into the second half of the financial year, we look forward to continued collaboration with the UK Government and our industry partners to ensure a secure and prosperous future for our nation."

HY25 Update

Following the successful listing to AIM, RC Fornax expects to deliver results in line with expectations for HY25. Revenue of £3.8 million was generated from contracts with six customers, four of which are in the top 10 supplier list, by value, to the Ministry of Defence and one of which is the UK subsidiary of an international group. Gross profit for HY25 was £1.1 million, reflecting a margin of 29%, which has increased from 25% for the 12 months to 31 August 2024.

During the Period, RC Fornax worked in an array of environments within the aerospace and defence industry, contributing to ongoing programmes within Land, Air and Maritime domains. One notable success was the guiding a key client to transition from traditional time and materials solutions to outcome-based services, a model the Company is replicating across several existing and new customers. RC Fornax expects this model to continue to positively impact margins.

Project FAS-G, the Company's artificial intelligence statement of work generator, is in effect with full requirements definition and conceptual design ongoing. Further announcements in relation to Project FAS-G will be provided when appropriate.

Outlook for Full Year 2025 ("FY25")

RC Fornax, which is supported by its pool of skilled associates, continues to see strong demand for defence engineering services, as the drivers for increased investment in defence have amplified during the year, especially in relation to the ongoing conflicts in Ukraine and the Middle East.

New contracts worth £2.3 million have been booked as anticipated revenue in FY25. Together with the current and expected pipeline, the Board remains confident that the Company is on track to meet market expectations for the full year.

Furthermore, many opportunities for delivering ahead of expectations exist. In line with this, the Company has signed a new framework agreement with a tier 1 defence company and has agreed terms with another new client. Advanced discussions also continue in an effort to support the growth in the number of SME's utilising RC Fornax's services which will serve to further reduce client concentration.

Additionally, the Company's new Headquarters in Bristol, which is designed to meet the requirements for a FSC from the Ministry of Defence, is due to open on 4 April 2025. This will enable RC Fornax to meet and maintain the required protective security controls to safeguard assets classified at SECRET and above.

Notice of HY25 Results

The Company intends to issue its full unaudited results for the six months ended 28 February 2025 in early April 2025.

For more information, please visit www.rcfornax.co.uk or contact:

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Notes to Editors

RC Fornax PLC is an AIM listed company providing outcome-based engineering solutions to the UK defence industry. It was founded in 2021 by RAF veterans Paul Reeves and Daniel Clark who, having also worked for a number of years as defence contractors, are passionate about improving project efficiencies and driving value for money in the sector.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR"). The person who arranged for the release of this announcement on behalf of the Company was Rob Shepherd, Finance Director.

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