

3 February 2026

FILTRONIC PLC

("Filtronic", the "Company" or the "Group")

HALF YEAR RESULTS FOR THE SIX MONTHS ENDED 30 NOVEMBER 2025

Filtronic plc (AIM: FTC), the designer and manufacturer of products and sub-systems for the aerospace, defence, telecoms infrastructure, space and critical communications markets, is pleased to announce its half year results for the six months ended 30 November 2025 ("H1 2026").

The Group delivered an encouraging first-half performance, with financial results in line with the Board's expectations and very positive momentum in new business activity. Revenue was similar to the record prior period which benefited from peak delivery on major space programmes. H1 2026 displayed a more balanced delivery profile with profitability reflecting deliberate and targeted investment in people, facilities and product development to position the business for accelerated growth. Cash generation remained strong, enabling continued strategic investment and leaving the Group well positioned to capitalise on a rapidly expanding Defence and Space pipeline. Following strong order levels in H1 2026, Filtronic has entered the second half of FY2026 with a record order book, providing clear visibility and confidence in our strategy and sustained long- term growth.

Financial Highlights

	H1 2026	H1 2025
Revenue	£25.3m	£25.6m
Adjusted EBITDA ¹	£5.1m	£8.7m
Operating profit	£2.6m	£6.8m
Profit for the period	£2.6m	£6.7m
Basic earnings per share	1.20p	3.08p
Diluted earnings per share	1.14p	3.04p
Cash generated from operating activities	£3.4m	£2.1m
	At 30 Nov 2025	At 30 Nov 2024
Net cash when including right of use property leases	£6.8m	£4.3m
Net cash when excluding right of use property leases	£8.2m	£5.1m

¹ Adjusted EBITDA is earnings before interest, taxation, depreciation, amortisation, share-based payments and exceptional items.

Significant contract momentum and diversification of revenue mix

- Continued deepening of the relationships with key customers, including largest-ever contract with SpaceX, valued at 62.5 million.
- Accelerating diversification of customer base, with new multi-year contract wins including a €7.0 million agreement with a European space customer and a £13.4 million contract with a leading European defence prime, strengthening the Company's position across space, aerospace and defence markets.

Continued execution of five-year growth strategy

- Deployment of GaN E-band products represents a step change in performance, unlocking emerging opportunities in space ground systems and high-capacity data links.
- Broadening of addressable markets with development underway on additional

broader range of addressable markets, with development underway on additional frequency bands, including a 550W Ka-band solid-state power amplifier, supported by a £1.2 million UK Space Agency NSIP award received post period end.

- Next-generation GaN amplifier systems remain on track for launch in calendar year 2026, including expansion into V-band, and expected to be a key driver of growth over the next three to five years.

Operational scale and investment to support future growth

- Self-funded relocation to a larger headquarters and manufacturing facility completed during H1 FY2026, providing materially increased production capacity and capability to support demand.
- Investment in the technology and product roadmap continues at pace, reflecting the Board's confidence in medium- and long-term opportunities.
- Enhanced programme management and organisational capability to support a growing number of concurrent major customer programmes.

Outlook

- Filtronic has entered the second half of FY2026 with a record order book, increasing customer diversification and strong engagement across its core markets.
- Growing visibility and quality of revenues, with approximately 90% of FY2026 revenues covered by contracted orders, providing strong visibility into H2 and beyond.
- After a good first half, with strong momentum in the business, the Board remains confident in meeting current market expectations for revenues and EBITDA for FY2026.

Nat Edington, Chief Executive Officer, commented: *"The first half of the year demonstrated the strength of Filtronic's positioning in markets where performance, reliability and security are mission critical. Demand across our space, aerospace and defence markets remains robust, and our focus on high-frequency RF technologies continues to differentiate us with customers operating in the most demanding environments."*

"With a record order book, increasing customer diversification and the business now operating at greater scale, we have entered the second half confident of continuing our planned growth."

¹ As at 2 February 2026, the Board understands that market expectations for FY2026, based on published analyst forecasts, are for revenue of £55.5m, within a range of £54m to £56.9m and EBITDA of £10.9m, within a range of £10.1m to £12.0m.

Enquiries

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Notes:

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

Forward-looking statements

Certain statements in this half-yearly financial report are forward-looking. Where the half-yearly financial report includes forward-looking statements, these are made by the directors in good faith based on the information available to them at the time of their approval of this report. Such statements are based on current expectations and are subject to a number of risks and uncertainties, including both economic and business risk factors that could cause actual events or results to differ materially from any expected future events or results referred to in these forward-looking statements. Unless otherwise required by applicable law, regulation or accounting standard, the Group undertakes no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

Chief Executive's review

H1 FY2026 has been one of strong strategic execution for Filtronic. We have continued to build on our technological leadership and long-standing customer relationships, while investing to support the next phase of growth. The momentum achieved during the half reflects both the scale of the opportunity in our core markets and the progress we are making in building a business capable of supporting sustained diversified growth.

Market dynamics

We operate in markets where performance, reliability and security are mission-critical, and where demand remains robust. Our core markets of space and defence continue to be supported by sustained satellite deployment activity, increased defence expenditure and growing requirements for secure, high-frequency communications. Customer programmes are increasingly focused on higher spectrum solutions and advanced technologies such as gallium nitride ("GaN"), areas where Filtronic has established a market leading technical capability. As a result, we continue to see active engagement across both new and existing customers, reinforcing our positioning within these strategically important markets.

Financial performance

In the first half of the year, as expected, revenue was broadly in line with the prior period at £25.3m (H1 FY2025: £25.6m). As previously communicated, deliberate and targeted investment in the business, to achieve sustainable long-term revenue growth in high-growth markets, meant profits were lower in the period than the same period last year with adjusted EBITDA of £5.1m (H1 2025: £8.7m) and an operating profit of £2.6m (H1 2025: £6.8m).

As highlighted in previous announcements, the weaker USD had an impact on revenues in the period, given the Group's significant exposure to North America. At the same time, the benefits of last year's strategic investments are starting to be realised, including the expansion of our engineering teams, the opening of our new facility, and the associated increase in production capacity to support future growth. While these initiatives have increased costs in the short term, they establish a strong foundation for sustainable growth and are critical to strengthening the business for the years ahead.

We ended the Period in a strong financial position, with £10.5m of cash in the bank (31 May 2025: £14.5m), having self-financed the capital project to relocate to the larger headquarters and manufacturing site at Sedgefield, and £8.2m in net cash when excluding right of use property leases (31 May 2025: £5.1m).

Strategic progress

The Period was characterised by significant contract momentum and further deepening of key customer relationships. We secured our two largest contract awards with SpaceX, which strengthened our strategic relationship, of which the second contract will start to be delivered in FY2027. On top of this, the second award worth £47.3m, represents the first deployment of our next generation, proprietary GaN E-band product. These wins demonstrate not only confidence in our products, but also in our ability to deliver consistently, at scale and to demanding specifications.

Alongside this, we continued to make strong progress in diversifying our customer base, as demonstrated by a €7.0m (£5.8m) multi-year contract with a leading European aerospace manufacturer. This contract is to supply RF assemblies for integration into a major Low Earth Orbit satellite constellation programme. In addition, we secured a £13.4m contract with a leading European defence prime for the supply of high-performance active components for the next phase of a long-standing electronic sensor programme. Post-period end, we also secured an Authorisation to Proceed, for an expected £11.0m contract, for a follow-on contract that gives order cover for a further two-years with the same European defence prime.

Engagement with major primes, within space and defence, and government organisations is increasing, supported by our sovereign accreditations, manufacturing capabilities and proven track record in high-reliability RF systems. This diversification is an important strategic priority, reducing customer concentration over time while also expanding our addressable market.

We moved into our new headquarters in Sedgefield in November and will be periodically migrating our manufacturing lines over the next few months as customer programmes allow for transfer. The official opening of the building will take place on 26 February 2026 as we celebrate our new state-of-the-art facility enabling us to scale and futureproof the business operations for the next phase of growth.

Innovation

Innovation is central to Filtronic's long-term growth strategy. As demand for high-speed data continues to accelerate, communications systems are increasingly moving into higher RF bands to enhance performance and alleviate congestion at lower frequencies.

The V-band and W-band regions of the RF spectrum offer substantial potential for next-generation, high-capacity wireless communications. V-band, in particular, provides extensive bandwidth and is expected to be widely adopted by satellite communication companies.

Filtronic is at the forefront of developing the critical enabling technologies needed to unlock the full potential of these high-frequency bands.

potential of these higher-frequency bands. Our Cerus range of solid-state power amplifiers ("SSPAs") delivers class-leading power performance across V-band, E-band and W-band frequencies. As bandwidth and data demands continue to grow, these SSPAs are well positioned to support a wide range of high-performance wireless and space applications.

This technology leadership is underpinned by strong execution against our product roadmap. The successful development and initial deployment of our GaN E-band product, represent a step change in performance and reinforces the progress being made across our innovation programme. Further product launches are planned for calendar year 2026, targeting emerging opportunities in space ground systems. Our family of very high-power V-band amplifiers being released in FY2026 will open up opportunities in medium earth orbit ("MEO") and geostationary ("GEO") for the business for the first time. In addition, the recent award of £1.2 million in funding from the UK Space Agency's National Space Innovation Programme, supporting the development of a 550W Ka-band solid-state power amplifier, further reinforces our intent to capitalise on the significant opportunity emerging within the global space ecosystem.

People and operations

The progress delivered by our teams across the business in the first half of the year has been instrumental in strengthening both our execution capability and commercial momentum. Investment in our commercial teams is enabling earlier and more effective engagement across programme lifecycles, enhancing alignment with major primes and government customers, whilst also accelerating the expansion of our opportunity pipeline.

This commercial momentum is matched by the continued scaling of our engineering capability. The successful expansion of our Cambridge operation in FY2025 now supports multiple concurrent development programmes, while the self-funded relocation to a larger headquarters and manufacturing facility in Sedgefield provides materially increased production capacity and capability.

Together, these advances reflect a more integrated, higher-value organisation, better positioned to capture complex, global opportunities. They also support our strategic progression up the value chain, expanding our expertise beyond RF into digital, software, and system-level solutions.

Outlook

The first half of the year has demonstrated that the investments made in both capacity, capability and technology, are delivering tangible commercial successes. With a record order book, including new and diverse customer contract wins, we have entered H2 in a strong position and are confident of meeting market expectations for the full year.

Over the longer term, customers are expressing a growing need for high-frequency, secure, and resilient communications infrastructure across many platforms which provide the Group with supportive structural growth drivers across its key markets. With our expanded manufacturing capacity now fully operational, we believe we have exciting products and capabilities to match this growing need.

Nat Edington

Chief Executive Officer, 3 February 2026

Condensed Consolidated Interim Income Statement For the period ended 30 November 2025

		6 months Ended 30 November 2025 (Unaudited) £000	6 months Ended 30 November 2024 (Unaudited) £000	Year Ended 31 May 2025 (Audited) £000
Continuing operations	Note			
Revenue	5	25,253 =====	25,595 =====	56,318 =====
Adjusted EBITDA¹		5,059	8,712	17,011
Depreciation of property, plant and equipment and right of use assets		(807)	(607)	(1,315)
Amortisation of intangible assets		(339)	(258)	(537)
Amortisation of contract assets		(889)	(901)	(1,303)
Share-based payments		(408)	(185)	(414)
Operating profit	6	2,616 -----	6,761 -----	13,442 -----
Finance costs		(168)	(127)	(268)
Finance income		165	101	213
Profit before taxation		2,613 -----	6,735 -----	13,387 -----
Taxation		29	(7)	662
Profit for the period		2,642 =====	6,728 =====	14,049 =====

Basic and diluted earnings per share (pence)

Basic earnings per share	7	1.20p	3.08p	6.42p
Diluted earnings per share	7	1.14p	3.04p	6.05p
		=====	=====	=====

- 1 Adjusted EBITDA is defined as profit before interest, taxation, depreciation, amortization, share-based payments and exceptional items which is a non-GAAP metric used by management and is not an IFRS disclosure.

Condensed Consolidated Interim Statement of Comprehensive Income For the period ended 30 November 2025

	6 months Ended 30 November 2025 (Unaudited) £000	6 months Ended 30 November 2024 (Unaudited) £000	Year Ended 31 May 2025 (Audited) £000
Profit for the period	2,642	6,728	14,049
	-----	-----	-----
<i>Items that are or may be subsequently reclassified to profit and loss:</i>			
Currency translation arising on consolidation	(78)	(15)	154
	-----	-----	-----
Total comprehensive income for the period	2,564	6,713	14,203
	=====	=====	=====

The total comprehensive income for the period is attributable to the equity shareholders of the parent company Filtronic plc.

Condensed Consolidated Interim Statement of Financial Position At 30 November 2025

	Note	30 November 2025 (Unaudited) £000	30 November 2024 (Unaudited) £000	31 May 2025 (Audited) £000
Non-current assets				
Goodwill and other intangible assets		4,506	2,604	3,507
Right of use assets		4,530	3,774	4,546
Property, plant and equipment		9,854	2,061	4,508
Contract assets	8	651	1,302	1,302
Deferred tax		1,758	1,046	1,754
		-----	-----	-----
		21,299	10,787	15,617
		-----	-----	-----
Current assets				
Inventories		5,429	4,202	4,010
Trade and other receivables		14,517	15,070	12,169
Contract assets	8	3,266	401	3,504
Cash and cash equivalents		10,506	7,204	14,494
		-----	-----	-----
		33,718	26,877	34,177
		-----	-----	-----
Total assets		55,017	37,664	49,794
		-----	-----	-----
Current liabilities				
Trade and other payables		7,228	8,224	9,119
Provisions		535	493	516
		-----	-----	-----
Deferred Income	9	4,751	1,426	851
Lease liabilities		1,164	731	1,112
		-----	-----	-----
		13,678	10,874	11,598
		-----	-----	-----
Long term liabilities				
		-----	-----	-----

Deferred income	9	220	116	247
Lease liabilities		2,510	2,214	2,573
		<u>2,730</u>	<u>2,330</u>	<u>2,820</u>
Total liabilities		<u>16,408</u>	<u>13,204</u>	<u>14,418</u>
Net assets		<u>38,609</u>	<u>24,460</u>	<u>35,376</u>
Equity				
Share capital	10	10,801	10,800	10,800
Share premium	11	11,458	11,352	11,354
Share warrant reserve	12	6,109	2,605	6,109
Translation reserve		(598)	(537)	(676)
Retained earnings		10,839	240	7,789
Total equity		<u>38,609</u>	<u>24,460</u>	<u>35,376</u>

The total equity is attributable to the equity shareholders of the parent company Filtronic plc.
Company number 2891064

Condensed Consolidated Interim Statement of Changes in Equity For the period ended 30 November 2025

	Share capital	Share premium	Share warrant reserve	Translation reserve	Retained earnings	Total equity
	£000	£000	£000	£000	£000	£000
Balance at 30 November 2024	10,800	11,352	2,605	(537)	240	24,460
Profit for the period	-	-	-	-	7,321	7,321
New shares issued (net of issue costs)	-	2	-	-	-	2
Share warrants	-	-	3,504	-	-	3,504
Currency translation movement arising on consolidation	-	-	-	(139)	-	(139)
Share-based payments	-	-	-	-	228	228
Balance at 31 May 2025	10,800	11,354	6,109	(676)	7,789	35,376
Profit for the period	-	-	-	-	2,642	2,642
New shares issued (net of issue costs)	1	104	-	-	-	105
Currency translation movement arising on consolidation	-	-	-	78	-	78
Share-based payments	-	-	-	-	408	408
Balance at 30 November 2025	10,801	11,458	6,109	(598)	10,839	38,609

Condensed Consolidated Interim Cash Flow Statement For the period ended 30 November 2025

	6 months Ended 30 November 2025 (Unaudited) £000	6 months Ended 30 November 2024 (Unaudited) £000	Year Ended 31 May 2025 (Audited) £000
Operating profit	2,616	6,761	13,442
Tax received/(paid)	28	(7)	(49)
Share-based payments	408	186	414
Depreciation	807	607	1,315
Amortisation of contract assets	889	901	1,303
Amortisation of intangible assets	339	258	537
Movement in inventories	(1,406)	(926)	(797)
Movement in trade and other receivables	(2,307)	(2,504)	(5,074)

Movement in trade and other receivables	(2,307)	(8,534)	(5,671)
Movement in trade and other payables	(1,902)	2,820	3,762
Movement in provisions	19	-	24
Change in deferred income	3,873	8	(437)
Net cash generated from operating activities	3,364	2,074	13,843
Cash flows from investing activities			
Capitalisation of development costs	(1,295)	(486)	(1,496)
Acquisition of intangible assets	(43)	(103)	(277)
Acquisition of plant and equipment	(5,574)	(1,535)	(3,835)
Acquisition of right of use assets	(553)	-	(177)
Interest received	165	101	163
Net cash used in investing activities	(7,300)	(2,023)	(5,622)
Cash flows from financing activities			
Interest paid	(168)	(127)	(268)
Exercise of employee share options	105	141	143
Repayment of principal element of lease liabilities	(507)	(437)	(915)
Receipt of interest-bearing borrowings	495	364	137
Net cash generated used in financing activities	(75)	(59)	(903)
Movement in cash and cash equivalents	(4,011)	(8)	7,318
Currency exchange movements	23	(3)	(39)
Opening cash and cash equivalents	14,494	7,215	7,215
Closing cash and cash equivalents	10,506	7,204	14,494

Notes to the Condensed Financial Statements

1 Company information

Filtronic plc is a company registered and domiciled in the United Kingdom and is listed on the AIM market of the London Stock Exchange. The Company's registered number is 2891064. The address of the Company's registered office is Filtronic plc, Plexus 1, NETPark, Thomas Wright Way, Sedgefield, County Durham, TS21 3FD.

Copies of the Company's Annual Report and interim financial report are available from the Company's registered office or the Company's website at www.filtronic.com.

2 Basis of preparation

Whilst the financial information included in this preliminary statement has been prepared on the basis of the requirements of IFRSs in issue, this statement does not itself contain sufficient information to comply with IFRS.

These financial results for the six months ended 30 November 2025 do not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. The interim report should be read in conjunction with the Annual Report 2025, which includes annual financial statements for the year ended 31 May 2025. Those accounts have been reported on by the Company's auditor and delivered to the registrar of companies. The report of the auditor was (i) unqualified (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The condensed consolidated financial statements for the six months ended 30 November 2025 consolidate the financial statements of the Company and all of its subsidiaries (together referred to as the "Group"). Transactions between Group companies, which are related parties, have been eliminated upon consolidation and therefore do not require disclosure.

The condensed consolidated financial statements for the six months ended 30 November 2025 and comparative period have not been audited. The interim financial report for the six months ended 30 November 2025 was approved by the Board on 2 February 2026.

3 Going Concern

In accordance with corporate governance requirements the directors have undertaken a review of forecasts and the Group's cash requirements to consider whether it is appropriate that the Group continues to adopt the going concern assumption.

The directors have reviewed the projected cash flow and other relevant information, including a 'severe but plausible' scenario and have a reasonable expectation that the Group has adequate resources to continue in operational existence and therefore it remains appropriate to adopt the going concern basis in preparing the interim financial report for the six months ended 30 November 2025.

4 Accounting estimates and judgements

The preparation of the financial statements requires the use of accounting estimates and judgements that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of the future that are believed to be reasonable under the circumstances. Actual results may differ from the expected results. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The accounting estimates and judgements that have a significant effect on the financial statements are considered in the Filtronic plc Annual Report for the year ended 31 May 2025 which can be found on the Filtronic website. Unless stated below there is no material change to those judgements from the Annual Report in the basis of calculation.

5 Segmental Analysis

Operating Segments

IFRS 8 requires consideration of the identity of the Chief Operating Decision Maker ('CODM') within the Group. In line with the Group's internal reporting framework and management structure, the key strategic and operating decisions are made by the Board, who reviews internal monthly management reports, budget and forecast information as part of this. Accordingly, the Board is deemed to be the CODM.

The CODM has identified one operating segment within the Group as defined under IFRS 8. In turn, this is the only reportable segment of the Group as the entities in the Group have similar products and services, production processes and economic characteristics. Therefore, there is no allocation of operating expenses, profit measures or assets and liabilities to specific commercial markets.

Accordingly, the CODM assesses the performance of the operating segment on financial information which is measured and presented in a manner consistent with those in the financial statements by reference to Group results against budget.

The Group profit measures are adjusted operating profit and adjusted EBITDA, both disclosed on the face of the consolidated income statement. No differences exist between the basis of preparation of the performance measures used by management and the figures in the Group financial statements.

5 Segmental Analysis (continued)

Revenue by Destination

The revenue presented is based on the geographic location of customers receiving the product/service from the continuing operations.

	6 months Ended 30 November 2025 £000	6 months Ended 30 November 2024 £000	Year Ended 31 May 2025 £000
Revenue			
United Kingdom	1,551	1,559	3,946
Europe	984	508	1,205
Americas	22,656	23,446	51,163
Rest of the world	62	82	4
	=====	=====	=====
	25,253	25,595	56,318
	=====	=====	=====

Revenue from sales

The revenue presented is based on the Group deriving revenue from product sales and those

The revenue presented is based on the Group deriving revenue from product sales and those received from Non-Recurring Engineering ("NRE") at a point in time when the performance obligation is satisfied.

	6 months Ended 30 November 2025	6 months Ended 30 November 2024	Year Ended 31 May 2025
		£000	£000
Revenue			
Sales of product	24,543	25,565	54,603
NRE - point in time	1,599	931	3,018
Amortisation of contract assets	(889)	(901)	(1,303)
	25,253	25,595	56,318
	=====	=====	=====

6 Operating profit

	6 months Ended 30 November 2025	6 months Ended 30 November 2024	Year Ended 31 May 2025
	£000	£000	£000
Revenue	25,253	25,595	56,318
	-----	-----	-----
Material cost of goods sold	11,005	9,738	21,855
Wages and salaries	5,440	4,187	10,316
Social security costs	702	469	1,019
Pension costs	448	269	560
Bonus	358	540	1,354
Temporary employees	467	418	900
Share-based payments	404	186	414
	-----	-----	-----
Employee costs	7,819	6,069	14,563
	-----	-----	-----
Amortisation of intangible assets	339	258	537
Depreciation of property, plant and equipment and right of use assets	836	607	1,315
	-----	-----	-----
Depreciation and amortisation	1,175	865	1,852
	-----	-----	-----
Other operating income	(239)	(34)	(446)
Other expenses	2,877	2,196	5,052
	-----	-----	-----
Total operating costs	11,632	9,096	21,021
	=====	=====	=====
Operating profit	2,616	6,761	13,442
	=====	=====	=====

Development costs of £1,295,000 were capitalised in H1 2026 (HY2025: £486,000).

Other operating income relates to grants received for plant and machinery and R&D innovation whilst R&D tax credits under the new merged scheme are also recognised in operating profit.

7 Basic and diluted earnings per share

	6 months Ended 30 November 2025	6 months Ended 30 November 2024	Year Ended 31 May 2025
		£000	£000
Profit for the period	2,642	6,728	14,049
	=====	=====	=====
	1,000	1,000	1,000

	000	000	000
Basic weighted average number of shares	219,653	218,771	218,854
Dilution effect of share options	12,503	2,663	13,389
Diluted weighted average number of shares	232,156	221,434	232,243
	=====	=====	=====
Basic earnings per share (pence)	1.20p	3.08p	6.42p
Diluted earnings per share (pence)	1.14p	3.04p	6.05p
	=====	=====	=====

8 Contract assets

Contract assets relate to the share warrants issued to Space X.

	6 months Ended 30 November 2025 £000	6 months Ended 30 November 2024 £000	Year Ended 31 May 2025 £000
Opening contract assets	4,806	2,605	2,605
New contract assets generated	-	-	3,504
Amortised to revenue	(889)	(901)	(1,303)
	3,917	1,703	4,806
	=====	=====	=====
	6 months Ended 30 November 2025 £000	6 months Ended 30 November 2024 £000	Year Ended 31 May 2025 £000
Contract assets due in one to five years	3,266	401	3,504
Current contract assets	3,266	401	3,504
	=====	=====	=====
Contract assets due in one to five years	651	1,302	1,302
Non-current contract assets	651	1,302	1,302
	=====	=====	=====

9 Deferred income

	6 months Ended 30 November 2025 £000	6 months Ended 30 November 2024 £000	Year Ended 31 May 2025 £000
Contract liabilities	4,699	1,484	799
Capital grant	52	29	52
Total current deferred income	4,751	1,513	851
	=====	=====	=====
Contract liabilities	-	-	-
Capital grant	220	116	247
Total non-current deferred income	220	116	247
	=====	=====	=====
Total deferred income	4,971	1,629	1,098
	=====	=====	=====

Contract liabilities are invoices raised in advance of NRE work completed for customers that will be recognised as income once the performance obligation of the contract has been met. The majority of

NRE contracts are invoiced with a proportion of the contract value upfront which is recognised as revenue, over time, across the life of contract at each milestone based on the percentage of the overall contract value achieved at that performance obligation.

10 Share Capital

	Deferred shares of 10p each Number '000	Ordinary shares of 0.1p each Number '000	£000
At 30 November 2024	106,877	218,982	10,800
Exercise of employee share options	-	20	-
At 31 May 2025	106,877	219,002	10,800
Exercise of employee share options	-	940	1
At 30 November 2025	106,877	219,942	10,801

All shares are allotted, called up and fully paid. Holders of the ordinary shares are entitled to retrieve dividends when declared and are entitled to one vote per share at meetings of the company.

Holders of the ordinary shares are entitled to receive dividends when declared and are entitled to one vote per share at meetings of the Company.

11 Share Premium

	£000
At 30 November 2024	11,352
Exercise of employee share options	2
At 31 May 2025	11,354
Exercise of employee share options	104
At 30 November 2025	11,458

12 Share Warrant Reserve

Tranche 1 and 2

On 24 April 2024, the Group entered into a share warrant arrangement with SpaceX in conjunction with a commercial agreement and strategic partnership. This related to the supply of E-band Solid State Power Amplifiers ("SSPAs") and new technology being developed for SpaceX for use in their Starlink constellation.

The warrant agreement grants SpaceX the right to acquire up to 21,712,109 shares of the Company (equivalent to 10% of the Company's total share capital at the inception of the warrant agreement). The exercise price of vested warrants is 33.0p per share, based on the closing mid-market price at 23 April 2024, which is the date prior to signing the warrant agreement. The directors have assessed the warrants and made a judgement that the warrants should be treated as equity instruments as defined by IAS 32. This is because the warrants have a fixed consideration at 33.0p per share for a fixed number of units to exercise.

The warrants have been recognised in the financial statements based on the value at the date of signing of the agreement. An initial entry has been made in contract assets measured at fair value, but not subsequently remeasured, with the corresponding entry to equity.

The initial fair value of the warrants at inception was £2,605,453, based on a fair value per warrant of £0.11 and the total number of warrants expected to vest over the 5-year vesting period. The directors have judged all of the warrants will vest, otherwise SpaceX and Filtronic would not have entered into the agreement. The warrants represent non-cash consideration payable to a customer under IFRS 15. Therefore, the contract asset, which effectively represents a deferred volume rebate, is amortised to revenue based on when the units are supplied to SpaceX.

The fair value of the warrants was determined using the Black-Scholes Model valuation method using a number of variables that require judgement including share price volatility, discount to the bid price, the risk-free rate and the expected life of the warrants. There are a number of variables that require

judgement within this model including the risk-free rate, share price volatility, the vesting period and a bid price discount.

Tranche 3

On 19 March 2025, the Company entered into a second warrant arrangement with SpaceX expanding the

Original strategic partnership entered into on 23 April 2024 to secure an increased allocation of business for the Group. The vesting of these warrants is dependent on certain performance conditions relating to the procurement of E-band SSPAs to support the Starlink constellation.

12 Share Warrant Reserve (*continued*)

The warrant agreement grants SpaceX the right to acquire up to 10,949,079 at 92.8p per share. The accounting treatment of the warrants has been judged by management and has been determined to be treated the same as tranche 1 and 2. An initial entry has been made in contract assets measured at fair value, but not subsequently remeasured, with the corresponding entry to equity.

The initial fair value of the warrants at inception was £3,504,000, based on a fair value per warrant of £0.93 and the total number of warrants expected to vest over the 5-year vesting period. The directors have judged all of the warrants will vest, otherwise SpaceX and Filtronic would not have entered into the agreement. The warrants represent non-cash consideration payable to a customer under IFRS 15. Therefore, the contract asset, which effectively represents a deferred volume rebate, is amortised to revenue based on when the units are supplied to SpaceX.

The fair value of the warrants was determined using the Black-Scholes Model valuation method using a number of variables that require judgement including share price volatility, discount to the bid price, the risk-free rate and the expected life of the warrants. There are a number of variables that require judgement within this model including the risk-free rate, share price volatility, the vesting period and a bid price discount.

13 Analysis of net cash

	1 June 2025 £000	Cash Flow £000	Other movements £000	30 Nov 2025 £000
Cash and cash equivalents	14,494	(4,011)	23	10,506
Lease liability - plant and equipment	(2,180)	457	(583)	(2,306)
Net cash when including all debt except property leases	12,314	(3,554)	(560)	8,200
Lease liability - property lease	(1,505)	202	(62)	(1,365)
Net cash	10,809	(3,352)	(622)	6,835

Cash at bank earns interest at floating rates based on daily bank deposit rates.

The Group entered into a financing arrangement in November 2024 with Santander UK plc for a committed £5.0m Revolving Credit Facility ("RCF") for three years. In December 2025, the Group extended this arrangement for a further three years and increased the facility to £10.0m.

There were no drawings on the RCF facility at 30 November 2025 (31 May 2025: undrawn).

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