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Carclo plc
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Carclo plc

Full Year audited results for the year ended 31 March 2026

Carclo plc ("Carclo", the "Group" or the "Company"), a global precision engineering group with comprehensive, end-to-end manufacturing capabilities announces its audited full year results for the 12 months ended 31 March 2026 ("FY26").

Business highlights

Operational & Strategic

- Achieved the previously set mid-term financial targets for Return on Sales ("ROS") and Return on Capital Employed ('ROCE'), ahead of plan providing a strong platform to support further sustainable profitable growth
- Continued improvements in operational efficiency and manufacturing standardisation drove margin improvement
- Significant long-term contract renewal secured with a major life sciences customer
- Sustained strong health and safety performance across the Group with Incident Frequency Ratio of 0.7 per 100,000 hours worked (FY25: 0.7)

Financial

- Revenue of **£114.2 million** (FY25: £121.2 million), with CTP accounting for £98.2 million (down 8.2%) and Speciality delivering £16.0 million (up 12.5%) reflecting the rebalancing and management of our portfolio with a focus on higher margin contracts as demonstrated in our increased profitability, along with a reduction in D&E activity and foreign exchange headwinds
- Underlying operating profit of **£12.6 million**, up 28.1% (FY25: £9.8 million) driven by operational efficiencies and focus on higher margin business
- ROS improved to **11.0%** (FY25: 8.1%), ahead of the 10% target set in 2022
- ROCE improved to **29.1%**, ahead of the 25% target set in 2022
- Net Debt/underlying EBITDA of **1.3x** a slight increase on prior year, largely driven by a one-off additional pension contribution of (£5.1m) in April 2025

	2026	2025	Change
Revenue	£114.2m	£121.2m	-5.8%
Underlying EBITDA[1]	£18.6m	£16.4m	+13.6%
Underlying operating profit [1]	£12.6m	£9.8m	+28.1%
Cash generated from operations [1]	£12.0m	£19.1m	-37.1%
Net Debt	£23.9m	£19.2m	+24.5%
Statutory operating profit	£12.3m	£7.6m	+61.8%
Statutory profit for the year	£2.7m	£0.9m	+200%
Statutory basic earnings per share	3.7p	1.2p	+209%

1. Underlying operating profit are the equivalent statutory measures adjusted to eliminate the significant one-off items not linked to the underlying performance of the business. Underlying Earnings Before Interest Tax Depreciation and Amortisation (EBITDA) is reported on the same basis.

Precision 2030 growth plan

Over the past three years the Group has implemented a turnaround strategy to address the significant

challenges it faced. Under this strategy, the Group has: exited its low-margin business and repositioned to higher value engineered solutions; optimised its manufacturing footprint; refinanced its debt; and agreed a long-term plan to eliminate the Group's pension deficit.

The success of these efforts can be seen through the delivery of the Group's financial targets ahead of schedule.

From these solid foundations our focus now turns to driving growth, through the adoption of the Precision 2030 growth plan. The plan's growth targets will be achieved through a combination of:

- expansion within our existing customer base with solutions we already deliver for major customers
- securing new programmes with new and existing customers by entering adjacent higher-growth markets such as drug delivery, wearables and pharma packaging
- Leveraging our innovation strengths to develop new solution categories where our precision engineering sets us apart

These initiatives are expected to lead to a steady increase in the Group's growth rates. As a result, our targets for 2030 are:

- Organic revenue growth at a compound annual rate of more than 8% across the plan period
- Net debt of less than 0.5x
- Ensuring new work continues to deliver on our minimum 10% ROS and 25% ROCE targets

Achievement of these targets is expected to create significant shareholder value and further enhance the competitive position of the Group.

Current trading and outlook

Three years ago, Carclo was a business facing significant financial and operational challenges. Through a sustained focus on operational excellence we have addressed those issues and today Carclo has a strong foundation and a disciplined plan for sustainable growth.

Market conditions across the Group are currently mixed. In Aerospace, demand remains strong and we are well-positioned to benefit from sustained sector growth in both civil and defence applications, supported by the additional capacity now in place. In Life Sciences, conditions are more varied: parts of the portfolio continue to perform well, while demand from certain diagnostics customers has been softer in the early part of this year. In particular, a notably weaker respiratory virus season has reduced testing volumes across the diagnostics industry, leading some customers to adjust inventory levels; an effect we expect to be temporary. We anticipate demand strengthening as we move through the year as a number of our new growth initiatives come on stream and accordingly expect trading to be weighted towards the second half and to deliver positive organic revenue growth for the full year.

Commenting on the results, Frank Doorenbosch, Chief Executive Officer said:

"In FY26 we delivered a resilient performance, benefiting from the measures we have put in place over the past three years to improve efficiency and using our deep domain knowledge and key customer relationships to focus on higher margin activities. Achieving our medium term financial targets clearly demonstrates the progress we have made.

In the past three years we have built a platform to deliver sustainable, higher profitability and increased cash generation. I am therefore excited to introduce our Precision 2030 growth plan, which highlights our confidence in our ability to innovate, to win new business and increase our growth rates. I look forward to reporting on our progress against the targets we have set."

About Carclo plc:

Carclo is a global precision engineering group that designs, industrialises and manufactures highly reliable solutions for Life Sciences, Aerospace and Safety & Security markets, manufactured in-region, for-region.

Carclo plc is a public company whose shares are quoted on the Main Market of the London Stock Exchange.

LEI: 21380078MEM399JPI956

Group Overview

Carclo is a global precision engineering group specialising in highly regulated markets which are often life-critical, requiring high performance solutions where reliability, compliance and technical precision are essential. As a result, the cost, complexity and risk to the customer of switching suppliers makes relationships genuinely long-term as evidenced by the long customer tenure for various solutions.

The Group operates through two divisions: Carclo Technical Plastics ('CTP') and Speciality.

CTP

CTP operates through two business units:

- **Design & Engineering ('D&E'):** This unit provides the product development and manufacturing engineering capability that turns market and customer requirements into engineered solutions, often setting new industry standards. It supports customers from early concept through to full-scale production, covering product design, tooling and mould engineering, development of protypes and production process engineering. Successful D&E projects drive the next wave of solutions manufactured by the Manufacturing Solutions unit.
- **Manufacturing Solutions ('MS'):** utilises a global production platform to deliver reliable, high-precision injection moulded components that form a customer's end products. Key segments include
    - Life sciences
        - § In-vitro-diagnostics ('IVD'). The Group manufacturers cuvettes, microfluidic cartridges, pipettes, and plastic analyser modules/housings for 6 of the top 10 IVD OEMs globally. The global market growing at a CAGR of 5%-7%.
        - § The drug delivery market includes technologies for administering medicines, such as injection pens, auto-injectors, and inhalers. The injectable drug delivery segment is growing at 8%-16% per annum depending on product.

Speciality

The Speciality division combines precision engineering with deep sector knowledge to create solutions that operate in highly demanding environments. The division services two key end markets:

- **Aerospace ('Aero').** Providing a range of high-performance mechanical cable assemblies and machined components. These products are designed to deliver reliable, traceable and high-performance components that keep aircraft and defence systems safe, operational, and compliant.
- **Light and Motion ('L&M')** is a precision optics business serving automotive, architectural, commercial, and industrial lighting markets.

Chief Executive's Business Review

Engineered for Growth

Frank Doorenbosch, Chief Executive Officer

Strategy is delivering. The next phase is growth.

Three years ago, we set out three objectives for the business: a safer and more sustainable company, operational excellence in every site, and a stronger, more resilient balance sheet. This, all with the overarching objective to deliver a sustainable Return on Sales of 10% and a Return on Capital Employed of 25%. Our FY26 results show the strategy has delivered on all fronts, ahead of our own schedule. From these foundations, our Precision 2030 plan sets out where we are taking the business from here.

What we worked towards

The objectives set in October 2022, following my appointment as CEO, were not glamorous. They were the conditions Carclo had to meet before we could credibly speak about anything else.

The work that followed had three strands. Firstly, operational excellence across every site: we delivered lean, regional factories, each with a clearly defined and focused role, delivering enhanced asset utilisation, on-time delivery and our target margin. Secondly, financial resilience. We reduced the debt burden through stronger cash generation, better asset utilisation and strict working capital control

burden through stronger cash generation, better asset utilisation and strict working capital control. Finally, a cultural reset: One Carclo, with a single quality standard across three continents, and with safety and environmental stewardship embedded in how we run every shift in every site.

In FY26, the three strands came together. The factory specialisation programme across the CTP Division is complete, with every site now carrying a defined role inside our global network.

We delivered on our promises

The numbers for the year reflect this progress. Return on Sales increased to 11.0% (FY25: 8.1%), passing the 10% target we set in 2022. Return on Capital Employed reached 29.1% (FY25: 24.4%), passing the 25% target set in the same year. Underlying operating profit grew by 28.1% to £12.6m. Positive operating cash generation saw cash generated from operations at £12.0m (FY25: £19.1m).

Group revenue of £114.2m was below FY25 due to lower D&E activity in CTP driven by lengthy sales and validation cycles which reflect the criticality of the products we produce for customers.

During the past four years we made difficult decisions to exit low-margin, short-run work, mostly in the US, and we worked through the planned wind-down of the critical asset revitalisation programme in our Design & Engineering business, the multi-year cycle of rebuilding and upgrading mould and back-end automation across the network. This was a keystone to create a revitalised Carclo: a better not bigger business, that is more agile, more coherent and financially healthier one.

CTP Division

CTP generated revenue of £98.2m in the year (FY25: £107.0m). Within that headline number, the mix has improved materially. The completion of our operational excellence plan in the US has delivered, as planned, a consistent and sustainable contribution from our life sciences work across the globe.

Design & Engineering

Design & Engineering (D&E) is where customer projects are turned into manufacturable products, and where much of our innovation work sits. D&E revenue of £9.7m (FY25: £13.6m) reflects the planned end of the asset-revitalisation cycle that ran from FY23 to FY26. The programme aimed to optimise our manufacturing footprint, and the completion of this programme has resulted in a more efficient manufacturing base with higher capacity utilisation.

The order book and the pipeline tell a different story to the headline. New design verification protocols and enhanced simulation capability are compressing time-to-market on regulated programmes. C-Mould, our proprietary tooling platform, produces production-ready tools in weeks rather than months, and continues to deliver market leading qualification timelines. One example from the year: a 2K-moulded component for a drug delivery device programme, combining two materials shots in a single moulding step and thereby replacing a four-piece component, was qualified to the point of regulatory submission within three months of the first customer brief; an outstanding achievement most competitors cannot hit.

The Life Tech Solutions team operates as our innovation incubator, tightly aligned to where customer demand will be in three to five years' time. New developments in proprietary closures, drug-delivery solutions and connected inhalers all moved forward during the year; their role in our growth plan is set out under the Innovate section below. We also built and began piloting the Carclo AI Framework, with a six-person working group operating to a sixty-day mandate and a costed strategy. Five use cases have been prioritised, from in-line vision quality control at our regulated sites to AI-assisted computer-aided manufacturing in Speciality. The focus is engineering productivity; we will report outcomes when there are meaningful ones to report.

Manufacturing Solutions

Manufacturing Solutions, with its repeat, programme-based revenues, is the long-term value creation engine of CTP. Revenue of £88.5m (FY25: £93.4m) largely reflects the volume rebalancing across the network and the effect of foreign exchange rate movement. On a like-for-like basis, taking into account the effect of product lines we exited in the prior year and at constant currency, MS revenues were in line with the prior year. Having completed the strategic realignment of the portfolio, the business is now focused on delivering consistent operational performance following this portfolio restructuring. The US business has, as planned, come through its restructuring with materially higher operating margins, and is now an accretive part of the Group, and the unified Pennsylvania operation runs to the same operational and quality standard as our EMEA and APAC sites, delivering the same margin performance.

The standout site this year was Brno in Czechia. Volumes grew strongly, and we made significant progress on integrating new projects and solutions. The site also took the lead on our new Pharmaceutical Packaging and Closures growth vector, which we expect to be a material contributor by FY29. China continued to grow steadily, supporting our global In Vitro Diagnostics (IVD) programme now including regional life science customers.

India is a strategic opportunity for the group. Alongside our established ATM and optics work, we are completing the site's diversification toward life sciences, with our main customer's IVD programme as the anchor. We also gained local life science customers in an important, high growth market. Capacity that previously supported declining adjacencies is now being qualified for high-volume diagnostic disposables and drug delivery systems, and we expect the India site to look materially different in mix and margin profile in the future. In the UK, our site in Mitcham is focused on high-volume production runs. It delivered on plan, with regulated work from the life sciences sector continuing to grow.

During the year we completed the global roll-out of our polymer price and energy adjustment

During the year we completed the global roll-out of our polymer price and energy adjustment mechanism, indexed quarterly. This is a structural change for the business. It moves the conversation with customers from defensive price negotiation to transparent pass-through, and it protects gross margin through commodity cycles. This has been an important process in times where input cost can rise due to geopolitical changes. The sales team led the work and the discipline is now embedded across the group.

Speciality Division

Speciality revenue grew 12.5% in the year to £16.0m (FY25: £14.2m), with operating margins reaching 22.4%. From mid-2026 the aerospace parts of the division will operate closer together, and with technology exchange we are exporting 150 years of precision engineering at Bruntons Musselburgh, Scotland to our global customer base. Bruntons has a clear brand equity in aerospace. In Jacottet, our facility in Chartres in France, we have invested in new machinery capacity, allowing them to expand its offering from cable solution to include the precision machining components, allowing a consistent combined European offer.

Aerospace

Our Aerospace business delivered a third consecutive year of record orders. The franchise in streamline wire, the aerodynamically profiled bracing wire used on aircraft structures, and in flight-control cables for the main helicopter platforms continued to grow. The product lifecycle is worth explaining: once a component is qualified on an aircraft platform, it is typically supplied for the life of that platform, often decades. That makes the work slow to win and very hard to displace. Continued investment in machined components, at both our Musselburgh and Chartres sites, opened further opportunities across civil airframes and helicopter platforms.

Beyond the strategic customers with a long history at Bruntons, we made progress on adjacent OEM relationships, in particular in Defence. NATO defence spending, now indexed to a higher floor, supports a multi-year demand environment for the components and assemblies we produce. Record civil European aerospace backlogs are a second and the future growth of this business is supported by both growth trends

The Speciality leadership team continued to broaden the customer base and to grow its precision-machining output.The business we have built is meaningfully different from the one we started with.

Light & Motion

Light & Motion is a small part of the group, and we have positioned it accordingly. Fresnels, our passive infrared optics business, grew in the year and is now a part of our Safety & Security offering, with a focus on leisure mobility lighting and new geographies. iCoil, which supports the visually impaired, has a new brand and distribution strategy. None of it is dramatic. It is the right positioning of capital and attention.

Safety and people

Our Incident Frequency Ratio in FY26 was stable at 0.7 (FY25: 0.7). The two-year reduction from 2.3 in FY24 is substantial, but the discipline has to be renewed every day. Our third annual Safety Week reinforced the same principle in every site: every colleague has stop-work authority.

During the year we have focused on strengthening the team for the growth journey, and Steve Lents joined in April 2026 as VP Global Sales, Andrew Sargisson focused on global business development and Lee Dodd on Life Tech Solutions. These appointments are structural enablers for the growth phase. We have also strengthened the finance team leadership below board level to provide better management information and improved financial controls across the group.

Sustainability and Project Zelda

Project Zelda, our programme on waste reduction, energy and yield, continued to deliver throughout the year. UK operations now run on 98% CO -neutral electricity. CO e per £1m of revenue improved by a further 18%% during the year. APAC continued to progress toward CO neutrality, and we have begun the equivalent groundwork in the US. The full detail sits in our TCFD disclosure. The principle is simple: less waste and less energy is good manufacturing practice, and the environmental benefit comes from the same work.

Next step: Precision 2030

Completing a turnaround does not, on its own, tell you where a business is going. It gets you back to the starting line. We have done that work, and the question of whether Carclo can deliver on its commitments has been answered positively. What matters from here is growth, in scale and in pace. Precision 2030 is how we intend to deliver it.

Precision 2030 is our five-year plan that sets out how we will deliver sustainable organic growth whilst maintaining our financial discipline. Our Precision 2030 headline targets are:

- Organic revenue growth at a compound annual rate of more than 8% across the plan period
- Net debt of less than 0.5x EBITDA by FY31
- Whilst ensuring new work continues to deliver on our minimum 10% ROS and 25% ROCE targets

These targets are organic. We anticipate that we will be in a position to consider bolt-on acquisitions in

These targets are organic. We anticipate that we will be in a position to consider bolt-on acquisitions in the later years of the plan. Any future acquisition will be assessed under a disciplined buy-and-build criteria and would accelerate the trajectory and represent upside to these targets.

Precision 2030 rests on two pillars: Expand and Innovate, building on the foundations we have just delivered. Expand is the key driver of revenue growth through the plan. Innovate keeps that growth defensible and provides longer-term margin upside potential.

Expand

We will grow on the platform we have built, through three areas of activity:-

Deeper relationships with existing customers

Carclo serves six of the top ten In Vitro Diagnostic ("IVD") OEMs, with an average customer tenure of more than fifteen years. Our largest customer relationship alone runs across around sixty separate programmes, in multiple sub-sectors, capabilities and geographies. During the year we secured a five-year contract renewal with this customer, evidence that the partnership approach works both ways.

In Aerospace we agreed a three-year contract renewal with our major customer in the commercial aircraft segment, demonstrating that every part of the business contributes to stability and growth.

The next layer of growth is more programmes, more components and more value-add per component at the customers where that trust already exists.

Entering adjacent segments where demand growth is structural

In drug delivery, our pen and auto-injector capability is still relatively modest, but it has earned us credibility and we have already won new, smaller contracts on the back of it. The opportunity we are aiming at is the rising demand for self-injectable GLP-1 therapies: the new generation of diabetes and weight-loss treatments.

In pharmaceutical packaging and closures, we are entering a large and steady market that is moving in our direction. The growth in biologic medicines and in device-based delivery is raising the technical bar for the components that contain and dispense those drugs. Seals and closures now must do more, interact less with the medicine inside, and survive sterilisation. Liquid Silicone Rubber, micro moulding and proprietary materials are what let us meet that bar. These are not commodity capabilities. They are hard to qualify, and once a customer designs our component into a regulated product, that work tends to stay with us for years. This is higher-value engineering that broadens our Life Sciences base beyond diagnostics. It is a clear example of what the Innovate pillar is meant to do: technology that opens new revenue and makes the wider relationship stick.

In wearables, we expect to benefit from growth in continuous glucose monitors, patch pumps and smart pens, devices that combine precision plastics with electronics and sit directly on the patient. In veterinary care, projects already running give us a foothold in a higher-value adjacency that is less contested.

In defence, spending is rising. The sector demands the high standard of quality and accreditation, which Bruntons already delivers for our civil aerospace business. That accreditation is what positions us to deliver in the defence sector, and once a part is qualified the demand is sustainable.

Reaching customer bases we have historically under-served

In APAC our focus for growth is life sciences. We have long produced for the global giants; the opportunity now is with the many smaller local players we have never seriously courted.

In India, we sit in the heart of a growing aerospace industry. By building on the metal machining capabilities we already operate there, we are creating new routes to market for the Aerospace business. These are categories we have under-played in the past.

Innovate

Innovate is where we build intellectual property of our own, and it matters for clear commercial reasons.

When the technology, the material or the product is ours, the customer designs their product around something only we can supply. Once we are designed in, we are difficult to design out. The relationship deepens well beyond price, and the margins are structurally higher. Owning the technology also opens doors to new segments and new customers, in pharmaceutical packaging, drug delivery and wearables. Revenue of this kind is more dependable and harder to dislodge, and that is what creates lasting value in a business like ours. That is what Innovate is for: building things our competitors cannot offer.

We are investing in three areas, detailed below. Not every programme will succeed, and the plan does not need them all to. The growth we have committed to is carried by the wider business. What Innovate adds is durability, turning that growth into a business that holds its position and its margins over time.

Proprietary technology

We are investing in a range of new manufacturing capabilities. Our Liquid Silicone Rubber capability at our Czechia site gives us a certified position in a material the device market increasingly demands. Micro-moulding, which we can deliver in the US and EMEA, producing components measured in fractions of a millimetre, is what the next generation of drug-delivery devices and wearables requires, and few suppliers can make it at production quality. C-Mould, our new tooling platform, turns tool production from months to weeks, which gives us a time-to-market advantage on every new programme we quote.

New fusion-bonding metallurgies and 3D metal printing improve the mould tools themselves. In plain terms, better ways of joining metals inside the tool give us better cooling and material flow, and that is what makes tight tolerances achievable at production speed.

Proprietary materials

We are developing new stopper solutions for injectable drug packaging, where tightening US and EU regulation is pushing the market toward engineered alternatives and rewarding the supplier that moves first. We are also working on unbreakable barrier vials that replace glass with engineered plastic, removing the breakage risk that matters most in biologic packaging.

Proprietary products and services

We are working with partners on standardised drug-delivery engines: pre-approved internal architectures that customers can customise on the outside while the engine remains ours, cutting their development time and keeping the intellectual property with Carclo. One example is the development of connected inhalers, integrated with our proprietary Syncura digital layer for adherence tracking and dose verification.

We also run innovation as an open process rather than a closed one. The Carclo Sandbox is how we do that, a space where we work with innovation partners to bring ideas in from outside and take them through to a commercial product. We gain more ideas to draw on and we reach a workable solution faster. We also avoid having to build every capability in-house.

The direct revenue contribution from Innovate within Precision 2030 is modest but this understates its role. Innovate is the reason existing customers stay, and the reason new ones come to us when the problem is difficult to solve. It is also what raises quality growth whilst Expand delivers value, keeping more higher margin proprietory work.

What the growth phase asks of us

Operational Excellence was a leadership-driven reset of our entire organisation. Expand and Innovate cannot be delivered in the same way. They need three behavioural changes across the organisation, and all three are already underway.

Firstly, we are repositioning from order takers to value engineers. Every customer conversation now starts with a problem worth solving rather than a part number, and engineering insight has to walk into the meeting alongside sales. What makes this real this year is the new talent joining our Customer Partnership team.

Secondly, we are moving from defenders to hunters. During the turnaround we defended the base. The growth phase needs the opposite reflex: to go and find the customers, segments and geographies that do not come to us on their own. Examples we are targeting are veterinary care, defence and the Indian aerospace market: none of these turn up at the door.

Thirdly, we are moving from reactive engineering to proprietary IP. Historically we engineered to a customer brief, and the customer owned the IP that came out of it. To grow on our terms, we need platforms that are ours, that we can sell many times over, and that are difficult for a competitor to copy. The LSR capability, the inhaler platform and the Sandbox are early examples of a much bigger shift.

Underneath all three sits a broader change, from a turnaround culture to a growth culture. In a turnaround, leadership cascades the plan and the team executes. In a growth phase, the team identifies opportunities and leadership clears the path. The move into life sciences in India started at the site itself. The AI Working Group grew from the teams, and so did the Sandbox. The mindset is already changing, and Precision 2030 makes it the operating model.

Outlook

Three years ago, Carclo was a business facing significant financial and operational challenges. Through a sustained focus on operational excellence we have addressed those issues, and today Carclo has a strong foundation and a disciplined plan for sustainable growth.

Market conditions across the Group are currently mixed. In Aerospace, demand remains strong and we are well-positioned to benefit from sustained sector growth in both civil and defence applications, supported by the additional capacity now in place. In Life Sciences, conditions are more varied: parts of the portfolio continue to perform well, while demand from certain diagnostics customers has been softer in the early part of this year. In particular, a notably weaker respiratory virus season has reduced testing volumes across the diagnostics industry, leading some customers to adjust inventory levels; an effect we expect to be temporary. We anticipate demand strengthening as we move through the year as a number of our new growth initiatives come on stream and accordingly expect trading to be weighted towards the second half and to deliver positive organic revenue growth for the full year.

The last three years have asked a great deal of the people at Carclo, and they have delivered. The phase ahead will ask different things of us. It needs more ambition and more initiative, and a real curiosity about where the next opportunity lies. I see those qualities in the business already. To everyone who helped get us here, and to those joining us now: thank you.

Frank Doorenbosch
Chief Executive Officer

CHIEF FINANCIAL OFFICER'S REVIEW

Overview

The Group delivered a resilient operating performance against a backdrop of macroeconomic weakness, achieving its key financial targets ahead of schedule. The drivers of this performance were continued improvements in efficiency and the successful execution of our move to higher margin business.

The positive operational performance enabled the achievement of the Group's medium-term targets for the key metrics of Return on Sales ("ROS") and Return on Capital Employed ("ROCE"). ROS improved to 11.0% (FY25: 8.1%), ahead of the 10% target, whilst ROCE improved to 29.1% (FY25: 24.4%), ahead of the 25% target, both set in 2022, which now become the reference point for the business in the future.

The accomplishment of these targets is directly related to the actions taken over the past three years to restructure the business, focussing on advanced process optimisation, increased asset utilisation and efficiency, improved pricing, better purchasing and a drive to reduce waste whilst demonstrating robust cost management.

Underlying EBITDA was £18.6 million, up 14% (FY25: £16.4 million) driven by exiting low-margin, short-run work and concentrating the portfolio on regulated markets. As a result, underlying operating profit of £12.6 million increased by 28% (FY25: £9.8 million).

Net finance charges for the period were £7.4 million (FY25: £4.9 million), of which £3.5 million relates to non-cash items, accordingly bank and lease interest was broadly in line with the prior year. Profit before tax increased to £4.8 million (FY25: £2.7 million). Adjusting items were £0.3 million (FY25: £2.3 million), and statutory earnings per share increased to 3.7p (FY25: 1.2p).

We also completed a refinancing of our primary external financing facility and agreed a deficit recovery plan for the Group's UK defined pension benefit plan at the beginning of the year. Together, the operating performance and the financial measures we have taken provide a sound platform for the implementation of the Group's Precision 2030 growth plan.

We use a range of KPIs to manage performance of the business and to measure progress against our strategic goals, these are highlighted and discussed throughout this report.

Financial performance

Revenue

Group revenue during the period was £114.2 million, a decline of 5.8% or 3.7% on a constant currency basis over the prior year (FY25: £121.2 million).

This year is the first full reporting year following the strategic portfolio reset. In FY25, we completed the planned exit from small series, non scalable business and the closure of the Tucson, Arizona site. Revenue of £2.2 million was recognised in FY25 in relation to products not transferred to other sites.

The business operates with two divisions, CTP and Speciality. The CTP division reported full year revenue, of £98.2 million (FY25: £107.0 million). The CTP division operates through with two revenue streams, Design and Engineering ("D&E") and Manufacturing Solutions ("MS"). MS revenue within CTP (excluding foreign exchange impacts and the site closures in FY25) was in line with the prior year, at £88.5 million (FY25: £93.4 million or £91.0 million on a constant currency basis, inclusive of £2.2 million exited and not transferred to other sites). Strong growth in China and Czechia was partially offset by lower revenues in India, due to reduced demand in customers' end markets. UK revenue was broadly in line with the prior year with US revenue 4% lower in local currency as we streamlined the product portfolio. The nature of D&E revenue is such that fluctuations in the level of annual revenues are not unusual, given it is project driven. Following the completion of significant D&E projects in prior years, which saw significant investment from long standing, established customers in specific projects, there has been lower activity during FY26, primarily in the US. Since these investment programs have concluded, focus has turned to ongoing regular business. Whilst there was an increase in the second half of FY26, the full year revenue for D&E was £3.8 million (28.2%) lower than FY25 at £9.7 million. During the year we worked on 193 projects, the majority of which we expect to convert into production contracts.

The Speciality Division reported full year revenue of £16.0 million (FY25: £14.2 million), an increase of 12.5%. Continued growth in Aerospace revenues, driven by increased demand as well as expanded precision machining capabilities, delivered a third consecutive year of record Aerospace sales. An analysis of divisional revenue and operating profit is provided in the table below.

£000	**FY26**	FY25	Change	Change %
CTP				
MS revenue	**88,487**	93,443	(4,956)	-5.3%
D&E revenue	**9,730**	13,555	(3,825)	-28.2%
Total CTP revenue	**98,217**	106,998	(8,781)	-8.2%
Operating profit	**15,089**	12,373	2,716	+21.9%
Operating profit %	**15.4%**	11.6%		+3.8%

Operating profit %	**18.1%**	11.9%		+6.2%
Speciality				
Total Speciality revenue	**15,994**	14,221	1,773	+12.5%
Operating profit	**3,584**	2,801	783	+27.9%
Operating profit %	**22.4%**	19.7%		+2.7%
Group revenue	**114,211**	121,219	(7,008)	-5.8%
Central costs	**(6,409)**	(7,594)	1,185	-15.6%
Group operating profit	**12,264**	7,580	4,684	+61.8%
Group operating profit %	**10.7%**	6.3%		+4.5%

Our top five customers accounted for 70% of revenue (FY25: 68%) with tenure for these customers being on average 23 years. For our largest customer, we produced 25 different products. This demonstrates both the highly-regulated nature of the markets in which we operate as well as the depth of customer relationships underpinned by our excellent quality and delivery metrics.

Central costs were £1.2 million (15.6%) lower than the prior year, reflecting a £1.8 million reduction in refinancing costs to £0.3 million (FY25: £2.1 million), partially offset by continued investment in people and organisational capability.

During the year, the business submitted an insurance claim in respect of property damage incurred. Management considers recovery under the relevant insurance policies to be probable; however, due to the status of discussions and the claims assessment process, the amount and timing of any recovery cannot be estimated reliably at the reporting date. The claims assessment process is expected to progress during the second quarter of FY27.

Underlying operating profit

Despite the reduction in revenue, full year underlying operating profit increased substantially to £12.6 million (FY25: £9.8 million) as a result of the Group's margin expansion initiatives. Our key measure of ROS was 11.0% showing a significant increase from 8.1% in FY25. ROS during the second half of the year was 12.6% up from 9.6% in the first half, underlining the positive trajectory of margin growth.

The medium term target of achieving ROS of 10.0% was established in 2022, and the accomplishment of this target is directly related to the actions taken over the past three years to restructure the business, focussing on advanced process optimisation, increased asset utilisation and efficiency, improved pricing, better purchasing and a drive to reduce waste whilst demonstrating robust cost management.

Statutory operating profit and non-underlying items

The statutory operating profit for the year of £12.3 million was significantly better than the prior year (FY25: £7.6 million) as a result of the increased underlying operating profit and reduced non underlying charges.

Non-underlying items for the year were a net charge of £0.3 million comprising rationalisation and refinancing costs, being partially offset by net proceeds relating to the insurance claim previously mentioned. In FY25, the Group had £2.3 million of non-underlying costs, principally associated with the refinancing of the Group's borrowing facilities (see below).

Net finance expense

Net finance expense for FY26 was £7.4 million (FY25: £4.9 million). This includes two non-cash items: imputed net interest on the defined benefit pension liability of £2.7 million (FY25: £1.7 million) and amortised finance costs of £0.8 million (FY25: Nil) arising from the debt restructuring completed in April 2025. Bank and lease interest paid in the year is largely in line with FY25, reflecting the lower average net debt in the year, combined with a higher interest rate margin paid on the new debt facilities.

£000	**FY26**	FY25	Change
Interest payable on bank loans and overdrafts	**2,923**	3,075	(152)
Lease interest	**458**	679	(221)
Other finance costs	**543**	-	543
Interest receivable on cash and cash deposits	**(46)**	(571)	525
Total cash items	**3,878**	3,183	695
Amortised refinancing costs	**843**	-	843
Interest on the net defined benefit pension liability	**2,711**	1,745	966
Total non-cash items	**3,554**	1,745	1,809
Total finance expense	**7,432**	4,928	2,504

Taxation, profit after tax and earnings per share

The income tax charge for the year was £2.1 million (FY25: £1.8 million), representing an effective tax rate of 44.2% (FY25: 67.1%). The effective tax rate varies depending upon the geographical source of profits, corporation tax rates in the countries where profits are generated as well as the availability of local allowances including the carry forward of prior year losses. The Group's effective tax rate in FY26 is

local allowances including the carry forward of prior year losses. The Group's effective tax rate in FY26 is higher than the UK corporation tax rate of 25% due to a movement in unprovided UK deferred tax assets (£787k) largely losses in the UK which are not recognised for deferred tax purposes and withholding tax (£265k) incurred on the repatriation of funds to the UK from certain overseas jurisdictions.

Alternative performance measures

Statutory profit after tax was £2.7 million (FY25: £0.9 million), giving statutory earnings per share of 3.7 pence (FY25: 1.2 pence). Underlying profit after tax was £3.0 million (FY25: £3.1 million), giving underlying earnings per share of 4.1 pence (FY25: 4.3 pence). The underlying earnings per share is impacted negatively by non-cash interest charges.

In the analysis of the Group's financial performance, position, operating results and cash flows, alternative performance measures are presented to provide readers with additional information. The principal measures presented are underlying measures of earnings including underlying operating profit, underlying profit before tax, underlying profit after tax, underlying EBITDA and underlying earnings per share.

This results statement includes both statutory and adjusted non-GAAP financial measures, the latter of which the Directors believe better reflect the underlying performance of the business and provides a more meaningful comparison of how the business is managed and measured on a day to day basis. The Group's alternative performance measures and KPIs are aligned to the Group's strategy and together are used to measure the performance of the business and form the basis of the performance measures for remuneration. Underlying results exclude certain items because, if included, these items could distort the understanding of the performance for the year and the comparability between the periods.

A reconciliation of the Group's non-GAAP financial measures is shown in the section "Information for shareholders".

Comparatives are provided alongside all current year figures. The term "underlying" is not defined under IFRS and, as such, the underlying measures reported may not be comparable with similarly titled measures used by other companies.

All profit and earnings per share figures relate to underlying business performance, as defined above, unless otherwise stated. A reconciliation of underlying measures to statutory measures for FY26 is provided below:

£000	Underlying	Non-underlying items	Statutory
CTP operating profit	15,101	(12)	15,089
Speciality operating profit	3,424	160	3,584
Central costs	(5,925)	(484)	(6,409)
Group operating profit	12,600	(336)	12,264
Net finance expense	(7,432)	-	(7,432)
Group profit/(loss) before taxation	5,168	(336)	4,832
Taxation expense	(2,146)	(9)	(2,137)
Group profit/(loss) for the year	3,022	(327)	2,695
Basic profit/(loss) per share (pence)	4.1p	(0.4)p	3.7p

The non-underlying items reported in the Group profit/(loss) before taxation comprise:

£000	**FY26**	FY25
Refinancing costs	**(270)**	(2,137)
Rationalisation costs	**(225)**	(122)
Net proceeds of insurance claim	**159**	-
Settlement of legacy health claims	**-**	1
Total non-underlying items	**(336)**	**(2,258)**

Cash flow

Cash generated from operations was £12.0 million (FY25: £19.1 million) reflecting the continued focus on cash generation via operational improvements and capital expenditure management. The full year cash conversion rate was 65.6% (FY25:135.0%).

Following the significant working capital cash inflow in FY25 (£5.8 million), FY26 saw a working capital outflow of £6.3 million. This was due to a significant change in provisions and accruals when compared to the prior year, along with a change in some customer payment terms associated to the Group's new financing arrangements. The movement in accruals arises from the specific requirement for accrued costs (mainly energy and employee benefit costs) at FY25 that have unwound during FY26, resulting in a working capital outflow for the year. Inventory levels increased by £1.1 million when compared to FY25, with slightly higher levels of raw materials being held in light of current economic conditions. Working capital was at a level of 9.7% of revenue during FY26, with further pressure on this ratio foreseen during the coming year with an expected increase of 100-150 bps over FY26. Net cash outflow from investing activities during the year was £2.8 million (FY25: £0.4 million). There has been continued careful control

activities during the year was £2.8 million (FY25: £0.4 million). There has been continued careful control of capital expenditure, focusing on those investments that deliver a rapid payback and support both asset performance and asset utilisation. Additions to tangible fixed assets in the year were £3.4 million (FY25: £2.4 million) of which £0.8 million (FY25: £1.4 million) was through right-of-use leased assets.

Substantial capital expenditure in previous years and more efficient use of assets, driven by operational improvements, has reduced the required level of capital investment in the last two years. This is reflected in the value of tangible fixed assets and increased asset utilisation rate of 3.5x (FY25: 3.4x) over this period.

Net cash outflow from financing activities during the year was £5.6 million (FY25: £7.0 million), comprising £3.0 million repayment of lease liabilities (FY25: £4.2 million) and net repayment of other borrowings of £2.6 million (FY25: £2.8 million). There was an overall £4.2 million decrease in cash and cash equivalents during the year (FY25: increase of £4.0 million).

Cash generated by the Group was principally utilised to make capital investment and lease repayments, pension deficit contributions, scheduled bank loan repayments and interest payments. The Group's full cash flow statement is set out in the statements below.

Financial position

Net debt

Net debt as at 31 March 2026 was £23.9 million, an increase of £4.7 million compared to the prior year (FY25: £19.2 million). This reflects the one-off pension scheme contribution of £5.1 million made in April 2025 at the time of finalising the Group's refinancing, along with the annual contribution of £3.5 million, together with a working capital outflow. The Group's focus remains on operational improvements, cash generation and the prudent management of borrowings.

Net debt comprised gross debt, from borrowings and leases, of £29.7 million (FY25: £29.9 million) less cash and cash equivalents of £5.8 million (FY25: £10.7 million). The gross borrowings reflect the current financing arrangements, along with outstanding leases of £4.9 million after lease repayments in the year of £3.0 million.

Borrowing facilities

On 24 April 2025, the Group refinanced its primary external borrowing arrangements through a three-year multi-currency facility with BZ Commercial Finance DAC ("BZ"), comprising a £27.0 million term loan and a revolving credit facility ("RCF") of up to £9.0 million.

On inception, £29.9 million was drawn under the BZ facility, comprising £26.8 million under the term loan and £3.1 million under the RCF. The proceeds were used to discharge all amounts outstanding under the Group's previous borrowing arrangements with HSBC, make a one-off £5.1 million contribution to the Group's defined benefit pension scheme and provide funding to support ongoing operations.

The facility includes an asset-based lending arrangement under which borrowings are permitted against specified classes of assets held by the Group's UK and US businesses. Of the £27.0 million term loan, £8.0 million is supported by owned land and buildings, £5.0 million by owned plant and machinery, and the remaining £14.0 million comprises a non-asset-specific cash flow loan. Of the £9.0 million RCF, up to £7.0 million is available against eligible trade receivables and up to £2.0 million against eligible inventory.

The facility permits borrowings in GBP, EUR and USD. Carclo plc, Carclo Technical Plastics Limited and Bruntons Aero Products Limited are currently authorised borrowers under the facility. Cross-guarantees are provided by the authorised borrowers and other material subsidiaries, as defined in the facility agreement.

As at 31 March 2026, £24.9 million remained outstanding under the term loan following repayments of £1.9 million during the year. There were no drawings under the RCF at the year end, leaving available headroom of £9.0 million, subject to applicable borrowing base limitations.

Defined benefit pension scheme

The triennial actuarial valuation of the Group's UK defined benefit pension scheme at 31 March 2024 was completed during April 2025. The valuation, prepared by the Scheme Trustees on a technical provisions basis, reported a deficit of £64.5 million, a significant reduction from the £82.8 million liability reported as part of the previous triennial valuation of 31 March 2021.

On a technical provisions basis, the estimated net liability has fallen steadily each year from 2021 as a result of the Company settled cash contributions and the gross liabilities falling by more than the change in pension scheme asset values. The 31 March 2024 valuation reflected higher government bond yield rates, driving up the discount rate and reducing scheme liabilities, partially offset by an increase in assumed member life expectancy, which increased Scheme liabilities.

A deficit recovery plan was agreed with the Trustees in parallel with the refinancing arrangements finalised in April 2025. This includes a lump sum one off payment into the Scheme of £5.1 million made at the time of finalisation of refinancing in April 2025 and annual contributions of £3.5 million for five years to 31 March 2029 followed by annual contributions of £5.8 million, which are inflationary indexed annually until 31 March 2037, being 2 years earlier than the deficit recovery plan from the 31 March 2021 valuation.

During FY26, total contributions paid into the Scheme were £8.6 million (FY25: £3.2 million).

Since the completion of the 2024 triennial valuation, the estimated technical provisions deficit has fallen further to £52.9 million at 31 March 2026.

The IAS 19 valuation of the Scheme liabilities at 31 March 2026 resulted in a net liability of £46.7 million, a £5.0 million decrease from the net liability at 31 March 2025 (FY25: £51.7 million). The principal driver of the decrease in the IAS 19 net liability was company contributions, alongside relatively smaller gains on scheme assets (£0.4 million) and a net reduction in liability arising from changes in assumptions and experience losses (£0.2 million).

The IAS 19 valuations are adopted for statutory reporting purposes and do not form part of the ongoing management of the pension schemes. IAS 19 actuarial calculations can be volatile from year to-year because the liabilities are measured by reference to corporate bond yields, whereas the majority of the pension scheme's assets are invested across a variety of asset classes that may not move in the same way. Gain on scheme assets in excess of interest income during FY26 totalled £0.4m and was mostly driven by the decrease in the value of the Scheme's liability-driven investment funds ("LDI").

These LDI funds are designed to hedge movements in liabilities due to changes in interest rates and inflation expectations. As interest rates have increased across the accounting period, the value of the LDI funds have decreased accordingly. The liability calculated under technical provisions includes more prudent assumptions, but at any time, provides a more accurate reflection of the longer term cash commitment required to settle the member liabilities. The actuarial gains and losses arising from variances against previous actuarial assumptions are recognised in the statement of financial position with corresponding movements in reserves.

The Company and the Scheme Trustees are committed to working collaboratively towards reducing the Scheme deficit.

Treasury

The Group faces currency exposure on its overseas subsidiaries and on its foreign currency transactions. In addition, as set out in the principal risks and uncertainties section of the annual report and accounts, the Group is reliant on regular funding flows from the overseas subsidiaries to meet banking, pension and administrative commitments.

To manage this complexity, the Group has a centralised Treasury function that manages the Group's cash, debt and foreign exchange risks.

The Group reports trading results of overseas subsidiaries based on average rates of exchange compared with sterling over the year. This income statement translation exposure is not hedged as this is an accounting rather than cash exposure and, as a result, the income statement is exposed to movements in the US dollar, euro, renminbi, Czech koruna and Indian rupee. In terms of sensitivity, based on the FY26 results, a 10% increase in the value of sterling against these currencies would have decreased reported profit before tax by £0.7m.

Dividend

Under the BZ borrowing facility agreement, dividend payments are permitted, but they require prior approval of the lender.

The current focus is on cash flow generation to support strategic growth and as such no dividend is proposed in respect of the year ended 31 March 2026. The Board will continue to review the Group financial performance, capital allocation and reserves regularly to determine the appropriate time for dividend payments.

Accounting policies

The Group's annual consolidated financial statements are prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006. There have been no significant changes to the Group's accounting policies during the period.

Post balance sheet events and going concern

Post balance sheet events

There are no post balance sheet events to report.

Going concern

A £36m asset-backed borrowing facility with BZ, that was announced on 24 April 2025, provides available borrowings for a three-year term to April 2028. The level of borrowings is contingent upon the value of current and non-current asset categories held by the Group's UK and US trading subsidiaries.

There are three primary financial covenants required to be tested under the BZ facility agreement as follows:

Covenant	Definition	Threshold
Minimum EBITDA	Underlying* Group EBITDA calculated on a last six months' basis	No less than 75% of budget

Fixed Charge Cover Ratio (FCCR)	Underlying* Group EBITDA divided by the sum of fixed charges comprising debt service costs, debt repayments, pension scheme contributions, tax payments, capital expenditure and dividends or other capital distributions calculated on a last twelve months basis	Until 31 March 2027 no less than 1:1 After 31 March 2027 no less than 1.05:1
CAPEX	Cash paid on tangible and intangible fixed assets measured annually for the twelve months to 31 March	No more than 120% of the annual budget

The Group remained compliant with the Minimum EBITDA and FCCR financial covenants throughout the year ended 31 March 2026. In accordance with the facility agreement, these covenants were tested monthly from May 2025 and, following twelve months of compliance under the agreement, including compliance in the two preceding quarters, testing has moved to a quarterly basis. The CAPEX covenant is tested annually from the start of each reporting
period.

The Group has prepared a forecast of financial projections for the three-year period to 31 March 2029, which has been utilised as the base case underpinning the going concern assessment for the period through to June 2027, being 15 months after the year end and 12 months from when the financial statements are authorised for issue. These projections include assumptions around revenue growth, modest margin improvements, consistent working capital trends and stable interest rates. The Directors have reviewed cash flow and covenant forecasts over this period considering the Group's available borrowing facilities and the terms of the arrangements with the Group's lender and the UK defined benefit pension scheme. The forecast shows adequate headroom and supports the position the Group can operate within its available borrowing facilities and in compliance with covenants throughout this period.

The Group is subject to a number of key risks and uncertainties, as detailed in the principal risks and uncertainties section on pages 42 to 48 of the Annual Report. Mitigating actions to address the risks are also set out in that section of the report. These risks and uncertainties have been considered in the base case, and downside sensitivities and have been modelled accordingly. These sensitivities consider the uncertainties facing the Group and model the impact of a range of severe but plausible downside scenarios, as well as considering the impact of aggregating certain of these, and shows that the Group would be able to operate within its available facilities and meet its agreed covenants were these scenarios to arise.

The specific climate-related matters set out in the TCFD section on pages 33 to 41 of the Annual Report have been considered and they are not expected to have a significant impact on the Group's going concern.

The severe but plausible downside sensitivities modelled included reductions in forecast revenue of up to 6.6%, a 4% increase in direct material costs (equivalent to approximately 2.2% contribution margin erosion) and a 2% increase in interest rates. The downside scenario modelling assumes management bonuses are not payable where the relevant performance conditions are not achieved but does not include the benefit of any other mitigating actions available to management.

Under each of the standalone downside scenarios modelled, the Group maintains adequate liquidity throughout the assessment period and remains compliant with all financial covenants. The Directors also assessed a combined downside scenario incorporating both a significant reduction in forecast revenue and a sustained increase in direct material costs. Under this combined scenario, no liquidity shortfall arises; however, there is a temporary breach of the FCCR covenant. The Directors consider the concurrent occurrence of these downside assumptions to be remote. Furthermore, the scenario does not reflect a range of mitigating actions available to management, including the reduction of discretionary expenditure and the deferral of non-essential capital expenditure. Modelling performed by management demonstrates that actions considered achievable and within management's control would be sufficient to restore covenant compliance under this scenario.

Given that FCCR represented the most sensitive covenant within the Group's financing arrangements, the Directors performed additional covenant-focused downside testing, including scenarios in which EBITDA remained broadly flat against FY26 levels and reduced by 10% compared with FY26. While these scenarios resulted in reduced covenant headroom, management identified specific mitigating actions that are considered achievable and within management's control and which would be sufficient to maintain compliance with the Group's covenant requirements.

The Group is not exposed to high-risk sectors or countries but is dependent on certain key customers, creating risks and uncertainties, which are documented in detail alongside mitigating actions in the principal risks and uncertainties section.

It should be noted that the Group is operating in a period of material geopolitical and macroeconomic uncertainty. The Directors continue to monitor these risks and their plausible impact; however, the potential severity is dependent upon many external factors and is difficult to predict. Accordingly, the financial impact of these risks may materially differ from the Directors' current view.

At 31 March 2026, the Group reports net liabilities of £8.7 million (FY25: £11.8 million net liabilities) largely attributable to the IAS 19 valuation of the UK defined benefit pension liability of £46.8 million (FY25: £51.8 million). Pension contributions are funded from cash generated by operations and have been reflected in the cash flow and covenant forecasts reviewed by the Directors. Given that these amounts are considered manageable by the Directors, the balance sheet presentation of net liabilities at 31 March 2026 does not imply an inability for the Group to meet its third-party liabilities over the going concern
period.

period.

On the basis of the base case forecast and the severe but plausible sensitivity testing, the Directors have determined that it is reasonable to assume that the Group will continue to operate within available borrowing facilities available and adhere to the covenant tests to which it is subject throughout at least the 12 month period from the date of signing the financial statements through to June 2027.

Accordingly, these financial statements are prepared on a going concern basis.

Ian Tichias
Chief Financial Officer
30 June 2026

CONSOLIDATED INCOME STATEMENT
for the year ended 31 March 2026

	Notes	**2026 £000**	2025 £000
Revenue		**114,211**	121,219
Underlying operating profit	3	**12,600**	9,838
Non-underlying items	4	**(336)**	(2,258)
Operating profit	3, 6	**12,264**	7,580
Finance revenue	5	**46**	571
Finance expense	5	**(7,478)**	(5,499)
Profit) before tax		**4,832**	2,652
Income tax	6	**(2,137)**	(1,780)
Profit for the year		**2,695**	872
Attributable to:			
Equity holders of the Company		**2,695**	872
Non-controlling interests		**-**	-
Equity holders of the Company		**2,695**	872
Profit per ordinary share			
Basic	13	**3.7p**	1.2p
Diluted	13	**3.6 p**	1.2p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2026

	Notes	**2026 £000**	2025 £000
Profit for the year		**2,695**	872
Other comprehensive income/(expense)			
Items that will not be reclassified to the income statement			
Remeasurement losses on defined benefit pension scheme	12	**51**	(15,253)
Deferred tax arising		**-**	-
Total items that will not be reclassified to the income statement		**51**	(15,253)
Items that may in the future be reclassified to the income statement			
Foreign exchange translation gain/(losses)		**506**	(955)
Net investment hedge		**(141)**	371
Deferred tax arising		**(1)**	13
Total items that may in the future be reclassified to the income statement		**364**	(571)
Other comprehensive income/(expense), net of tax		**415**	(15,824)
Total comprehensive income/(expense) for the year		**3,110**	(14,952)
Attributable to:			
Equity holders of the Company		**3,110**	(14,952)
Equity holders of the Company		**3,110**	(14,952)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 March 2026

	Notes	2026 £000	2025 £000
Non-current assets			
Intangible assets	9	**22,531**	21,801
Property, plant and equipment	10	**32,247**	35,842
Deferred tax assets		**83**	641
Contract assets		**74**	170
Trade and other receivables		**540**	594
Total non-current assets		**55,475**	59,048
Current assets			
Inventories		**11,029**	9,928
Contract assets		**1,742**	1,551
Trade and other receivables		**18,347**	15,659
Cash and cash deposits	14	**5,769**	10,745
Current tax assets		**-**	104
Total current assets		**36,887**	37,987
Total assets		**92,362**	97,035
Current liabilities			
Loans and borrowings	11	**7,568**	24,844
Trade payables		**10,250**	9,697
Other payables		**7,705**	11,094
Current tax liabilities		**442**	752
Contract liabilities		**1,737**	1,624
Total current liabilities		**27,702**	48,011
Non-current liabilities			
Loans and borrowings	11	**22,108**	5,105
Deferred tax liabilities		**3,467**	3,041
Provisions		**969**	975
Retirement benefit obligations	12	**46,785**	51,743
Total non-current liabilities		**73,329**	60,864
Total liabilities		**101,031**	108,875
Net (liabilities)/assets		**(8,669)**	(11,840)
Equity			
Ordinary share capital issued	13	**3,671**	3,671
Share premium		**7,359**	7,359
Translation reserve		**7,014**	6,650
Retained earnings		**(26,687)**	(29,494)
Total equity attributable to equity holders of the Company		**(8,643)**	(11,814)
Non-controlling interests		**(26)**	(26)
Total equity		**(8,669)**	(11,840)

Approved by the Board of Directors on 30 June 2026 and signed on its behalf by:

Frank Doorenbosch — ***Chief Executive Officer***

Ian Tichias — ***Chief Financial Officer***

Registered Number 00196249

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2026

	Notes	Attributable to equity holders of the Company						
		Share capital £000	Share premium £000	Translation reserve £000	Retained earnings £000	Total £000	Non-controlling interests £000	Total equity £000
Balance at 31 March and 1 April 2024		3,671	7,359	7,221	(15,135)	3,116	(26)	3,090
Profit for the year		-	-	-	872	872	-	872
Other comprehensive income/(expense):								
Foreign exchange translation differences		-	-	(955)	-	(955)	-	(955)
Net investment hedge		-	-	371	-	371	-	371
Remeasurement losses on defined benefit pension scheme	10	-	-	-	(15,253)	(15,253)	-	(15,253)
Taxation on items above		-	-	13	-	13	-	13
Total								

Total comprehensive expense for the year		-	-	(571)	(14,381)	(14,952)	-	(14,952)
Transactions with owners recorded directly in equity:								
Share-based payments	11	-	-	-	22	22	-	22
Balance at 31 March and 1 April 2025		3,671	7,359	6,650	(29,494)	(11,814)	(26)	(11,840)
Profit for the year		-	-	-	2,695	2,695	-	2,695
Other comprehensive income/(expense):								
Foreign exchange translation differences		-	-	506	-	506	-	506
Net investment hedge		-	-	(141)	-	(141)	-	(141)
Remeasurement losses on defined benefit pension scheme	10	-	-	-	51	51	-	51
Taxation on items above		-	-	(1)	-	(1)	-	(1)
Total comprehensive expense for the year		-	-	364	2,746	3,110	-	3,110
Transactions with owners recorded directly in equity:								
Share-based payments	11	-	-	-	61	61	-	61
Balance at 31 March 2026		3,671	7,359	7,014	(26,687)	(8,643)	(26)	(8,669)

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2026

	Notes	**2026**	2025
		£000	£000
Cash generated from operations	14	**11,993**	19,066
Interest paid		**(3,924)**	(3,694)
Tax paid		**(1,406)**	(1,259)
Defined benefit pension scheme contributions net of Company-settled administration costs		**(2,518)**	(2,633)
Net cash from operating activities		**4,145**	11,480
Cash flows from/(used in) investing activities			
Proceeds from sale of property, plant and equipment		**36**	85
Interest received		**46**	571
Purchase of property, plant and equipment		**(2,522)**	(1,054)
Purchase of intangible assets		**(333)**	(49)
Net cash used in investing activities		**(2,773)**	(447)
Cash flows used in financing activities	11		
Drawings on existing and new facilities		**29,911**	-
Refinancing costs associated with the new facility		**(2,544)**	(150)
Additional defined benefit pension scheme contributions paid to release security for new financing facility		**(5,100)**	-
Repayment of borrowings excluding lease liabilities		**(24,870)**	(2,525)
Repayment of other loan facilities		**-**	(95)
Repayment of lease liabilities		**(2,973)**	(4,228)
Net cash used in financing activities		**(5,576)**	(6,998)
Net increase/(decrease) in cash and cash equivalents		**(4,204)**	4,035
Cash and cash equivalents at beginning of year		**9,980**	5,974
Effect of exchange rate fluctuations on cash held and cash equivalents		**(7)**	(29)
Cash and cash equivalents at end of year		**5,769**	9,980
Cash and cash equivalents comprise:			
Cash and cash deposits		**5,769**	10,745
Bank overdrafts		**-**	(765)
		5,769	9,980

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2026

1 Presentation of the financial statements

i) General information

Carclo plc (the "Company", together with its subsidiaries, the "Group") is a public limited company whose shares are listed on the London Stock Exchange, is incorporated and domiciled in the UK and is registered in England under the Companies Act 2006.

The principal activities of the Company and its subsidiaries (the "Group") and the nature of the Group's operations are set out in note 3.

The financial statements are presented in sterling, which is Carclo plc's functional and presentational currency. Certain Group subsidiary entities have functional currencies other than sterling. The financial position and performance of all such subsidiary entities is translated into the presentational currency (sterling) in accordance with the foreign currencies accounting policy as detailed within the accounting policy section of this note. All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand pounds unless otherwise stated.

Judgements made by the Directors in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

ii) Compliance with IFRS

The consolidated financial statements have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006.

The accounting policies have been applied consistently to all periods presented in the consolidated financial statements, unless otherwise stated.

iii) Going concern

A £36 million asset-backed borrowing facility with BZ, that was announced on 24 April 2025, provides available borrowings for a three-year term to April 2028. The level of borrowings is contingent upon the value of current and non-current asset categories held by the Group's UK and US trading subsidiaries.

There are three primary financial covenants required to be tested under the BZ facility agreement as follows:

Covenant	Definition	Threshold
Minimum EBITDA	Underlying Group EBITDA calculated on a last six months basis	No less than 75% of budget
Fixed Charge Cover Ratio ("FCCR")	Underlying Group EBITDA divided by the sum of fixed charges comprising debt service costs, debt repayments, pension scheme contributions, tax payments, capital expenditure and dividends or other capital distributions calculated on a last twelve months basis	Until 31 March 2027 no less than 1:1 After 31 March 2027 no less than 1.05:1
CAPEX	Cash paid on tangible and intangible fixed assets measured annually for the twelve months to 31 March	No more than 120% of the annual budget

The Group remained compliant with the Minimum EBITDA and FCCR financial covenants throughout the year ended 31 March 2026. In accordance with the facility agreement, these covenants were tested monthly from May 2025 and, following twelve months of compliance under the agreement, including compliance in the two preceding quarters, testing has reverted to a quarterly basis. The CAPEX covenant is tested annually from the start of each reporting period.

The Group has prepared a forecast of financial projections for the three-year period to 31 March 2029, which has been utilised as the base case underpinning the going concern assessment for the period through to June 2027, being 15 months after the year end and 12 months from when the financial statements are authorised for issue. These projections include assumptions around revenue growth, modest margin improvements, consistent working capital trends and stable interest rates. The Directors have reviewed cash flow and covenant forecasts over this period considering the Group's available borrowing facilities and the terms of the arrangements with the Group's lender and the UK defined benefit pension scheme. The forecast shows adequate headroom and supports the position the Group can operate within its available borrowing facilities and in compliance with covenants throughout this period.

The Group is subject to a number of key risks and uncertainties, as detailed in the principal risks and uncertainties section in the annual report and accounts. Mitigating actions to address the risks are also set out in that section of the report. These risks and uncertainties have been considered in the base case, and downside sensitivities have been modelled accordingly. These sensitivities consider the uncertainties facing the Group and model the impact of a range of severe but plausible downside scenarios, as well as considering the impact of aggregating certain of these, and shows that the Group would be able to operate within its available facilities and meet its agreed covenants were these

scenarios to arise.

The specific climate-related matters set out in the TCFD section in the annual report and accounts have been considered and they are not expected to have a significant impact on the Group's going concern.

The severe but plausible downside sensitivities modelled included reductions in forecast revenue of up to 6.6%, a 4% increase in direct material costs (equivalent to approximately 2.2% contribution margin erosion) and a 2% increase in interest rates. The downside scenario modelling assumes management bonuses are not payable where the relevant performance conditions are not achieved but does not include the benefit of any other mitigating actions available to management.
Under each of the standalone downside scenarios modelled, the Group maintains adequate liquidity throughout the assessment period and remains compliant with all financial covenants.
The Directors also assessed a combined downside scenario incorporating both a significant reduction in forecast revenue and a sustained increase in direct material costs. Under this combined scenario, no liquidity shortfall arises; however, there is a temporary breach of the FCCR covenant. The Directors consider the concurrent occurrence of these downside assumptions to be remote. Furthermore, the scenario does not reflect a range of mitigating actions available to management, including the reduction of discretionary expenditure and the deferral of non-essential capital expenditure. Modelling performed by management demonstrates that actions considered achievable and within management's control would be sufficient to restore covenant compliance under this scenario.

Given that FCCR represented the most sensitive covenant within the Group's financing arrangements, the Directors performed additional covenant-focused downside testing, including scenarios in which EBITDA remained broadly flat against FY26 levels and reduced by 10% compared with FY26. While these scenarios resulted in reduced covenant headroom, management identified specific mitigating actions that are considered achievable and within management's control and which would be sufficient to maintain compliance with the Group's covenant requirements.

The Group is not exposed to high-risk sectors or countries but is dependent on certain key customers, creating risks and uncertainties, which are documented in detail alongside mitigating actions in the principal risks and uncertainties section.

It should be noted that the Group is operating in a period of material geopolitical and macroeconomic uncertainty. The Directors continue to monitor these risks and their plausible impact; however, the potential severity is dependent upon many external factors and is difficult to predict. Accordingly, the financial impact of these risks may materially differ from the Directors' current view.

At 31 March 2026, the Group reports net liabilities of £8.7 million (FY25: £11.8 million net liabilities) largely attributable to the IAS 19 valuation of the UK defined benefit pension liability of £46.8 million (FY25: £51.8 million). Pension contributions are funded from cash generated by operations and have been reflected in the cash flow and covenant forecasts reviewed by the Directors. Given that these amounts are considered manageable by the Directors, the balance sheet presentation of net liabilities at 31 March 2026 does not imply an inability for the Group to meet its third-party liabilities over the going concern period.

On the basis of the base case forecast and the severe but plausible sensitivity testing, the Directors have determined that it is reasonable to assume that the Group will continue to operate within available borrowing facilities available and adhere to the covenant tests to which it is subject throughout at least the 12 month period from the date of signing the financial statements through to June 2027.

Accordingly, these financial statements are prepared on a going concern basis.

2 Accounting estimates and judgements
The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions form the basis for making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. 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 revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and key sources of estimation uncertainty that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements. Management has discussed these with the Audit & Risk Committee. These should be read in conjunction with the significant accounting policies provided in the notes to the financial statements.

Going concern
Note 1 contains information about the preparation of these financial statements on a going concern basis.

Key judgements
Management has exercised judgement over the likelihood of the Group being able to continue to operate within its available borrowing facilities and in accordance with related lender covenants for at least 12 months from the date of signing these financial statements. Judgement has been applied over forecast profit, debt levels and interest rates, particularly base rates. This determines whether the Group should operate the going concern basis of preparation for these financial statements.

Impairment of assets
Note 9 contains information about management's estimates of the recoverable amount of cash generating units and their risk factors.

Key judgements
Management has applied judgement in determining that the net carrying value of goodwill at 31 March 2026 of £22.0 million (31 March 2025: £21.7 million) is allocated to the CTP cash generating unit. The CTP segment is deemed to be the smallest cash generating unit with an identifiable group of assets which generate cash inflows largely independent of the cash inflows from other assets or groups of assets. The basis of this conclusion is that there are a number of senior global CTP roles with executive powers over the segment rather than there being site-level management teams operating autonomously; also, customer contracts are often held globally and served from multiple sites.

Management has also exercised judgement over the underlying assumptions within the valuation models and consideration as to if there have been indications of impairment. These are key factors in their assessment of whether there is any impairment in related goodwill or other assets. Where indications exist, management has estimated recoverable amounts as detailed below.

Key sources of estimation uncertainty
The Group tests whether goodwill has suffered any impairment and considers whether there is any indication of impairment in either this or other assets on at least an annual basis. As set out in more detail in notes 9 and 10, the recoverable amounts may be based on either value in use calculations or fair value less costs of disposal considerations. The former requires the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the future cash flows, the latter method requires the estimation of fair value.

Details of the sensitivity of assumptions are included in note 9.

Defined benefit pension assumptions
Note 12 contains information about management's estimate of the net liability for defined benefit obligations and their risk factors. The UK defined benefit pension liability at 31 March 2026 amounts to £46.8 million (2025: £51.7 million).

Key sources of estimation uncertainty
The value of the defined benefit pension plan obligation is determined by long-term actuarial assumptions. These assumptions include discount rates, inflation rates and mortality rates. Differences arising from actual experience or future changes in assumptions will be reflected in the Group's consolidated statement of comprehensive income. The Group exercises judgement in determining the assumptions to be adopted after discussion with a qualified actuary. Details of the key actuarial assumptions used and of the sensitivity of these assumptions are included within note 12.

In the year to 31 March 2022 and the year to 31 March 2021, the scheme introduced a right for members to Pension Increase Exchange ("PIE") and a Bridging Pension Option respectively. Having taken actuarial advice, management exercised judgement that, for each, 40% of members would take the options at retirement. There is no change to either assumption in the current year. Any change in estimate would be recognised as remeasurement gains/(losses) through the consolidated statement of comprehensive income.

Leases
There are imputed interest rates in lease liability calculations and certain leases contain break options.

Key judgements
Lease liabilities are measured initially at the present value of the lease payments discounted using the rate implicit in the lease, or where not readily determinable as is generally the case, using the incremental borrowing rate. This requires management to apply judgement.

Management has applied judgement when determining the expected certainty that a break option within a lease will be exercised. Lease liabilities reflect adjustments based on management's assessment, regarding the likelihood of exercising break options. This includes reductions where management is reasonably certain that break options will be exercised and excludes potential decreases where break options are available but are not expected to be exercised.

Revenue recognition
As revenue from Design & Engineering contracts is recognised over time, the amount of revenue recognised in a reporting period depends on the extent to which the performance obligations have been satisfied.

Key judgements
Revenue recognised on contracts in the CTP segment requires management to use judgement to apportion contract revenue to the Design & Engineering obligations; a cost plus basis is usually applied.

Key sources of estimation uncertainty
Revenue recognised on Design & Engineering contracts in the CTP segment requires management to estimate the remaining costs to complete the performance obligations in order to determine the percentage of completion and revenue in respect of those performance obligations. Costs to complete are reviewed throughout the life of each contract and determined through consultation with the contract engineers. Changes to this estimate will therefore impact the amount of revenue and profit recognised.

If costs to complete were 5% higher or lower than estimated at 31 March 2026, the impact to the Group operating profit would be £0.2m, lower or higher respectively.

Recognition of deferred tax assets

Key judgements
Management has exercised judgement over the level of future taxable profits in the UK and the US against which to relieve deferred tax assets. The Group has concluded that deferred tax assets of £0.9 million, net of off-setting deferred tax liabilities, which mostly relate to the Group's US subsidiaries, will be recovered in the future. See below for the key sources of estimation uncertainty considered when reaching this conclusion. In the UK, with the exception of a £0.3 million deferred tax asset which is available to offset against a deferred tax liability for the same amount arising on historic property valuations (2025: £0.3 million), management has applied judgement to determine that no UK deferred tax assets will be recognised at either year end.

Key sources of estimation uncertainty
As the majority of the Group's deferred tax assets are in its US subsidiaries, management has prepared an estimate of the future taxable income of its subsidiary trading company, CTP Carrera Inc. This estimate is based upon the Board-approved budget and three-year business plan. All other things equal, forecast EBIT could decrease by approximately 61% over the three years, before the deferred tax asset is at risk of not being recovered within that three-year period. A similar working has been prepared for the UK trading subsidiaries, including the plc company; however, as there is minimal headroom to cover any reduction in EBIT of the trading entities, management does not believe that a UK deferred tax asset can be supported currently. A 20% reduction in the underlying earnings before interest and tax of the UK trading companies would eliminate any estimated taxable profits against which to recover a deferred tax asset.

Classification of non-underlying items
Note 4 contains information about items classified as exceptional.

Key judgements
Management has exercised judgement over whether items are non-underlying as set out in the Group's accounting policy - see note 1) v) & w) in the annual report and accounts.

3 Segment reporting
The Group is organised into two, separately managed, business segments - CTP and Speciality. These are the segments for which summarised management information is presented to the Group's chief operating decision maker (comprising the main Board and Executive Committee).

The CTP segment supplies value-adding engineered solutions from mould design, automation and production to assembly and printing, for the life science and precision component industries. This business operates internationally in a fast-growing and dynamic market underpinned by rapid technological development.

The Speciality segment delivers precise and durable components for the safety and performance of aircraft manufacturing, aerospace and optical industries.

Central costs relate to the cost of running the Group, plc and non trading companies.

Transfer pricing between business segments is set on an arm's length basis. Segmental revenues and results presented are after the elimination of transfers between business segments. Those transfers are eliminated on consolidation.

Analysis by business segment
The segment results for the year ended 31 March 2026 were as follows:

	CTP £000	Speciality £000	Central £000	Group total £000
Consolidated income statement				
Total revenue	**101,719**	**16,455**	**-**	**118,174**
Less inter-segment revenue	**(3,502)**	**(461)**	**-**	**(3,963)**
External revenue	**98,217**	**15,994**	**-**	**114,211**
External expenses	**(83,116)**	**(12,570)**	**(5,925)**	**(101,611)**
Underlying operating profit/(loss)	**15,101**	**3,424**	**(5,925)**	**12,600**
Non-underlying operating items	**(12)**	**160**	**(484)**	**(336)**
Operating profit/(loss)	**15,089**	**3,584**	**(6,409)**	**12,264**
Net finance expense				**(7,432)**
Income tax expense				**(2,137)**

Profit for the year				**2,695**
Consolidated statement of financial position				
Segment assets	**79,694**	**11,281**	**1,387**	**92,362**
Segment liabilities	**(23,426)**	**(4,683)**	**(72,922)**	**(101,031)**
Net assets/(liabilities)	**56,258**	**6,598**	**(71,535)**	**(8,669)**
Other segmental information				
Capital expenditure on property, plant and equipment	**1,657**	**1,558**	**93**	**3,308**
Capital expenditure on computer software	**-**	**-**	**333**	**333**
Depreciation	**5,402**	**432**	**62**	**5,896**
Amortisation of intangible assets	**2**	**28**	**77**	**107**

Prior year comparatives

The segment results for the year ended 31 March 2025 were as follows:

	CTP £000	Speciality £000	Central £000	Group total £000
Consolidated income statement				
External revenue	106,998	14,221	-	121,219
External expenses	(94,670)	(11,420)	(5,291)	(111,381)
Underlying operating profit/(loss)	12,328	2,801	(5,291)	9,838
Non-underlying operating items	45	-	(2,303)	(2,258)
Operating profit/(loss)	12,373	2,801	(7,594)	7,580
Net finance expense				(4,928)
Income tax expense				(1,780)
Profit for the year				872
Consolidated statement of financial position				
Segment assets	83,295	9,691	4,049	97,035
Segment liabilities	(27,393)	(3,311)	(78,171)	(108,875)
Net assets/(liabilities)	55,902	6,380	(74,122)	(11,840)
Other segmental information				
Capital expenditure on property, plant and equipment	1,899	547	2	2,448
Capital expenditure on computer software	-	-	49	49
Depreciation	5,961	411	84	6,456
Reversal of impairment of property, plant and equipment	(209)	-	-	(209)
Amortisation of intangible assets	8	12	67	87

Analysis by geographical segment

The business operates across the following geographical regions: the United Kingdom, North America and in lower-cost regions including Czechia, China and India. The geographical analysis was as follows:

	External revenue		Net segment (liabilities)/assets		Expenditure on tangible and intangible fixed assets	
	2026	2025	**2026**	2025	**2026**	2025
	£000	£000	**£000**	£000	**£000**	£000
United Kingdom	**8,125**	10,012	**(51,008)**	(51,342)	**2,044**	763
Rest of Europe	**32,962**	30,486	**12,878**	11,607	**766**	87
North America	**38,093**	44,230	**22,062**	20,840	**583**	266
Rest of world	**35,031**	36,491	**7,399**	7,055	**248**	1,381
	114,211	121,219	**(8,669)**	(11,840)	**3,641**	2,497

The analysis of segment revenue represents revenue from external customers based upon the location of the customer.

The analysis of segment assets and capital expenditure is based upon the location of the assets.

The material components of the Central assets and liabilities are retirement benefit obligation net liability of £46.8 million (31 March 2025: £51.7 million), and net borrowings of £22.9 million (31 March 2025: £20.6 million). One customer accounted for 32.4% (31 March 2025: 36.1%), another for 13.7% (31 March 2025: 16.3%) and a third for 13.4% (31 March 2025: 14.4%) of Group revenues and similar proportions of trade receivables.

No other customer accounted for more than 10.0% of Group revenues from continuing operations in the year.

Deferred tax assets by geographical location are as follows: United Kingdom £nil (31 March 2025: £nil), Rest of Europe £nil (31 March 2025: £nil), North America £0.9 million (31 March 2025: £0.5 million), Rest of world £0.1 million (31 March 2025: £0.1 million).

Total non-current assets by geographical location are as follows: United Kingdom £17.5 million (31 March 2025: £19.5 million), Rest of Europe £11.6 million (31 March 2025: £10.7 million), North America £21.7 million (31 March 2025: £23.5 million), Rest of world £4.6 million (31 March 2025: £5.3 million).

4 Non-underlying items

	2026 £000	2025 £000
Refinancing costs	**(270)**	(2,137)
Rationalisation costs	**(225)**	(122)
Net proceeds of insurance claim	**159**	-
Settlement of legacy claims	**-**	1
	(336)	(2,258)
	(336)	(2,258)

The cash element of non-underlying items is a net outflow of £0.01 million (2025: £3.3 million).

£0.3 million refinancing costs, incurred in 2026, are costs arising as a result of the Group having refinanced with BZ Commercial Finance DAC ("BZ"), which are not deemed by the Group as directly attributable to the refinancing arrangement and have not therefore been capitalised against the BZ loan balance. These are mostly costs incurred as a result of the accelerated charge of the remaining HSBC costs which were expensed when the loans were repaid. Refinancing costs in the prior periods were legal and professional costs incurred by the Group up until 14 February 2025, on which date the Carclo plc Board of Directors agreed BZ as the preferred lender with whom the Group subsequently completed its refinancing on 24 April 2025.

Current period rationalisation costs are non-underlying pension administration costs. Rationalisation costs of £0.1 million in the prior period relate to the restructuring of the Group. This is largely costs and credits arising from the US facility closures as part of the turnaround plan and includes the following: £0.7 million employee-related costs for severance and retention bonuses, £0.4 million other closure-related costs including costs to relocate plant and equipment, less £1.0 million of balance sheet credits, being £0.7 million provisions and property lease liabilities released following surrender of the leased properties at the Tucson, Arizona facility and £0.3 million for the reversal of asset provisions booked at 31 March 2024 no longer required.

An insurance claim was processed for damage following a break-in at the Bruntons location; an amount of £0.2 million proceeds net of restitution costs has been received in the period ended 31 March 2026. The credit in the prior period on settlement of legacy claims is the release of provisions booked for specific claims that have not been fully utilised following final settlement.

5 Finance income and expense

	2026 £000	2025 £000
Finance income comprises:		
Interest receivable on cash and cash deposits	**46**	535
Other interest	**-**	36
Finance income	**46**	571
Finance expense comprises:		
Interest payable on bank loans and overdrafts	**(3,766)**	(3,075)
Lease interest	**(458)**	(679)
Interest on the net defined benefit pension liability	**(2,711)**	(1,745)
Other interest	**(543)**	-
Finance expense	**(7,478)**	(5,499)
Net finance expense	**(7,432)**	(4,928)

6 Income tax (expense)/credit

The income tax (expense)/credit recognised in the consolidated income statement comprises:

	2026 £000	2025 £000
United Kingdom corporation tax:		
Corporation tax on losses for the current year	**26**	-
Current tax	**-**	-
Adjustments for prior years	**(26)**	(13)
Overseas taxation:		
Current tax	**(1,245)**	(1,379)
Adjustments for prior years	**91**	(1)
Total current tax net expense	**(1,154)**	(1,393)
Deferred tax		
Deferred tax	**(918)**	(409)
Adjustments for prior years	**(69)**	13
Rate change	**4**	9
Total deferred tax expense - see note 20	**(983)**	(387)
Total income tax expense recognised in the consolidated income	**(2,137)**	(1,780)

Total income tax expense recognised in the consolidated income statement	**(2,137)**		(1,780)	

Reconciliation of tax (expense)/credit for the year

The Group has reported an effective tax rate for the period of 44.2% (2025: 67.1%) which is above the standard rate of UK corporation tax of 25% (2025: 25%).

The differences are explained as follows:

	2026		2025	
	£000	**%**	£000	%
Profit before tax	**4,832**		2,652	
Income tax using standard rate of UK corporation tax of 25% (2025: 25%)	**(1,208)**	**(25.0)**	(663)	(25.0)
Expenses not deductible for tax purposes	**(306)**	**(6.3)**	(221)	(8.3)
Income not taxable	**102**	**2.1**	66	2.5
Adjustments in respect of overseas tax rates	**290**	**6.0**	127	4.8
Unprovided deferred tax movement	**(787)**	**(16.3)**	(654)	(24.7)
Adjustment to current tax in respect of prior periods (UK and overseas)	**117**	**2.4**	(14)	(0.5)
Adjustments to deferred tax in respect of prior periods (UK and overseas)	**(69)**	**(1.4)**	13	0.5
Foreign taxes expensed in the UK	**(295)**	**(6.1)**	(434)	(16.4)
Rate change on deferred tax	**4**	**0.1**	9	0.3
Foreign exchange currency loss	**15**	**0.3**	(9)	(0.3)
Total income tax expense	**(2,137)**	**(44.2)**	(1,780)	(67.1)

Tax on items credited outside of the consolidated income statement

	2026	2025
	£000	£000
Recognised in other comprehensive income:		
Foreign exchange movements	**(1)**	13
Total income tax credited to other comprehensive income	**(1)**	13

7 Earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity holders of the parent company divided by the weighted average number of ordinary shares outstanding during the year.

The calculation of diluted earnings per share is based on the profit attributable to equity holders of the parent company divided by the weighted average number of ordinary shares outstanding during the year (adjusted for dilutive options).

The result and average number of shares used in calculating the basic and diluted earnings per share are shown below.

	2026	2025
	£000	£000
Profit after tax	**2,695**	872
Profit attributable to non-controlling interests	**-**	-
Profit attributable to equity holders of the parent	**2,695**	872

	2026	2025
	Shares	Shares
Weighted average number of ordinary shares in the year	73,419,193	73,419,193
Effect of dilutive share options in issue[1]	923,712	546,306
Weighted average number of ordinary shares (diluted) in the year for underlying earnings per share calculation	74,342,905	73,965,499

1. There are 15,974 vested shares outstanding that are not yet issued. 806,729 share options granted on 21 September 2023, 57,990 share options granted on 9 September 2025 under the Deferred Bonus Plan 2025 and 43,063 share options granted on 9 September 2025 are included in the calculation of the weighted average number of dilutive shares for earnings per share in the current year.

In addition to the above, the Company also calculates an earnings per share based on underlying profit as the Board believes this provides a more useful comparison of business trends and performance.

The following table reconciles the Group's profit to underlying profit used in calculating underlying earnings per share:

	2026	2025
	£000	£000
Profit attributable to equity holders of the parent	**2,695**	872
Non-underlying - refinancing costs, net of tax	**270**	2,096
Non-underlying - rationalisation and restructuring costs, net of tax	**216**	173

Non-underlying - rationalisation and restructuring costs, net of tax	**210**	175
Non-underlying - settlement in respect to legacy claims, net of tax	**-**	(1)
Non-underlying - insurance proceeds from Bruntons, net of tax	**(159)**	-
Underlying profit after tax, attributable to equity holders of the parent	**3,022**	3,140

The following table reconciles the Group's underlying profit after tax attributable to equity holders of the parent:

	2026	2025
	£000	£000
Underlying operating profit	**12,600**	9,838
Finance income	**46**	571
Finance expense	**(7,478)**	(5,499)
Income tax expense	**(2,146)**	(1,770)
Underlying profit after tax attributable to equity holders of the parent	**3,022**	3,140

The following table summarises the earnings per share figures based on the above data:

	2026	2025
	Pence	Pence
Basic earnings per share	**3.7**	1.2
Diluted earnings per share	**3.6**	1.2
Basic underlying earnings per share	**4.1**	4.3
Diluted underlying earnings per share	**4.1**	4.2

8 Dividends paid and proposed

The current focus is on cash flow generation to support strategic growth and with the Company currently having insufficient distributable reserves, no dividend is proposed in respect of the year ended 31 March 2026 (2025: nil). The Board will continue to review the Group financial performance, capital allocation and reserves regularly to determine the appropriate time for dividend payments.
Under the terms of the previous HSBC borrowing facility agreement, in place up to the BZ refinancing completed in April 2025, the Company was not permitted to make a dividend payment to shareholders up to the period ending 31 December 2025. Under the BZ borrowing facility agreement, dividend payments are permitted, but they require prior approval of the lender.

9 Intangible assets

	Goodwill £000	Patents and development costs £000	Customer-related intangibles £000	Computer software £000	Total £000
Cost					
Balance at 31 March and 1 April 2024	23,131	16,802	588	1,681	42,202
Additions	-	-	-	49	49
Disposals				(307)	(307)
Effect of movements in foreign exchange	(339)	-	-	(7)	(346)
Balance at 31 March and 1 April 2025	**22,792**	**16,802**	**588**	**1,416**	**41,598**
Additions	-	-	-	333	333
Disposals	-	-	-		-
Reclassification of assets under construction from PPE	-	-	-	208	208
Effect of movements in foreign exchange	285	-	-	(1)	284
Balance at 31 March 2026	**23,077**	**16,802**	**588**	**1,956**	**42,423**
Amortisation					
Balance at 31 March and 1 April 2024	1,104	16,802	588	1,511	20,005
Amortisation for the year	-	-	-	87	87
Disposals	-	-	-	(307)	(307)
Effect of movements in foreign exchange	18	-	-	(6)	12
Balance at 31 March and 1 April 2025	**1,122**	**16,802**	**588**	**1,285**	**19,797**
Amortisation for the year	-	-	-	107	107
Disposals	-	-	-		-
Effect of movements in foreign exchange	(10)	-	-	(2)	(12)
Balance at 31 March 2026	**1,112**	**16,802**	**588**	**1,390**	**19,892**
Carrying amounts					
At 1 April 2024	22,027	-	-	170	22,197
At 31 March 2025	21,670	-	-	131	21,801

At 31 March 2026	**21,965**	**-**	**-**	**566**	**22,531**

During the year, the Group has incurred research and development costs of £0.3 million (2025: £0.2 million) which did not meet the criteria to be capitalised and have been included within operating expenses in the consolidated income statement.

Impairment tests for cash generating units containing goodwill

Goodwill acquired in a business combination is allocated at acquisition to the cash generating units ("CGUs") that are expected to benefit from that business combination. The carrying amount of goodwill is allocated to the Group's principal CGUs, being the operating segments described in the operating segment descriptions in Note 3.

The carrying value of goodwill at 31 March 2026 and 31 March 2025 is allocated wholly to the CTP cash generating unit as follows:

	2026	2025
	£000	£000
CTP	**21,965**	21,670

At 31 March 2026, the recoverable amount of the CTP CGU was determined using a value in use calculation, which exceeded the carrying amount of the CGU by £53.5m (31 March 2025: £33.3m). Accordingly, no impairment of goodwill was identified.

The value in use calculation is based on cash flow projections derived from the Group's Board-approved strategic plan covering a three-year period. Cash flows for years four and five have been assumed to remain at year three levels, reflecting a prudent transition to a steady-state operating position. A terminal value has then been calculated using long-term growth rates ranging from 1.5% to 4.0% (31 March 2025: 0.6% to 4.5%), depending on the market served. These growth rates do not exceed management's long-term expectations for the relevant markets.

Future cash flows have been discounted using pre-tax discount rates appropriate to the markets in which the CGU operates, with a weighted average pre-tax discount rate of 17.0% (31 March 2025: 17.1%). The discount rates are derived from the Group's weighted average cost of capital and reflect market-specific risks and the time value of money.

The key assumptions underpinning the assessment relate to forecast revenue growth, operating margins, long-term growth rates and discount rates. These assumptions are based on management's expectations of future trading performance, taking into account historical experience, current trading conditions and the Group's strategic plans.

Sensitivity analysis has been performed on the key assumptions used in the value in use calculation. All other assumptions remaining unchanged, an increase in the pre-tax discount rate from 17.0% to 30.5% (31 March 2025: 17.1% to 24.2%), a 12.1% reduction in forecast revenue or a reduction in forecast EBIT of 33.5% (31 March 2025: 31.5%) would reduce the headroom of the CTP CGU to £nil. No reasonably possible change in any other key assumption would cause the carrying amount of the CGU to exceed its recoverable amount.

10 Property, plant and equipment

	Land and buildings £000	Plant and equipment £000	Total £000
Cost			
Balance at 1 April 2024	47,235	76,555	123,790
Additions	1,504	944	2,448
Disposals	(4,580)	(4,501)	(9,081)
Effect of movements in foreign exchange	(787)	(931)	(1,718)
Balance at 31 March and 1 April 2025	**43,372**	**72,067**	**115,439**
Additions	**934**	**2,374**	**3,308**
Disposals	**(12)**	**(1,132)**	**(1,144)**
Reassessment of lease value	**(697)**	**21**	**(676)**
Reclassification of assets under construction to intangibles		**(208)**	**(208)**
Effect of movements in foreign exchange	**(67)**	**(404)**	**(471)**
Balance at 31 March 2026	**43,530**	**72,718**	**116,248**
Depreciation and impairment losses			
Balance at 1 April 2024	23,579	59,810	83,389
Depreciation charge for the year	3,357	3,099	6,456
Disposals	(4,514)	(4,414)	(8,928)
Reversal of impairment	-	(209)	(209)
Effect of movements in foreign exchange	(407)	(704)	(1,111)
Balance at 31 March and 1 April 2025	**22,015**	**57,582**	**79,597**
Depreciation charge for the year	**3,020**	**2,876**	**5,896**
Disposals	**(12)**	**(1,108)**	**(1,120)**

Disposals	**(12)**	**(1,108)**	**(1,120)**
Effect of movements in foreign exchange	**57**	**(429)**	**(372)**
Balance at 31 March 2026	**25,080**	**58,921**	**84,001**
Carrying amounts			
At 1 April 2024	23,656	16,745	40,401
At 1 April 2025	21,357	14,485	35,842
At 31 March 2026	**18,450**	**13,797**	**32,247**

11 Loans and borrowings

	2026	2025
	£000	£000
Current		
Bank overdrafts	**-**	765
Bank loans:		
Term loan	**3,985**	21,233
Revolving credit facility	**1,189**	-
Lease liabilities:		
Land and buildings	**1,178**	1,642
Plant and equipment	**1,150**	1,116
Other loans:		
Other	**66**	88
	7,568	24,844
Non-current		
Bank loans repayable between one and two years:		
Term loan	**19,684**	-
Revolving credit facility	**(226)**	-
Lease liabilities:		
Land and buildings	**2,120**	2,981
Plant and equipment	**498**	2,027
Other loans:		
Other loans repayable between one and two years	**32**	66
Other loans repayable between two and five years	**-**	31
	22,108	5,105
Total loans and borrowings	**29,676**	29,949

On 24 April 2025, the Group concluded the refinancing of its primary external borrowing facility with a three-year multi-currency borrowing facility agreement with BZ Commercial Finance DAC ("BZ"), comprising a term loan facility of £27.0 million and a revolving credit facility of £9.0 million. At commencement, £29.9 million was borrowed under the BZ facility, of which £26.8 million was drawn under the term loan and £3.1 million was drawn under the revolving credit facility. £21.3 million was paid to discharge all amounts owing under the previous borrowing arrangement with HSBC, including accrued interest, and £5.1 million of additional contributions were paid to the Group's defined benefit pension scheme, allowing securitised assets marked in favour of the pension scheme to be reassigned to the new lender.

The BZ facility is an asset-based lending arrangement with drawings permitted against the value of various classes of assets held by the UK and US businesses. Of the £27.0 million term loan element, £8.0 million is designated against the value of owned land and buildings, £5.0 million is designated against the value of owned plant and machinery and the balance of £14.0 million is designated as a cash flow loan that is non-asset specific. Of the £9.0 million revolving credit facility, £7.0 million is designated against the value of trade receivables and £2.0 million against the value of inventory.

The facility permits borrowings in GBP, EUR and USD. The named Group companies currently permitted to borrow under the facility are Carclo plc, Carclo Technical Plastics Limited and Bruntons Aero Products Limited. Group companies subject to cross guarantees under the BZ facility are the named borrowing companies and material subsidiaries, as defined in the facility agreement.

Repayments on the term loan commenced in November 2025. At 31 March 2026, balances of the term loan and the revolving credit facility were respectively: £23.7m and £1m.

Interest is calculated at SONIA, SOFR or €STR for loans denominated in GBP, USD or EUR respectively, plus a margin of 4.5% for the receivables facility, 6.0% for the inventory, plant and machinery and property facilities, and 7.5% for the cash flow facility. In addition, 2.0% is payable on the undrawn portion of the £9.0 million revolving credit facility.

Bank facilities at 31 March 2026 were subject to three monthly covenant tests as follows:

minimum EBITDA;
fixed charge ratio cover; and
CAPEX.

Further details of the covenants can be found in note 1.

The Group has complied with the financial covenants of its borrowing facilities during the financial

reporting period.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Bank overdraft £000	Term loan £000	Revolving credit facility £000	Lease liabilities £000	Other loans £000	Total £000
Balance at 1 April 2024	4,479	23,682	300	11,167	282	39,910
Changes from financing cash flows						
Transaction costs associated with the issue of debt	-	(150)	-	-	-	(150)
Repayment of borrowings	-	(2,225)	(300)	(4,907)	(95)	(7,527)
Changes in bank overdraft	(4,184)	-	-	-	-	(4,184)
Interest paid	470	-	-	-	-	470
	(3,714)	(2,375)	(300)	(4,907)	(95)	(11,391)
Effect of changes in foreign exchange rates	-	(371)	-	(161)	(2)	(534)
Liability-related other changes						
Drawings on new facilities	-	-	-	1,327	-	1,327
Reassessment of lease liability	-	-	-	-	-	-
Termination of facilities	-	-	-	(339)	-	(339)
Interest expense - presented within non-underlying items	-	-	-	-	-	-
Interest expense - presented within finance expense	-	297	-	679	-	976
	-	297	-	1,667	-	1,964
Equity-related other changes	-	-	-	-	-	-
Balance at 1 April 2025	765	21,233	-	7,766	185	29,949
Changes from financing cash flows						
Drawings on new facilities	**-**	**26,812**	**3,099**	**-**	**-**	**29,911**
Transaction costs associated with the issue of debt	**-**	**(1,908)**	**(636)**	**-**	**-**	**(2,544)**
Repayment of HSBC facility	**-**	**(21,255)**	**-**	**-**	**-**	**(21,255)**
Repayment of borrowing	**(765)**	**(1,877)**	**(1,698)**	**(3,431)**	**(63)**	**(7,834)**
Changes in bank overdraft	**-**	**-**	**-**	**-**	**-**	**-**
Interest paid	**-**	**-**	**-**	**-**	**-**	**-**
	(765)	**1,772**	**765**	**(3,431)**	**(63)**	**(1,722)**
Effect of changes in foreign exchange rates	**-**	**(171)**	**-**	**43**	**(24)**	**(152)**
Liability-related other changes						
Drawings on new facilities	**-**	**-**	**-**	**786**	**-**	**786**
Reassessment of lease liability	**-**	**-**	**-**	**(676)**	**-**	**(676)**
Amortisation of transaction costs - presented within finance expense	**-**	**645**	**198**	**-**	**-**	**843**
Amortisation of transaction costs - presented within non-underlying items	**-**	**190**	**-**	**-**	**-**	**190**
Interest expense	**-**	**-**	**-**	**458**	**-**	**458**
	-	**835**	**198**	**568**	**-**	**1,601**
Equity-related other changes	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 31 March 2026	**-**	**23,669**	**963**	**4,946**	**98**	**29,676**

12 Retirement benefit obligations

The Group operates a UK defined benefit pension scheme which provides pensions based on service and final pay. Outside of the UK, retirement benefits are determined according to local practice and funded accordingly.

In the UK, Carclo plc sponsors the Carclo Group Pension Scheme (the "Scheme"), a funded defined benefit pension scheme which provides defined benefits for some of its members. This is a legally separate, trustee-administered fund holding the Scheme's assets to meet long-term pension liabilities for some 2,269 current and past employees as at 31 March 2026.

The Trustee of the Scheme is required to act in the best interest of the Scheme's beneficiaries. The appointment of the Trustee is determined by the Scheme's trust documentation. For the year ended 31 March 2026 the Trustees currently comprised of two Company nominated trustees (of which one is an independent professional Trustee and one is the Independent professional Chairperson) as well as one member-nominated trustee. As at 1 April 2026 the Trustee is a sole independent professional trustee and PAN Sole Trustees Limited was appointed in this role on 1 April 2026. The Trustee is also responsible for the investment of the Scheme's assets.

The Scheme provides pensions and lump sums to members on retirement and to their dependants on death. The level of retirement benefit is principally based on final pensionable salary prior to leaving active

death. The level of retirement benefit is principally based on final pensionable salary prior to leaving active service and is linked to changes in inflation up to retirement. The defined benefit section is closed to new entrants who instead have the option of entering into the defined contribution section of the Scheme, and the Group has elected to cease future accrual for existing members of the defined benefit section such that members who have not yet retired are entitled to a deferred pension.

The Company currently pays contributions to the Scheme as determined by regular actuarial valuations. The trustees are required to use prudent assumptions to value the liabilities and costs of the Scheme whereas the accounting assumptions that support the IAS 19 calculation must be best estimates.

The Scheme is subject to the funding legislation, which came into force on 30 December 2005, outlined in the Pensions Act 2004. This, together with documents issued by the Pensions Regulator and Guidance Notes adopted by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension plans in the UK.

A full actuarial valuation was carried out as at 31 March 2024 in accordance with the scheme funding requirements of the Pensions Act 2004. The funding of the Scheme is agreed between the Group and the trustees in line with those requirements. These, in particular, require the surplus or deficit to be calculated using prudent, as opposed to best estimate, actuarial assumptions. The 31 March 2024 actuarial valuation showed a deficit of £64.5 million (31 March 2021 actuarial valuation deficit: £82.8 million). Under the recovery plan agreed with the trustees following the 2024 valuation, the Group agreed that it would aim to eliminate the deficit, over a period of 13 years and 7 months commencing 1 April 2024 and continuing until 31 October 2037, by the payment of annual contributions combined with the assumed asset returns in excess of gilt yields. The trustees and the Group have agreed that contributions will be paid to the Scheme as follows: £3.5 million per annum payable monthly for a period of five years from 1 April 2024 to 31 March 2029 and £5.75 million per annum payable monthly for a period of eight years and seven months from 1 April 2029 to 31 October 2037, plus £5.1 million as a one off lump sum payment on 24 April 2025. These contributions include an allowance of £0.6 million in respect of the expenses of running the Scheme and the Pension Protection Fund ("PPF") levy in years ending 31 March 2026 onwards.

At each triennial valuation, the schedule of contributions is reviewed and reconsidered between the employer and the trustees; the next review being no later than by 30 June 2028 after the results of the 31 March 2027 triennial valuation are known.

On 14 August 2020, security was granted by certain Group companies to the Scheme trustees. As at 31 March 2025, the gross value of the assets secured, which includes applicable intra-group balances, goodwill and investments in subsidiaries at net book value in the relevant component companies' accounts, but which eliminate in the Group upon consolidation, amounted to £122.8 million. Excluding the assets which eliminate in the Group upon consolidation, the value of the security was £30.5 million. This security was released in 2026 following the payment of a £5.1 million lump sum payment.

For the purposes of IAS 19, the results of the actuarial valuation as at 31 March 2025, which was carried out by a qualified independent actuary, have been updated on an approximate basis to 31 March 2026. There have been no changes in the valuation methodology adopted for this year's disclosures compared to the previous year's disclosures.

The Scheme exposes the Group to actuarial risks and the key risks are set out in the table presented below. In each instance these risks would detrimentally impact the Group's statement of financial position and may give rise to increased interest costs in the Group income statement. The trustees could require higher cash contributions or additional security from the Group.

The trustees manage governance and operational risks through a number of internal controls policies, including a risk register and integrated risk management.

Risk	Description	Mitigation
Investment risk	Weaker than expected investment returns result in a worsening in the Scheme's funding position.	The trustee continually monitors investment risk and performance and dedicates specific time at each meeting for such duties. In addition, specific investment-focused meetings, which include a Group representative, take place to consider investment strategy. The trustee is advised by professional investment advisors. The Scheme currently invests approximately 60% of its asset value in liability-driven investments and cash flow matching credit funds, 28% in a portfolio of diversified growth funds and 12% in cash and liquidity funds. The objective of the growth portfolio is that in combination, the matching credit, liability-driven investments and cash components generate sufficient return to meet the overall portfolio return objective.
Interest rate risk	A decrease in corporate bond yields increases the present value of the IAS 19	The trustee's investment strategy includes investing in liability-driven investments and bonds whose values increase with decreases

	present value of the IAS 19 defined benefit obligations.	bonds whose values increase with decreases in interest rates.
	A decrease in gilt yields results in a worsening in the Scheme's funding position.	At the end of the Group's accounting period, the strategy targets that 75% of the Scheme's liabilities are hedged on the Scheme's technical provisions basis against interest rates using liability-driven investments. It should be noted that the Scheme hedges interest rate risk on a statutory and long-term funding basis (gilts) whereas AA corporate bonds are implicit in the IAS 19 discount rate and so there is some mismatching risk to the Group should yields on gilts and corporate bonds diverge.
Inflation risk	An increase in inflation results in higher benefit increases for members which in turn increases the Scheme's liabilities.	The trustee's investment strategy at the end of the Group's accounting period included investing in liability-driven investments which will move with inflation expectations with approximately 75% of the Scheme's inflation-linked liabilities being hedged on the Scheme's technical provisions basis. The growth assets held are expected to provide protection over inflation in the long term.
Mortality risk	An increase in life expectancy leads to benefits being payable for a longer period which results in an increase in the Scheme's liabilities.	The Scheme actuary provides regular updates on mortality, based on scheme experience, and the assumption continues to be reviewed.

The amounts recognised in the statement of financial position in respect of the defined benefit scheme were as follows:

	2026	2025
	£000	£000
Present value of funded obligations	**(129,711)**	(133,155)
Fair value of Scheme assets	**82,926**	81,412
Recognised liability for defined benefit obligations	**(46,785)**	(51,743)

The present value of Scheme liabilities is measured by discounting the best estimate of future cash flows to be paid out of the Scheme using the projected unit credit method. The value calculated in this way is reflected in the net liability in the statement of financial position as shown above.

The projected unit credit method is an accrued benefits valuation method in which allowance is made for projected earnings increases. The accumulated benefit obligation is an alternative actuarial measure of the Scheme's liabilities whose calculation differs from that under the projected unit credit method in that it includes no assumption for future earnings increases. In this case, as the Scheme is closed to future accrual, the accumulated benefit obligation is equal to the valuation using the projected unit credit method.

All actuarial remeasurement gains and losses will be recognised in the year in which they occur in other comprehensive income.

The cumulative remeasurement net loss reported in the statement of comprehensive income since 1 April 2004 is £69.3 million.

IFRIC 14 has no effect on the figures disclosed because the Company has an unconditional right to a refund under the resulting trust principle.

Movements in the net liability for defined benefit obligations recognised in the consolidated statement of financial position

	2026	2025
	£000	£000
Net liability for defined benefit obligations at the start of the year	**(51,743)**	(37,186)
Contributions paid	**8,600**	3,208
Net expense recognised in the consolidated income statement (see below)	**(3,693)**	(2,512)
Remeasurement gains/(losses) recognised in other comprehensive income	**51**	(15,253)
Net liability for defined benefit obligations at the end of the year	**(46,785)**	(51,743)

Movements in the present value of defined benefit obligations

2026	2025

	2026 £000	2025 £000
Defined benefit obligation at the start of the year	**133,155**	130,420
Interest expense	**7,230**	6,089
Actuarial loss due to scheme experience	**555**	5,809
Actuarial loss due to changes in demographic assumptions	**2,467**	11,051
Actuarial gain due to changes in financial assumptions	**(3,178)**	(10,332)
Benefits paid	**(10,518)**	(9,882)
Defined benefit obligation at the end of the year	**129,711**	133,155

There have been no plan amendments, curtailments or settlements during the year.

The English High Court ruling in Lloyds Banking Group Pension Trustees Limited v Lloyds Bank plc and others was published on 26 October 2018, and held that UK pension schemes with Guaranteed Minimum Pensions ("GMPs") accrued from 17 May 1990 must equalise for the different effects of these GMPs between men and women. The case also gave some guidance on related matters, including the methods for equalisation.

The trustees of the plan will need to obtain legal advice covering the impact of the ruling on the plan, before deciding with the employer on the method to adopt. The legal advice will need to consider (among other things) the appropriate GMP equalisation solution, whether there should be a time limit on the obligation to make back-payments to members (the "look-back" period) and the treatment of former members (members who have died without a spouse and members who have transferred out for example).

In the year to 31 March 2020, the trustees commissioned scheme-specific calculations to determine the likely impact of the ruling on the Scheme. An allowance for the impact of GMP equalisation was included within the accounting figures for that year, increasing liabilities by 1.68%, and a resulting past service cost of £3.6 million was recognised in the income statement at that time. The Scheme has not yet implemented GMP equalisation and therefore the allowance made in 2019 has been maintained for accounting disclosures.

On 20 November 2020, the High Court issued a supplementary ruling in the Lloyds Bank GMP equalisation case with respect to members that have transferred out of their scheme prior to the ruling. The results mean that trustees are obliged to make top-up payments that reflect equalisation benefits and to make top-up payments where this was not the case in the past. Also, a defined benefit scheme that received a transfer is concurrently obliged to provide equalised benefits in respect to the transfer payments and, finally, there were no exclusions on the grounds of discharge forms, CETV legislation, forfeiture provisions or the Limitation Act 1980.

The impact of this ruling was estimated to cost £0.2 million (approximately 0.1% of liabilities). This additional service cost was
recognised through the income statement as a past service cost in the year ended 31 March 2021 and was presented within non-underlying items and therefore the impact of the ruling is allowed for in the figures presented at 31 March 2026.

During the year to 31 March 2024, the trustees of the Scheme identified that a group of members required an adjustment to their benefits in respect of the requirement to provide equal benefits to males and females following the Barber judgement in 1990. In summary, the adjustment consisted of decreasing the normal retirement age from 65 to 60 for some members' benefits, for some elements of service after 17 May 1990. This resulted in additional liabilities in the Scheme which were accounted for as a £1.0 million past service cost in the income statement, recognised as a non-underlying cost (approximately 0.8% of liabilities) in the year ended 30 March 2024.

In June 2023, the judgement in the Virgin Media v NTL Pension Trustees Limited case was handed down. The case decided that amendments made to the Virgin Media scheme were invalid because the scheme's actuary did not provide the associated Section 37 certificate necessary. The case was subsequently reviewed by the Court of Appeal in July 2024 which upheld the High Court's decision. In June 2025, the Department for Work and Pensions ("DWP") confirmed that the Government will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. Further detail on the approach and process for this retrospective confirmation is expected to follow in due course. The decision has a wide range of implications, affecting other schemes that were contracted out on a salary related basis, and made amendments between April 1997 and April 2016. Historic scheme amendments without the appropriate certification might now be considered invalid, leading to additional unforeseen liabilities.

The Carclo Group scheme was contracted out and amendments were made during the relevant period. As such, the ruling could have implications for the Company. Carclo has been supporting the trustees of the Scheme to begin the process of investigating any potential impact for the Scheme. This has included compiling a list of all the relevant deeds and amendments made over the relevant period and determining which of these could have a material impact on member benefits and identifying areas where further investigation is required.

As the detailed investigation is currently ongoing, the amount of any potential impact on the defined benefit obligation cannot be confirmed and/or measured with sufficient certainty at 31 March 2026. As such, it is identified as a potential contingent liability at the 2026 year end. The situation will be reviewed again at the next reporting date when there may be further clarity. Until then, the Company and the

again at the next reporting date when there may be further clarity. Until then, the Company and the trustees will continue to seek legal advice on the matter and will act accordingly.

The Scheme liabilities are split between active, deferred and pensioner members at 31 March as follows:

	2026	2025
	%	%
Active	**-**	-
Deferred	**28**	27
Pensioners	**72**	73
	100	100

Movements in the fair value of Scheme assets

	2026	2025
	£000	£000
Fair value of Scheme assets at the start of the year	**81,412**	93,234
Interest income	**4,519**	4,344
Loss on Scheme assets excluding interest income	**(105)**	(8,725)
Contributions by employer	**8,600**	3,208
Benefits paid	**(10,518)**	(9,882)
Expenses paid	**(982)**	(767)
Fair value of Scheme assets at the end of the year	**82,926**	81,412
Actual gain/(loss) on Scheme assets	**4,414**	(4,381)

The fair value of Scheme asset investments was as follows:

	2026	2025
	£000	£000
Diversified growth funds	**23,470**	26,160
Property	**-**	-
Bonds and liability-driven investment funds	**49,799**	52,011
Cash and liquidity funds	**10,182**	3,241
Less accrued fees	**(525)**	-
Total assets	**82,926**	81,412

None of the fair values of the assets shown above include any of the Group's own financial instruments or any property occupied, or other assets used by, the Group.

All of the Scheme assets have a quoted market price in an active market with the exception of the trustees' bank account balance.

Diversified growth funds are pooled funds invested across a diversified range of assets with the aim of giving long-term investment growth with lower short-term volatility than equities.

It is the policy of the trustees and the Group to review the investment strategy at the time of each funding valuation. The trustees' investment objectives and the processes undertaken to measure and manage the risks inherent in the Scheme are set out in the Statement of Investment Principles.

A proportion of the Scheme's assets is invested in the BMO LDI Nominal Dynamic LDI Fund and in the BMO LDI Real Dynamic LDI Fund which provides a degree of asset liability matching.

The net expense recognised in the consolidated income statement was as follows:

	2026	2025
	£000	£000
Net interest on the net defined benefit liability	**2,711**	1,745
Scheme administration expenses	**982**	767
	3,693	2,512

The net expense recognised in the following line items in the consolidated income statement was as follows:

	2026	2025
	£000	£000
Charged to operating profit	**746**	482
Charged to non-underlying items (see note 4)	**236**	285
Other finance revenue and expense - net interest on the net defined benefit liability	**2,711**	1,745
	3,693	2,512

The principal actuarial assumptions at the balance sheet date (expressed as weighted averages) were:

	2026	2025
	%	%
Discount rate at 31 March	**5.95**	5.65
Future salary increases	**N/A**	N/A

Inflation (RPI) (non-pensioner)	**3.35**	3.2
Inflation (CPI) (non-pensioner)	**2.95**	2.7
Allowance for revaluation of deferred pensions of RPI or 5% p.a. if less	**3.3**	3.3
Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less	**2.8**	2.8
Allowance for pension in payment increases of RPI or 5% p.a. if less	**3.1**	3.0
Allowance for pension in payment increases of CPI or 3% p.a. if less	**2.25**	2.1
Allowance for pension in payment increases of RPI or 5% p.a. if less, minimum 3% p.a.	**3.75**	3.75
Allowance for pension in payment increases of RPI or 5% p.a. if less, minimum 4% p.a.	**4.30**	4.30

The mortality assumptions adopted at 31 March 2026 are 127% of each of the standard tables S3PMA/S3PFA (2025: 127% of S3PMA/S3PFA respectively), year of birth, no age rating for males and females, projected using CMI_2025 (2025: CMI_2023) converging to 1.0% p.a. (2025: 1.0%) with a smoothing parameter 7.0% (2025: 7.0%).

	2026	2025
Life expectancy for a male (current pensioner) aged 65	**20 years**	19.3 years
Life expectancy for a female (current pensioner) aged 65	**21.7 years**	21.3 years
Life expectancy at 65 for a male aged 45	**20.9 years**	20.2 years
Life expectancy at 65 for a female aged 45	**22.9 years**	22.5 years

It is assumed that 80% of the post A-Day maximum for active and deferred members will be commuted for cash (2025: 80%).

Pension Increase Exchange take-up was estimated to be 40% on implementation in the year ended 31 March 2022; there has been no change made to this assumption nor to the 2021 bridging pension option take up of 40%.

The pension scheme liabilities are derived using actuarial assumptions for inflation, future salary increases, discount rates, mortality rates and commutation. Due to the relative size of the Scheme's liabilities, small changes to these assumptions can give rise to a significant impact on the pension scheme deficit reported in the Group statement of financial position.

The sensitivity to the principal actuarial assumptions of the present value of the defined benefit obligation is shown in the following table:

	2026 %	**2026 £000**	2025 %	2025 £000
Discount rate[1]				
Increase of 0.25% per annum	**(2.23%)**	**(2,892)**	(2.19%)	(2,913)
Decrease of 0.25% per annum	**2.32%**	**3,008**	2.27%	3,028
Decrease of 1.0% per annum	**9.86%**	**12,789**	9.66%	12,869
Inflation[2]				
Increase of 0.25% per annum	**0.63%**	**816**	0.46%	610
Increase of 1.0% per annum	**2.32%**	**3,010**	2.22%	2,951
Decrease of 1.0% per annum	**(2.32%)**	**(3,003)**	(2.25%)	(2,994)
Life expectancy				
Increase of 1 year	**3.83%**	**4,966**	4.03%	5,361

1. At 31 March 2026, the assumed discount rate is 5.95% (2025: 5.65%).
2. At 31 March 2026, the assumed rate of RPI inflation is 3.35% and CPI inflation 2.95% (2025: RPI 3.2% and CPI 2.7%).

The sensitivities shown above are approximate. Each sensitivity considers one change in isolation. The inflation sensitivity includes the impact of changes to the assumptions for revaluation and pension increases.

The weighted average duration of the defined benefit pension obligation at 31 March 2026 is ten years (2025: ten years).

The life expectancy assumption at 31 March 2026 is based upon increasing the age rating assumption by one year (2025: one year).

Other than those specifically mentioned above, there were no changes in the methods and assumptions used in preparing the sensitivity analysis from the prior year.

The history of the Scheme's deficits and experience gains and losses is shown in the following table:

	2026 £000	2025 £000
Present value of funded obligation	**(139,711)**	(139,155)

Present value of funded obligation	**(129,711)**	(133,155)
Fair value of Scheme asset investments	**82,926**	81,412
Recognised liability for defined benefit obligations	**(46,785)**	(51,743)
Actual gain/(loss) on Scheme assets	**4,414**	(4,381)
Actuarial loss due to scheme experience	**(555)**	(5,809)
Actuarial losses due to changes in demographic assumptions	**(2,467)**	(11,051)
Actuarial gains due to changes in financial assumptions	**3,178**	10,332

13 Ordinary share capital

Ordinary shares of 5 pence each

	Number of shares	£000
Issued and fully paid at 31 March 2025 and 2026	**73,419,193**	**3,671**

There are 15,974 vested shares outstanding in respect of a buyout award granted to a former Director of the Company. These are yet to be issued.

There are 3,313,537 potential share options outstanding under the performance share plan at 31 March 2026 (2025: 3,113,862). 68,300 shares vested during the year to 31 March 2026 (2025: nil).

The Group operates a number of share schemes for certain employees of the Group, as follows:

2023 Long-Term Incentive Plan ("LTIP")
2025 Long-Term Incentive Plan ("LTIP")
2025 Deferred Bonus Plan ("DBP")

Conditional share awards have been granted to Executive Directors and senior managers within the Group under the above schemes. In addition, a number of managers have been granted conditional cash awards linked to the future value of Carclo plc shares, which also fall within the scope of IFRS 2 Share based Payments .

The vesting conditions for the outstanding cash and equity awards are linked to continued employment and satisfaction of market-based and non-market-based performance conditions.

As required under IFRS 2, a charge is recognised for the conditional share awards and conditional cash awards granted under the PSP, and awards are valued using a Monte Carlo model and a Black-Scholes model. Additional awards granted to Executive Directors are subject to a two-year post-vesting holding period applicable to the post-tax number of shares acquired on vest. For these awards, a discount for lack of marketability ("DLOM") has been calculated using a Finnerty model.

Awards outstanding during the year ended 31 March 2026 under the performance share plan are as follows:

	Date granted	Number of shares	Price	Earliest date of vesting
2023 Long-Term Incentive Plan ("LTIP")	21 September 2023	2,355,000	nil	21 September 2026
2025 Long-Term Incentive Plan ("LTIP")	9 September 2025	750,000	nil	9 September 2028
2025 Deferred Bonus Plan ("DBP")	9 September 2025	208,537	nil	9 September 2027

There were two awards granted under the performance share plan in the year ended 31 March 2026, one under a deferred bonus scheme and one performance share plan award.

Deferred bonus scheme

Under the Group's Deferred Bonus Plan, Executive Directors are awarded an annual bonus, 70% achieved in cash and 30% is awarded in the form of shares, for which there is a compulsory holding period of two years and a requirement for continued employment before these fully vest to the employee ("deferred shares").

Deferred bonus scheme - date granted 9 September 2026	**2026 Equity award**
Number of shares per tranche	**208,537**
Fair value at grant date	**N/A**
Share price at grant date	**59p**
Exercise price	**nil**
Risk-free rate	**N/A**
Expected volatility	**N/A**
Expected dividend yield	**0%**

Long-Term Incentive Plans

Long-Term Incentive Plans

Performance share plan - date granted 9 September 2026	2026 Equity award TSR	2026 Equity award EPS
Number of shares per tranche	**375,000**	**375,000**
Fair value at grant date	**7p**	**42p**
Share price at grant date	**53.5p**	**53.5p**
Exercise price	**0.0p**	**0.0p**
Risk-free rate	**4.00%**	**4.00%**
Expected volatility	**60.00%**	**60.00%**
Expected dividend yield	**0%**	**0%**

Restricted equity awards are subject to a two-year post-vesting holding period.

The equity and restricted equity awards issued under the performance share plan on 9 September 2025 have a split performance condition whereby half of the awards would vest after three years based on performance compared to total shareholder return ("TSR") and the remaining half would vest based on earnings per share ("EPS") performance. For those granted on 9 September 2025, 100% of the awards subject to the TSR performance condition will vest where the Company's average share price during the 60 days prior to vest (the "measurement period") is at least 125 pence and 0% vest if the average is lower than 65 pence, with options vesting in a straight-line apportionment between 65 pence and 120 pence.

100% of awards granted on 9 September 2025, subject to the EPS condition, will vest in full if Carclo plc's EPS for the financial year ending 31 March 2028 is at least 11.5 pence and 0% will vest if less than 7.5 pence. Between 11.5 pence and 7.5 pence, awards will vest on a straight-line apportionment.

The expected volatility is based on the historical volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility due to publicly available information.

The amounts recognised in the income statement arising from equity-settled share-based payments was a charge of £0.1 million (2025: charge of £0.03 million).

The number and weighted average exercise price of the outstanding awards under the PSP are set out in the following table:

	2026 Weighted average exercise price pence	2026 Number of shares	2025 Weighted average exercise price pence	2025 Number of shares
Outstanding at 1 April	**-**	**3,129,836**	-	4,622,931
Lapsed during the year	**-**	**(690,562)**	-	(1,493,095)
Settled/exercised during the year	**-**	**(68,300)**	-	-
Granted during the year	**-**	**958,537**	-	-
Outstanding at the end of the year	**-**	**3,329,511**	-	3,129,836
Exercisable at 31 March		**15,974**		15,974
Weighted average remaining contractual life at 31 March		**0.98 years**		1.27 years

14 Cash generated from operations

	2026 £000	2025 £000
Profit/(loss) for the year	**2,695**	872
Adjustments for:		
Pension scheme costs settled by the Scheme	**-**	192
Depreciation charge	**5,896**	6,456
Amortisation charge	**107**	87
Non-underlying rationalisation costs	**-**	(1,041)
Non-underlying settlement of legacy claims	**-**	(1)
Loss on disposal of other plant and equipment	**-**	2
Profit on disposal of intangible non-current assets	**(14)**	-
Share-based payment charge	**61**	32
Financial income	**(46)**	(571)
Financial expense	**7,478**	5,499
Taxation expense	**2,137**	1,780
Operating cash flow before changes in working capital	**18,314**	13,307
Changes in working capital		
(Increase)/decrease in inventories	**(1,099)**	1,310
Increase in contract assets	**(112)**	(93)

(Increase)/decrease in trade and other receivables		**(2,434)**	2,269
(Increase)/decrease in trade and other payables		**(2,774)**	3,862
Decrease/(increase) in contract liabilities		**92**	(1,317)
Decrease/(increase) in provisions		**6**	(272)
Cash generated from operations		**11,993**	19,066

INFORMATION FOR SHAREHOLDERS

Reconciliation of non-GAAP financial measures

a) Income statement measures

Continuing operations	Notes	**2026 £000**	2025 £000
Revenue		**114,211**	121,219
Profit after tax		**2,695**	872
Add back: income tax expense	6	**2,137**	1,780
Profit before tax		**4,832**	2,652
Add back: net financing charge	5	**7,432**	4,928
Operating profit		**12,264**	7,580
Add back: non-underlying items	4	**336**	2,258
Underlying operating profit		**12,600**	9,838
Return on sales		**11.0%**	8.1%
Add back: depreciation and amortisation	9,10	**6,003**	6,543
Underlying earnings before interest, tax and depreciation & amortisation ("EBITDA")		**18,603**	16,381
Profit before tax		**4,832**	2,652
Add back: non-underlying items	4	**336**	2,258
Underlying profit before tax		**5,168**	4,910
Income tax expense	6	**2,137**	1,780
Add back: non-underlying tax expense		**(9)**	(10)
Group underlying tax expense		**2,128**	1,770
Group statutory effective tax rate		**44.2%**	67.1%
Group underlying effective tax rate		**41.2%**	36.0%

b) Net debt

Continuing operations	Notes	**2026 £000**	2025 £000
Cash at bank and in hand	14	**5,769**	10,745
Loans and borrowings - current	11	**(7,568)**	(24,844)
Loans and borrowings - non-current	11	**(22,108)**	(5,105)
Net debt		**(23,907)**	(19,204)
Underlying earnings before interest, tax, depreciation and amortisation ("EBITDA")		**18,603**	16,381
Net debt to underlying EBITDA		**1.29**	1.17

c) Return on Capital Employed

Continuing operations	Notes	**2026 £000**	2025 £000
Underlying operating profit		**12,600**	9,838
Inventory		**11,029**	9,928
Contract assets		**1,816**	1,721
Trade and other receivables		**18,887**	16,253
Trade payables		**(10,250)**	(9,697)
Other payables		**(7,705)**	(11,094)
Contract liabilities		**(1,737)**	(1,624)
Provisions		**(969)**	(975)
Working capital		**11,071**	4,512
Property, plant and equipment	10	**32,247**	35,842
Capital employed		**43,318**	40,354
Return on Capital Employed ("ROCE")		**29.1%**	24.4%

d) Cash conversion rate

Continuing operations	Notes	**2026 £000**	2025 £000
Cash generated from operations	14	**11,993**	19,600
Earnings before interest, tax, depreciation and amortisation ("EBITDA")		**18,267**	14,123
Cash conversion rate		**65.7%**	138.8%

e) Fixed asset utilisation ratio

Continuing operations	Notes	**2026 £000**	2025 £000
Revenue	3	**114,211**	121,219

Revenue	3	**114,211**	121,219
Property, plant and equipment	10	**32,247**	35,842
Fixed asset utilisation ratio		**3.5**	3.4

f) Constant currency

Revenue by segment

	2026	2025				
	Statutory £m	Statutory £m	Impact of exchange movements £m	Constant currency £m	**Statutory change %**	**Constant currency change %**
CTP division						
Manufacturing Solutions	**88,487**	93,443	(2,402)	91,041	**(5.3)%**	**(2.8)%**
Design & Engineering	**9,730**	13,555	(335)	13,220	**(28.2)%**	**(26.4)%**
	98,217	106,998	(2,737)	104,261	**(8.2)%**	**(5.8)%**
Speciality division	**15,994**	14,221	139	14,360	**12.5%**	**11.4%**
	114,211	121,219	(2,598)	118,621	**(5.8)%**	**(3.7)%**

Underlying operating profit by segment

	2026	2025				
	Statutory £m	Statutory £m	Impact of exchange movements £m	Constant currency £m	**Statutory change %**	**Constant currency change %**
CTP division	**15,101**	12,328	(313)	12,015	22.5%	**25.7%**
Speciality division	**3,424**	2,801	33	2,834	22.3%	**20.8%**
Central	**(5,925)**	(5,291)	(1)	(5,292)	12.0%	**12.0%**
	12,600	9,838	(281)	9,557	28.1%	**31.8%**

A reconciliation between the Group's loss to underlying profit used in the numerator used to calculate underlying earnings per share can be found in note 7.

Share price history and information
Share price history and information can be found on the internet at **www.carclo-plc.com**

Further information on Carclo plc
Further information on Carclo plc can be found on the internet at **www.carclo-plc.com**

GLOSSARY

Capital employed
Working capital and property, plant and equipment.

Cash conversion rate
Cash generated from operations divided by EBITDA.

Constant currency
Prior year income statement items translated at the average exchange rate of the current year.

EBIT and operating profit
Earnings, whether profit or loss, before interest and tax.

EBITDA
Earnings, whether profit or loss, before interest, tax, depreciation and amortisation.

Effective tax rate
Income tax (expense)/credit divided by the profit/(loss) before tax.

Fixed asset utilisation ratio
Trailing twelve month revenue divided by tangible fixed assets at the period end.

Group capital expenditure
Additions to intangible assets and property, plant and equipment.

IFR (Incident frequency rate)
Is used to measure workplace safety performance and is calculated by dividing the total number of recordable incidents by the total hours worked and multiplying by 1,000,000.

Group capital expenditure
Additions to intangible assets and property, plant and equipment.

Net debt
Cash and cash deposits less loans and borrowings.

Net debt to underlying EBITDA ratio
Net debt divided by underlying EBITDA.

Net debt divided by underlying EBITDA.

Non-underlying
Transactions which fall within the ordinary activities of the Group that, by virtue of their size or incidence, are considered to be non-underlying in nature.

ROCE
Return on Capital Employed, being trailing twelve month underlying operating profit as a percentage of capital employed at the period end.

ROS
Return on Sales, being underlying operating profit as a percentage of revenue.

Trailing twelve months
The sum of income statement items over the preceding twelve-month period.

Underlying
Financial performance adjusted to exclude all non-underlying items. Underlying profit after tax is profit after tax adjusted to exclude all non-underlying items and attributable tax on such items.

Working capital
Current and non-current inventory, contract assets and trade and other receivables less current and non current trade payables, other payables and provisions.

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