For Immediate Release 13 May 2026

AVON TECHNOLOGIES PLC

AVON TECHNOLOGIES PLC
("Avon Technologies", "Avon" or the "Group")
INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 MARCH 2026

TRANSFORMATION DELIVERING. FOCUSING ON GROWTH.

	31 March 2026	31 March 2025	Change (constant currency)[3]
Group			
Orders received	**$117.9m**	**$170.5m**	(31.6%)
Closing order book	**$219.9m**	**$247.0m**	(11.4%)
Revenue	**$160.8m**	**$148.7m**	6.8%
Adjusted[1] operating profit	**$24.4m**	**$17.5m**	39.4%
Adjusted[1] profit before tax	**$21.8m**	**$14.8m**	47.3%
Adjusted[1] basic earnings per share	**56.4c**	**38.8c**	45.4%
Interim dividend per share	**8.1c**	**7.6c**	6.6%
Net debt excluding lease liabilities	**$58.0m**	**$54.9m**	5.6%
Statutory results			
Operating profit[2]	**$16.5m**	**$6.2m**	
Profit before tax	**$13.5m**	**$3.1m**	
Basic earnings per share	**35.0c**	**8.1c**	
Net debt	**$74.2m**	**$74.7m**	

Strong H1 performance

- Delivered medium-term targets for growth, margin, ROIC and leverage 18 months early
- Improved commercial and manufacturing execution plus increased reliability of Cleveland production rates driving group margin into target range
- Lower closing order book due to timing of DoW[4] orders and temporary weakness in US commercial helmet demand in Team Wendy. DoW[4] follow-on orders expected towards the end of this calendar year. Recovery in US commercial helmet demand expected in H2.

Heightened global threat driving demand

- Number of active conflict zones at its highest level since the end of World War II
- Product upgrade & replenishment demand driven by threat environment and increasing military personnel

Strategy advancing from transformation to growth focus

- Continuous improvement driving increased efficiency, reliability and cost advantage
- Cleveland site delivering DoW[4] contractual rates with improving reliability and operating leverage drop-through
- Long term visibility of core programmes and exciting progress diversifying into new and adjacent growth markets:
  - Received multi-year MITR contract from the Canadian Armed Forces
  - $14m DoW[4] filter order received post period end
  - New Middle East military order received for upgraded 'EXFIL Endurance' helmet post period end
- Ambitious product development pipeline and M&A framework to drive next stage of growth

Firmly on track to meet or exceed FY26 guidance with exciting long-term growth prospects

- Increasingly confident in H2 delivery with strong commercial and international pipelines
- Still see significant operational improvement opportunities in both businesses
- Clear pipeline of opportunities to outperform core markets and deliver sustainable growth
- New mid-term growth targets to be set out with FY26 results

Jos Sclater, Chief Executive Officer, commented:
"We delivered a strong first half performance, with revenue, profit and margin all up significantly, reflecting the long-term demand opportunity in our markets and the progress we have made in strengthening our operational execution.

Since we launched our STAR strategy three years ago, we have focused on building a stronger, more reliable business underpinned by a culture of continuous improvement. Our Strengthen System is improving execution, creating capacity, and generating cash and we are advancing with confidence from stabilisation to growth.

Against a rapidly changing geopolitical backdrop, demand across our installed base is increasing and our markets continue to grow. We have strong brands and sales channels, long-term growth visibility and an exciting development pipeline to support expansion internationally and into adjacent markets. We are increasingly confident in sustaining and continuing to deliver growth ahead of our core markets. We look forward to setting out new mid-term targets at the end of the financial year to underpin our next stage of growth."

For further enquiries, please contact:

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Analyst & investor webcast and retail investor presentation:
Jos Sclater, Chief Executive Officer, and Rich Cashin, Chief Financial Officer, will host a presentation for analysts and investors at 9.00am today at Peel Hunt, 100 Liverpool Street, EC2M 2AT. To attend in person please contact: avontechnologies@sodali.com.
The presentation will also be broadcast live at: https://brrmedia.news/AVON_HY26

A presentation for **retail investors** will be held on 15 May at 12.00pm BST. Registration is available on the following link: https://www.investormeetcompany.com/avon-technologies-plc/register-investor

Notes
[1] The Directors believe that adjusted measures provide a useful comparison of business trends and performance. Adjusted results exclude adjusting items and discontinued operations. The term adjusted is not defined under IFRS and may not be comparable with similarly titled measures used by other companies.
[2] Reported HY26 operating profit includes $2.8m amortisation of acquired intangibles and transformation costs of $5.1m. See adjusted performance section 2.1 for full breakdown of adjustments and comparatives.
[3] Constant currency measures are provided in note 2.1.
[4] United States Department of War

About Avon Technologies plc:
Avon Technologies is a Military and Law Enforcement protective equipment specialist. Our products are trusted to protect over 4 million service personnel and first responders in over 70 markets around the world.

Driven by a culture of continuous improvement, we empower every individual in our organisation to identify opportunities and implement meaningful change. This commitment fuels our innovation and ensures we're constantly advancing our mission: to provide unparalleled protection for those who protect us.

Our business is structured around two Strategic Business Units:

- **Avon Protection** – a leading provider of advanced respiratory and integrated protective systems.
- **Team Wendy** – a specialist in high-performance ballistic and impact protection helmet systems.

For further information, please visit our website www.avon-technologiesplc.com
Legal Entity Identifier: 213800JM1AN62REBWA71

CEO REVIEW

FINANCIAL SUMMARY

The Group delivered a strong start to FY26, with revenue, profit and margin all up materially year-on-year.

The closing order book stood at $219.9m (HY25: $247m). At Team Wendy, deliveries across the NG IHPS and ACH programmes reduced the order book, while temporary softness in US commercial orders reflected US government shutdown-related funding delays. This was partially offset by Avon Protection, where the order book grew 19% year-on-year due to US Commercial demand through emergency funding channels and NSPA demand.

We continue to operate in an increasingly high-threat global environment, shaped by heightened geopolitical tensions, increased gun crime and rising defence investment. In the near term, demand is being driven by the conflicts in Ukraine and the Middle East, which have highlighted both the continued relevance of conventional warfare and the growing risks associated with chemical weapon threats. Longer-term, increased European investment in defence capabilities as Europe enters a rearmament cycle and shifts in the US's approach to NATO are supporting demand.

Against this backdrop, Avon Protection is seeing strong customer interest in improved integration of CBRN equipment and upgrades to mask fleets, as users transition from a focus on "survive" to "survive and fight." At Team Wendy, demand for advanced ballistic protection helmets from the US military remains strong. Whilst demand from US police and federal agencies was softer in the first half due to funding delays, we expect this to recover in the second half of the year and are confident in our ability to deliver an increased throughput in our manufacturing sites.

Group revenue increased 6.8% at constant currency to $160.8m (HY25: $148.7m). Avon Protection delivered excellent growth of 23%, supported by NATO mask orders and US law-enforcement upgrades. Team Wendy revenue was impacted by a backlog in ballistic testing, caused by the US government shutdown, which delayed acceptance of DoW orders.

Adjusted operating profit rose 39.4% to $24.4m, driving a 340bps increase in adjusted operating margin to 15.2%, well into the Group's target range of 14-16%. Avon Protection delivered an adjusted operating margin of 22.3%, benefitting from a particularly favourable sales mix, together with operating leverage and disciplined commercial execution. Team Wendy operating margin improved to 5.4%, reflecting the benefits of site optimisation and improving production performance in Q2, despite lower revenue.

Adjusted basic earnings per share increased 45.4% to 56.4 cents, reflecting the strong uplift in operating profit. Net debt excluding lease liabilities increased to $58m (HY25: $54.9m). This was primarily due to sales phasing, with $18m of cash from Team Wendy's DoW shipments in March received a week post period end. Leverage remains comfortably below 1x with significant liquidity headroom and optionality for growth maintained.

Return on invested capital increased to 20.8% (HY25: 16.3%), exceeding the Group's medium-term target of more than 17%, driven by both higher operating profit and improving capital efficiency.

OPERATIONAL SUMMARY

Our STAR strategy was launched three years ago and set out the strategic priorities required to achieve our medium-term goals of at least 5% revenue CAGR, adjusted operating profit margin of 14-16%, ROIC of more than 17%, cash conversion of 80-100% and 1-2x net debt to EBITDA.

Our STAR strategy comprises four focus areas:

- **Strengthen through continuous improvement to drive sustained competitive advantage -** Every day, at every level of our organisation, people are making small changes that improve our people's safety, our product quality, our delivery to customers and inventory reduction. All while also improving productivity. We call this our Strengthen System.
- **Transform by creating solid foundations for growth** - Continuous improvement generates cash by reducing inventory and increasing productivity. We reinvest that cash in growth, building operations and supporting functions that enable the business to grow faster.

- **Advance the business through organic growth** - From growing and defending our core and nurturing emerging opportunities to develop new revenue streams, we can grow our core business organically – we call this our Advance programme.
- **Revolutionise: use research, partnerships and acquisitions to augment our organic growth** - And by leading the market with new products, new materials, disruptive innovation and M&A, we can build a business for the long-term.

We remain committed to achieving competitive advantage through our Strengthen System. We see our competitive edge in reliable delivery, short lead times and improving quality, while also driving higher capital efficiency than our competitors.

1. Strengthen – Increased efficiency and reliability providing cost advantage

Our 'Strengthen System' builds continuous improvement capability across the Group to drive sustained improvements in Safety, Quality, Delivery, Inventory turns and Productivity.

We see our Strengthen System as a source of enduring competitive advantage. It is hard for competitors to replicate because the improvements keep compounding: every day we get better. Both business units have embedded the system, with all production lines flowing, standard work at every station, visual management in place, global CI training and regular Kaizen activity at all sites. As capability builds, the pace of improvement accelerates. We see this clearly in Avon Protection, which is further advanced in its CI journey and where kaizens are now driving the next wave of improvements. When leadership, culture and capability are sustained, the benefits of CI are exponential.

Our Strengthen System is deliberately focused on both people and process. Over the past six months, we have increased our emphasis on developing people capability, taking a different approach to many organisations. Our new development programmes have been designed and delivered by senior leaders, not consultants or HR. We believe it is better to teach our people how to solve problems than to give them the answers. These programmes reinforce our broader business improvement system and support disciplined strategy execution and continuous improvement.

Operational KPIs:

Productivity: Since launching our operational targets three years ago. Group average labour productivity has increased by 44%, well ahead of our 35% target. This reflects improved flow, tighter people planning and more disciplined execution.
Group average productivity improved 2% in HY26 vs HY25, with Q1 performance affected by the US government shutdown and recruitment ahead of higher production rates in Q2. This resulted in a productivity decline in Q1, offset by a recovery in Q2.

Scrap: Scrap as a percentage of revenue has reduced by over 62% vs our H1 2023 target of 60% reduction, demonstrating the impact of better quality and process control, with benefits for margin, cash and customer confidence. H12026 scrap performance was a similar level to the prior year due to a supplier issue in Avon Protection and Team Wendy largely focusing on increasing production rates. We expect to see scrap reduce further in the second half.

Average inventory turns: Group average inventory turns are now 3.0x, a 6% improvement on H1 2023 but flat year-on-year reflecting higher inventory levels required to support significant production increases in both business units. While we still have work to do, the direction of travel is positive. Avon Protection has already achieved turns of 4x.

Overall, we see real progress, meeting two out of three of our operational targets 18 months early. There is more to do, particularly at Team Wendy once we have proven that the increased production rates are sustainable. These trends however demonstrate that the operational foundation is strengthening and our continuous improvement targets are achievable.

2. Transform: Improving execution and confidence in Cleveland

FY26 is the last year of exceptional transformation costs with the focus over the past six months on the two remaining projects: Improving production reliability in Cleveland and restructuring our IT function to support faster operational improvements and reduce costs. We are increasing the use of AI to amplify software development, support materials science innovation, and reduce repetitive activity.

We also successfully removed the SAP ERP system from one remaining plant in Q1 26, which will save us over $1m a year.

Expected total transformational investment in FY26 is unchanged at around $7m with an expected higher weighting towards operational expenditure and lower capital spend.

Team Wendy DoW production increase and improved reliability on Commercial lines:
Over the past two years we have built a completely new factory in Cleveland and scaled the Team Wendy business. This has been challenging, but the actions taken through "Project Ramp" to improve reliability, reduce variability and ease pressure on our people are now translating into tangible and measurable progress.

Production increased significantly in Q2, with both IHPS and ACH now delivering at the contractually agreed production rates. In Q2, a 80% increase in ACH output versus September 2025 drove an improvement in operating margin, illustrating the operating leverage in the business as volumes ramp. In the last month of H1 we exceeded the contractual monthly delivery rate on ACH, strengthening our position for future delivery orders.

Output is now stabilising and our focus has shifted to delivering consistently week-in, week-out. This consistency is critical for customers and suppliers and supports margin progression as operational volatility reduces.

We have made leadership changes in Cleveland and established focused workstreams to address the root causes of volatility across production planning, machine reliability, quality and supply chain execution. These actions are improving day-to-day execution, increasing employee engagement on the shopfloor and building confidence across the operation.

Progress to date gives us increased confidence that operational performance will continue to strengthen as reliability improves and the organisation fully stabilises. Importantly, by demonstrating our operational capability on both DoW programmes, we are well positioned to win further work.

3. Advance: Exciting progress growing the core and diversifying into new and adjacent growth markets

The Advance part of our STAR strategy aims to deliver organic growth through investment in short and medium-term growth opportunities.

Group sales function: We have significantly strengthened the sales organisation through targeted investments in coverage and capability led by our VP of Sales. The outcome is better customer coverage, stronger pipeline visibility, and improved conversion.

In the US, we have improved focus and market penetration. Internationally, we hired a dedicated sales director to lead Latin America for both businesses, with improved pipeline visibility already emerging. In parallel, we added dedicated sales directors in the Middle East and Asia Pacific, expanding our reach and opportunity set while enabling the current European sales director to concentrate on high-value strategic initiatives such as NSPA (NATO Support and Procurement Organisation) and EDA (European Defence Agency), and other larger programmes.

Avon Protection:
Order book – We continue to see strong demand for our respiratory products with a 19% increase in order book, without any new Ukraine related orders. Highlights include:

- Growing demand across our existing NSPA customers plus two new countries added. We now have 16 countries ordering from our NATO framework contracts.
- NATO CBRN boots and gloves contract ceiling value increased by 50% to accommodate for growing European demand as nations re-arm in the face of a growing threat landscape.
- A $13m filter order from the Middle East with a growing pipeline of opportunities.
- Increased demand from US law enforcement, through emergency funding channels, as they prepare for heightened operational demand driven by civil disruption and the FIFA world cup.

- Secured multi-year contract with Canadian Armed Forces for the MITR mask. This is the first five-eyes nation to adopt MITR with others expected to follow.

Post period close, we were also very excited to have won 100% of the latest DoW order for filters, with an order worth $14m, supporting our long-term installed base and providing additional revenue visibility into the second half and FY2027.

Alongside this order book growth, we have several exciting opportunities currently in our pipeline:

- **A new digital voice projection unit** has been designed to improve clarity and intelligibility in challenging operating environments, which is already on trial with a European customer and has a substantial pipeline of opportunities ahead of our launch later this year.
- **CS-PAPR SD:** Good levels of interest in our recently launched next-generation CBRN modular respirator that allows users to seamlessly switch between Self-Contained Breathing Apparatus and Powered Air-Purifying Respirator modes for short duration missions. We expect to soon receive independent European certification, opening up a broader opportunity space in the growing European market.
- **A full riot solution for MITR** is due to launch later this year with a riot filter and updated goggles designed to improve operator performance. Our half mask also received independent certification for both US and European markets in the first half of this year, demonstrating its leading capability and opening wider law enforcement and first responder markets where product certification is required.
- **EXOSKIN suits:** We have been successfully down selected to take part in competitive trials for the DoW NG IPE suits program with several hundred suits ordered by the DoW. We continue to work on building a robust supply chain to support this opportunity and we have had strong customer engagement and feedback around our solutions.
- **Rebreathers:** The French Navy cancelled their rebreather bid process. However, we are working on opportunities with the Royal Australian Navy, the US Navy, UK Royal Navy, and the US Marines. We expect to make progress through FY27 on these.

Team Wendy:

Order book - Team Wendy's order book declined by 30% vs HY25. This reflects strong delivery on our DoW NG IHPS and ACH Gen II programs and improved commercial lead times which reduced the backlog of orders. Commercial orders have also been held back due to delays in government funding although there are signs that this is starting to ease. Order book highlights include:

- Demand for both NG IHPS and ACH Gen II remain solid with order cover into FY27.
- Ongoing demand for helmet pads and liner systems from the US Army and Marine Corps.
- RIFLETECH continues to perform well with strong commercial interest, including with US police forces, e-commerce growth and a robust opportunity pipeline.

Our largest ever pipeline of commercial orders gives us confidence for the second half of 2026. Recent media reports indicate the US Department of Justice is preparing up to $3.5bn of law enforcement grant funding, a year after steep cuts, which could provide further support for US domestic law enforcement demand.

We also have an exciting pipeline of product launches and upgrades:

- **US DoW:** We expect additional DoW orders will start to come through towards the end of this calendar year. Rapidly improving contractual performance across quality, delivery and reliability positions us well for these opportunities and for the follow-on ACH contract. In a competitive environment, this execution capability is a key differentiator and underpins continued investment in scale, cost efficiency and operational resilience.
- **RECON Tactical Bump Helmet launch:** We carefully listened to our customers and see opportunities for this new helmet with the US Navy, the US Coastguard, search and rescue and NATO militaries. This bump helmet is designed to achieve a triple rating against combat, mountaineering and whitewater standards and is by far the most comfortable in the market with these certifications. We expect this helmet to drive growth in 2027 and beyond - we received our first order for RECON on the first day of launch which shows the exciting potential of this product.

- **EXFIL portfolio:** Demand is building with EXFIL deployments to the Australian Defence Force continuing and increasing international interest. We also continue to improve ballistic protection levels across our commercial portfolio and will be launching 'EXFIL Endurance' later this year. This helmet will have our latest cooling pad technology to support extended wear, and our no thru-hole attachment system delivering higher ballistic protection at a lower weight. The result is greater protection, greater flexibility and better comfort. We have already received an order for the EXFIL Endurance from a Middle East military customer and are seeing promising levels of early interest.

4. Revolutionise: Investing for the future with new products and M&A

Revolutionise underpins our ambition to create new growth platforms through breakthrough innovation, new addressable markets and M&A which fits our criteria. In the first half we invested a total of $6.5m in R&D, including capitalised, expensed and customer funded spend (HY25: $6.2m). This represented 4.0% of revenue for the period (HY25: 4.2%).

Avon Protection
We are focused on growing ahead of the market by doing what we do best: protecting and expanding our installed base, executing upgrades at pace, and investing selectively in adjacent opportunities where we see clear demand and strong returns.

CBRN respiratory: CBRN respiratory remains the foundation of Avon Protection. We have a strong, long-standing installed base, supported by reliable delivery and long-life aftermarket revenues.

We are working closely with the US DoW to bring the M50 and M53A1 contracts together, sustaining the future US military capability. We are actively engaged on mid-life updates which deliver material improvements in the overall weight carried by the soldier and enhances their effectiveness in a combat environment. This creates a compelling upgrade opportunity to a more modern M53 like system for what is now an ageing installed M50 base.

Importantly, this positions us well for the next generation respirator, with M50 and M53 expected to remain in service at scale until that comes through. This gives us continuity, volume and strong visibility through the transition period.

We are also progressing several development projects, including next-generation filter development for changing user needs and threats, including the removal of PFAS (a group of man-made chemicals) while reducing the physical load on the soldier.

Non-CBRN respiratory: Growth is being driven by the expansion of MITR into adjacent military and law-enforcement applications.

MITR continues to gain traction as a lightweight, modular platform, enabling customers to tailor protection through accessories and upgrades while benefiting from a common core system. Our focus is on expanding the addressable market for MITR through broader use cases, increased accessory adoption and targeted sales and marketing investment.

Integrated CBRN: We are fast moving beyond individual products and becoming a genuine full CBRN ensemble provider.

The lightweight EXOSKIN suit range is an important step forward, reducing thermal burden, improving mobility and allowing operators to perform for longer in highly demanding combat environments. For the past two-years our suit has been voted by the US user community as their most preferred piece of future CBRN equipment during CBRN experimentation events.

The hood–mask interface (HMI) is another key piece. Being selected as the single source partner on this programme builds credibility in ensemble integration and positions us at the centre of the system. Our HMI solution is today receiving the CWMD (Countering Weapons of Mass Destruction) Innovation Prototype Award by the US DoW.

Underwater respiratory: We continue to build on our leadership position in this market. Avon remains the global leader in deep-sea rebreathers, supported by a strong accessories' portfolio and long-term aftermarket revenues.

We have also developed a prototype combat rebreather, targeting the larger shallow and mid-depth combat rebreather market. This creates a clear opportunity to take share in an adjacent, higher-volume segment, supported by complementary rebreather capabilities.

Team Wendy

Team Wendy is investing for long-term growth by deepening its position in core US Department of War ("DoW") programmes, while expanding into adjacent markets through disciplined execution, technology investment and targeted commercial focus.

NG IHPS and ACH Gen II: US DoW programmes remain central to Team Wendy's growth strategy. NG IHPS sits at the core of the portfolio. The current programme is performing strongly and is expected to transition into the third generation IHPS, which Team Wendy is actively helping to shape. This development work, combined with a steadily improving delivery and quality track record, strengthens an established DoW relationship and extends it well into the next decade.

Looking further ahead, ACH and IHPS, together with future variants, are expected to run well into the 2030s, supported by sustainment, conversion and expansion opportunities.

North America First Responders: In North America First Responders, Team Wendy is gaining share. Investment in the sales force, expanded Headstrong product demonstrations, shorter lead times and portfolio expansion are increasing customer engagement and accelerating adoption.

International markets: Internationally, targeted sales investment, optimised dealer networks and products tailored specifically for European requirements are showing encouraging early signs. A clearer geographic focus and disciplined channel management are improving effectiveness and positioning the business for continued expansion. We are seeing good levels of traction in international markets with European and Middle East military orders expected in 2026.

Technology investment and future capability: Team Wendy continues to invest in long-term growth opportunities, often in close partnership with customers. The DoW is currently assessing the RIFLETECH helmet as part of its research into 3rd generation IHPS requirements, with 100 units ordered for evaluation. In parallel, the business is developing solutions to increase ballistic protection into our military and commercial ranges and to integrate power, data, night vision and hearing protection into the helmet. We are also developing a revolutionary new blast impact pad system, recognising that future requirements are likely to extend further into integrated protection.

M&A FRAMEWORK

M&A is an important part of Avon's strategy to create long-term shareholder value. Our long-term ambition is to compound value by acquiring businesses in our core markets or close adjacencies and improving them through the application of our Strengthen System. We target opportunities that strengthen our existing platforms in respiratory, CBRN, helmets and integrated systems, where we can enhance technology, expand geographically or vertically integrate, and deliver returns above our cost of capital.

We remain disciplined in our approach. We are not in a hurry and recognise that valuations across parts of the defence sector are elevated. We will continue to be selective, focusing on businesses with strong strategic fit, scalable products and clear margin and execution upside. We are prepared to keep capital available until the right opportunity arises.

H2 RISKS & OPPORTUNITIES

Risks:

Supply chain capacity risk is lower than six months ago, but parts of our supply chain are still adjusting to higher production rates; we are working to improve reliability and capacity with these key suppliers.

Freight and input costs: If the current situation in the Middle-East continues then raw materials and freight are likely to increase in cost, which we will seek to mitigate through pricing.

Opportunities:

Upside demand: Earlier than expected pipeline conversion in both businesses could exceed our current forecasts. We are increasing capacity through continuous improvement to ensure we can respond.

Higher operational gearing in Cleveland: Opportunity for further margin expansion as we sustain and improve execution**.**

HY26 SUMMARY – Advancing to growth

In H1 2026 we achieved our targets for growth, margin, return on invested capital and leverage, originally set for 2027, 18 months ahead of plan. Cash conversion was impacted by timing of customer receipts, with $18m received shortly after the half-year end, which would otherwise have resulted in conversion around 100%.

Margin continues to improve, with Team Wendy's returns materially improving in Q2. We have already delivered a significant step-change in performance, while remaining early in the improvement journey. We are on track to deliver an adjusted operating margin towards the upper end of the target range of 14–16% in FY2026.

With stabilisation largely complete, the Group is now advancing firmly towards growth. We look forward to setting out updated medium-term targets at the end of the financial year.

OUTLOOK – Increasingly confident of delivery with exciting opportunities ahead

Momentum is expected to continue as operational improvements further embed and production is increasingly aligned to demand. Our Strengthen System continues to sharpen our competitive advantage, improving performance, freeing up cash and enabling us to reinvest with discipline to support sustainable growth.

Our end markets remain highly attractive. In Avon Protection, rising defence spending across Europe and recent new country wins are creating a strong pipeline into FY27. In Team Wendy, we see continued share gains in the US commercial market, increasing international opportunities and ongoing delivery of programmes for the US DoW. Across the Group, a strengthened sales organisation is supporting deeper customer engagement, portfolio expansion and new programme wins.

We continue to defend and extend our core portfolio while selectively diversifying into adjacent and new markets where we see clear demand and attractive returns. Our large and growing installed base across respirators and helmets supports recurring aftermarket revenue, while a strong order book provides visibility and underpins operational leverage as volumes grow.

We have consistently grown ahead of our core markets since setting out the STAR strategy three years ago and remain confident that this momentum can be sustained. With proven execution, long-term contracts with strong customer relationships, leading technology and a scalable business improvement system that can be applied to acquired businesses, the Group enters the next phase of growth with a strong competitive position and clear pipeline of opportunities.

2026 FINANCIAL GUIDANCE

The outlook for the year remains robust. Our strong order book and pipeline of commercial opportunities are expected to convert to orders in the coming months as procurement activity for the US Department of Homeland Security (DHS) re-opens.

Group margin is expected to be supported by commercial and operational efficiency initiatives, improved operating leverage, footprint optimisation benefits and the ongoing benefits of the Strengthen System. These tailwinds are partly offset by continued headwinds from US healthcare costs and UK national insurance changes.

As such, the Group expects to deliver in FY2026:

- Revenue growth: High single-digit
- Adjusted operating profit margin: Towards the top end of the 14–16% range
- Total transformation operating and capital expenditure: $7m
- Cash conversion: Above 80%

FINANCIAL REVIEW

We have seen very strong financial performance, with adjusted operating profit margin well into our target range 18 months ahead of plan. Revenue has increased by 6.8% on a constant currency basis to $160.8m (HY25: $148.7m), reflecting strong US commercial demand through emergency funding channels and fulfilment of Ukraine related orders in Avon Protection, partially offset by the impact of the US shutdown on Team Wendy. The closing order book of $219.9m was 11% lower on a constant currency basis, reflecting timing of orders for Team Wendy offset by growth in Avon Protection.

Period ended:	**31 March 2026**	31 March 2025	Change	Change (constant currency)[2]
Orders received	**$117.9m**	$170.5m	(30.9%)	(31.6%)
Closing order book	**$219.9m**	$247.0m	(11.0%)	(11.4%)
Revenue	**$160.8m**	$148.7m	8.1%	6.8%
Adjusted[1] operating profit	**$24.4m**	$17.5m	39.4%	39.4%
Adjusted[1] operating profit margin	**15.2%**	11.8%	340bps	340bps
Adjusted[1] net finance costs	**$(2.6)m**	$(2.7)m	(3.7%)	(3.7%)
Adjusted[1] profit before tax	**$21.8m**	$14.8m	47.3%	47.3%
Adjusted[1] taxation	**$(5.2)m**	$(3.3)m		
Adjusted[1] profit after tax	**$16.6m**	$11.5m	44.3%	44.3%
Adjusted[1] basic earnings per share	**56.4c**	38.8c	45.4%	45.4%
Interim dividend per share	**8.1c**	7.6c	6.6%	
Net debt excluding lease liabilities	**$58.0m**	$54.9m	5.6%	
Cash conversion[1]	**38%**	56%		
Return on invested capital[1]	**20.8%**	16.3%		
Statutory results				
Operating profit	**$16.5m**	$6.2m		
Net finance costs	**$(3.0)m**	$(3.1)m		
Profit before tax	**$13.5m**	$3.1m		
Taxation	**$(3.2)m**	$(0.7)m		
Profit for the period	**$10.3m**	$2.4m		
Basic earnings per share	**35.0c**	8.1c		
Net debt	**$74.2m**	$74.7m		

1 The Directors believe that adjusted measures provide a useful comparison of business trends and performance. Adjusted results exclude adjusting items and discontinued operations. The term adjusted is not defined under IFRS and may not be comparable with similarly titled measures used by other companies.

2 Constant currency measures are provided in the Adjusted Performance Measures section.

Order intake for the Group was $117.9m (HY25: $170.5m). Team Wendy order intake of $30.1m was down 59%, largely due to the prior period including US DoW NG IHPS orders of $35.6m. We expect further DoW delivery orders before the end of the calendar year. Team Wendy orders were also impacted by delays to Department of Homeland Security (DHS) funding due to the government shutdown. Avon Protection order intake remained resilient at $87.8m (HY25: $97.2m), including a $12.7m filter order from a Middle Eastern customer and two new NATO countries joining NSPA supplier agreements.

The closing order book of $219.9m reflects a decline of 11.0% (11.4% constant currency) compared to HY25. Team Wendy closed the half with $108.0m in the order book, a decrease of 29.5%, which includes $58m of orders for NG IHPS and $40m for ACH Gen II. The Avon Protection closing order book of $111.9m is an increase of 19.4% and includes the previously mentioned Middle East filter order for delivery in the second half of the year.

Revenue for the Group totalled $160.8m, an increase of 8.1% (6.8% constant currency) compared to the prior period of $148.7m, reflecting growth in Avon Protection partially offset by a decline for Team Wendy.

Team Wendy revenue totalled $67.9m, a decline of 7.2% compared to the first half of 2025. This was driven by DoW revenues which declined by 10.3% to $44.6m (HY25: $49.7m), reflecting lower DoW demand for EXFIL LTP bump helmets, pads and other accessories compared to the prior period. These factors were partially offset by further ACH Gen II helmet ramp up, with revenues $7.2m higher than HY25. Commercial Americas revenue was down 6.0% half on half reflecting the impact of the DHS shutdown. UK & International revenue of $7.5m was up 11.9% on the previous period.

Avon Protection delivered revenue of $92.9m in the first half, an increase of 23.0% compared to HY25 revenue of $75.5m. We saw a 25.5% increase for the UK & International market to $52.1m, primarily reflecting fulfilment of Ukraine related orders. Commercial Americas revenue was up 89.6% to $27.3m, driven by strong demand for masks and accessories, and the fulfilment of our Canadian rebreather order. US DoW sales fell to $13.5m (HY25: $19.6m), however we are expecting a stronger second half based on scheduled deliveries and commencing delivery of the newly won DoW filter order.

Adjusted operating profit of $24.4m (HY25: $17.5m) increased by 39.4%, resulting in an adjusted operating profit margin of 15.2% (HY25: 11.8%), up an impressive 340bps well into our target range. This was mainly the result of gearing effects from increased revenue and disciplined commercial execution in Avon Protection. Team Wendy also contributed increased operating profit demonstrating the benefits of site optimisation despite a headwind from lower sales.

Statutory operating profit of $16.5m (HY25: $6.2m) reflected adjusting items in the period which are summarised below.

The Adjusted Performance Measures section contains a full breakdown and explanation of adjustments.

	HY26 $m	HY25 $m
Statutory operating profit	**16.5**	6.2
Amortisation of acquired intangibles	**2.8**	2.9
Transformational costs	**5.1**	8.4
Adjusted operating profit	**24.4**	17.5

After adjusted net finance costs of $2.6m (HY25: $2.7m) and an adjusted tax charge of $5.2m (HY25: $3.3m), the Group recorded an adjusted profit for the period after tax of $16.6m (HY25: $11.5m). Adjusted basic earnings per share grew by 45.4% to 56.4 cents (HY25: 38.8 cents).

Return on invested capital, calculated on a rolling 12-month basis, was 20.8% (HY25: 16.3%), reflecting the increase in operating profit.

Statutory net finance costs of $3.0m (HY25: $3.1m) include $0.4m (HY25: $0.4m) net interest expense on the UK defined benefit pension scheme liability.

Statutory profit before tax was $13.5m (HY25: $3.1m) and, after a tax charge of $3.2m (HY25: $0.7m), the profit for the period was $10.3m (HY25: $2.4m).

Transformation costs

	HY26 $m	HY25 $m
Footprint optimisation and operational excellence [1]	**3.6**	8.4

Functional excellence	**1.5**	-
Total transformation costs	**5.1**	8.4

[1] Including $0.7m for acceleration of amortisation related to legacy ERP systems (HY25: $1.3m), and, for the prior period $1.1m acceleration of deprecation for assets held in Irvine that will no longer be used.

Footprint optimisation and operational excellence spend in H1 related to Team Wendy. This included successful completion of the project to remove SAP delivering annualised savings of over $1m per year, transformation in Cleveland enabling the further ramp up of DoW contract volumes and some final legacy charges specifically related to historical Irvine operations. Functional excellence activity related to optimisation of IT, with the project to transform this function and deliver cost effective business-facing support progressing very well. There was no transformational capital expenditure in the first half.

Full year transformational investment is expected to be line with the $7m guidance set out with the FY25 results, which included $6m operating expense and $1m capital expenditure. A higher weighting to operating expense is now anticipated reflecting spend in H1.

Segmental performance

	HY26			HY25		
$m	**Avon Protection**	**Team Wendy**	**Total**	Avon Protection	Team Wendy	Total
Orders received	**87.8**	**30.1**	**117.9**	97.2	73.3	170.5
Closing order book	**111.9**	**108.0**	**219.9**	93.7	153.3	247.0
Revenue	**92.9**	**67.9**	**160.8**	75.5	73.2	148.7
Adjusted operating profit	**20.7**	**3.7**	**24.4**	14.3	3.2	17.5
Adjusted operating profit margin	**22.3%**	**5.4%**	**15.2%**	18.9%	4.4%	11.8%

Avon Protection delivered outstanding operating profit margin, up 340 bps to 22.3% compared to HY25. Margin benefited from the operational gearing effect of the increase in revenue, a particularly favourable mix towards our higher specification products, commercial optimisation and disciplined cost management.

Team Wendy operating margin was 5.4%, an increase of 100bps compared to HY25, demonstrating the benefits of site optimisation, despite lower overall revenue and a greater share of ACH Gen II volumes which have comparatively low profitability against the remainder of our product portfolio.

Research and development expenditure

Total investment in research and development (capitalised, expensed and customer funded) was $6.5m (HY25: $6.2m), in line with the prior period as a percentage of revenue.

	HY26 $m	HY25 $m
Total expenditure	**6.5**	6.2
Less customer funded	**(0.7)**	(0.7)
Group expenditure	**5.8**	5.5
Capitalised	**(0.8)**	(0.7)
Income statement impact	**5.0**	4.8

Amortisation of development expenditure	**1.5**	1.7
Total income statement impact	**6.5**	6.5
Revenue	**160.8**	148.7
Total R&D expenditure as a % of revenue	**4.0%**	4.2%

Avon Protection expenditure has primarily focused on completing the development of the MITR goggle, whilst Team Wendy expenditure related to RECON helmet development.

Net debt and cash flow

	HY26 $m	HY25 $m
Adjusted EBITDA	**29.3**	23.4
Share-based payments and defined benefit pension scheme costs	**3.0**	3.3
Working capital	**(21.1)**	(13.7)
Cash flows from operations before adjusting items	**11.2**	13.0
Transformational costs paid	**(3.2)**	(6.5)
Cash flow from operations	**8.0**	6.5
Payments to pension plan	**(3.3)**	(3.0)
Net finance costs	**(2.5)**	(2.3)
Net repayment of leases	**(1.3)**	(1.7)
Tax paid	**(0.2)**	-
Capital expenditure	**(3.7)**	(3.4)
Purchase of own shares – Long Term Incentive Plan	**-**	(2.5)
Dividends to shareholders	**(4.9)**	(4.9)
Foreign exchange on cash	**-**	(0.1)
Change in net debt	**(7.9)**	(11.4)
Opening net debt, excluding lease liabilities	**(50.1)**	(43.5)
Closing net debt, excluding lease liabilities	**(58.0)**	(54.9)

Cash flows from operations before adjusting items were $11.2m (HY25: $13.0m), including working capital outflows of $21.1m (HY25: outflows of $13.7m). The outflow this period was driven principally by sales phasing and timing of payments. $18m was received from the DoW in the first week of April.

Net debt was $74.2m (HY25: net debt $74.7m), which includes lease liabilities of $16.2m (HY25: $19.8m). Excluding lease liabilities, net debt was $58.0m (HY25: net debt $54.9m).

Defined benefit pension scheme

The Group operated a contributory defined benefits plan to provide pension and death benefits for the employees of Avon Technologies plc and its Group undertakings in the UK employed prior to 31 January 2003. The plan was closed to future accrual of benefit on 1 October 2009 and has a weighted average maturity of approximately eleven years. The net pension liability for the scheme amounted to $5.7m as at 31 March 2026 (FY25: $13.8m). The decrease was mainly due to deficit contributions of $3.3m, and a $5.7m favourable actuarial gain which includes the impact of higher bond yields.

The next triennial valuation at 31 March 2025 is underway, with the outcome of the process expected in June 2026. This will include agreement of updated deficit recovery plan payments which will be communicated with our full results.

Foreign exchange risk management

The Group is exposed to translational foreign exchange risk arising when the results of sterling denominated companies are consolidated into the Group presentational currency, US dollars. Group policy is not to hedge translational foreign exchange risk. Due to the translational effect, a 1 cent increase in the value of the US dollar against sterling decreases annual revenue by approximately $0.3m and increases annual operating profit by approximately $0.3m.

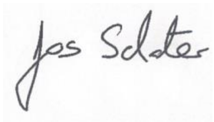
Financing and interest rate risk management

The Group has a $137m revolving credit facility (RCF), together with a $50m accordion. The RCF is held with a syndicate of four lenders and is available until May 2029, having recently been extended by one-year.

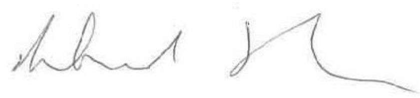
RCF borrowings are floating rate priced using the US Secured Overnight Financing Rate (SOFR). The Group hedges interest rate exposure using swaps to fix a portion of SOFR floating rate interest. The notional value of active interest rate swaps at 31 March 2026 was $20.0m (FY25: $20.0m).

Dividends

The Board has proposed an interim dividend of 8.1 cents per share (HY25: 7.6 cents). This interim dividend will be paid on 4 September 2026 to shareholders on the register at 7 August 2026. The interim dividend will be converted into pounds sterling for payment at the prevailing exchange rate which will be announced prior to payment.



Jos Sclater
Chief Executive Officer
13 May 2026



Rich Cashin
Chief Financial Officer
13 May 2026

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE HALF-YEARLY FINANCIAL REPORT

The Directors confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK;
- the interim management report includes a true and fair review of the information required by:

DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

Zoe Holland
Company Secretary
13 May 2026

FORWARD-LOOKING STATEMENTS

Certain statements in this half year report are forward-looking. Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that these expectations will prove to have been correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements.

We undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

COMPANY WEBSITE

The half year report is available on the Company's website at **www.avon-technologiesplc.com**. The maintenance and integrity of the website is the responsibility of the Directors. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT REVIEW REPORT TO AVON TECHNOLOGIES PLC

Conclusion

We have been engaged by Avon Technologies plc ("the Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2026 which comprises Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Consolidated Cash Flow Statement, Consolidated Statement of Changes in Equity and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2026 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* ("ISRE (UK) 2410") issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards.

The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

In preparing the condensed set of financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

Huw Brown

for and on behalf of KPMG LLP

Chartered Accountants

66 Queen Square

Bristol

BS1 4BE

13 May 2026

Consolidated Statement of Comprehensive Income for the 6 months ended 31 March 2026

		6 months ended 31 March 2026			6 months ended 31 March 2025		
		Adjusted	Adjustments	Total	Adjusted	Adjustments	Total
		$m	$m	$m	$m	$m	$m
	Note		(Note 2.1)			(Note 2.1)	
Revenue	2.2	**160.8**	**-**	**160.8**	148.7	-	148.7
Cost of sales		**(93.3)**	**-**	**(93.3)**	(89.9)	(1.0)	(90.9)
Gross profit		**67.5**	**-**	**67.5**	58.8	(1.0)	57.8
Sales and marketing expenses		**(10.6)**	**-**	**(10.6)**	(9.1)	-	(9.1)
Research and development costs		**(6.3)**	**(0.2)**	**(6.5)**	(4.8)	(1.7)	(6.5)
General and administrative expenses		**(26.2)**	**(7.7)**	**(33.9)**	(27.4)	(8.6)	(36.0)
Operating profit		**24.4**	**(7.9)**	**16.5**	17.5	(11.3)	6.2
Net finance costs	4.3	**(2.6)**	**(0.4)**	**(3.0)**	(2.7)	(0.4)	(3.1)
Profit before taxation		**21.8**	**(8.3)**	**13.5**	14.8	(11.7)	3.1
Taxation	2.4	**(5.2)**	**2.0**	**(3.2)**	(3.3)	2.6	(0.7)
Profit for the period		**16.6**	**(6.3)**	**10.3**	11.5	(9.1)	2.4

Consolidated Statement of Comprehensive Income for the 6 months ended 31 March 2026 (Continued)

	Note	**6 months ended 31 March 2026 $m**	6 months ended 31 March 2025 $m
Profit for the period		**10.3**	2.4
Other comprehensive income/(expense)			
Items that are not subsequently reclassified to the income statement			
Remeasurement gain recognised on retirement benefit scheme	5.2	**5.7**	5.7
Deferred tax relating to retirement benefit scheme		**(1.9)**	(2.0)
Items that may be subsequently reclassified to the income statement			
Net exchange differences offset in reserves		**(0.8)**	0.7
Other comprehensive income for the period		**3.0**	4.4
Total comprehensive income for the period		**13.3**	6.8
Earnings per share (cents)			
Basic		**35.0c**	8.1c
Diluted		**33.6c**	7.7c

Consolidated Balance Sheet

	Note	**As at 31 March 2026 $m**	As at 30 Sept 2025 $m
Assets			
Non-current assets			
Intangible assets	3.1	**110.9**	115.4
Property, plant and equipment	3.2	**43.1**	42.3
Finance leases	3.3	**4.0**	4.5
Deferred tax assets		**26.2**	31.4
		184.2	193.6
Current assets			
Inventories		**59.1**	55.5
Trade and other receivables		**56.4**	51.9
Current tax receivables		**0.4**	0.4
Cash and cash equivalents		**11.5**	13.4
		127.4	121.2
Liabilities			
Current liabilities			
Borrowings	4.1	**2.7**	2.8
Trade and other payables		**31.3**	41.7
Provisions for liabilities and charges	5.1	**4.8**	6.3
		38.8	50.8
Net current assets		**88.6**	70.4
Non-current liabilities			
Borrowings	4.1	**83.0**	78.6
Retirement benefit obligations	5.2	**5.7**	13.8
Provisions for liabilities and charges	5.1	**6.7**	4.9
		95.4	97.3
Net assets		**177.4**	166.7
Shareholders' equity			
Ordinary shares	4.4	**50.3**	50.3
Share premium account	4.4	**54.3**	54.3
Other reserves		**(16.0)**	(15.2)
Retained earnings		**88.8**	77.3
Total equity		**177.4**	166.7

Consolidated Cash Flow Statement

	Note	**6 months ended 31 March 2026 $m**	6 months ended 31 March 2025 $m
Cash flow from operating activities			
Cash flow from operations	5.3	**8.0**	6.5
Retirement benefit deficit recovery contributions	5.2	**(3.3)**	(3.0)
Tax payments		**(0.2)**	-
Net cash flow from operating activities		**4.5**	3.5
Cash flow used in investing activities			
Purchase of property, plant and equipment[1]	3.2	**(2.9)**	(2.8)
Capitalised development costs and computer software	3.1	**(0.8)**	(0.7)
Bank interest income	4.3	**0.1**	0.1
Finance lease interest		**0.1**	0.3
Finance lease capital receipts		**0.5**	0.5
Net cash used in investing activities		**(3.0)**	(2.6)
Cash flow used in financing activities			
Proceeds from loan drawdowns	4.2	**15.0**	17.5
Loan repayments	4.2	**(9.0)**	(10.5)
Finance costs paid in respect of bank loans and overdrafts	4.3	**(2.2)**	(2.1)
Finance costs paid in respect of leases	4.3	**(0.5)**	(0.5)
Repayment of lease liability		**(1.8)**	(2.2)
Purchase of own shares – Long-Term Incentive Plan		**-**	(2.5)
Dividends paid to shareholders	4.5	**(4.9)**	(4.9)
Net cash used in financing activities		**(3.4)**	(5.2)
Net decrease in cash and cash equivalents		**(1.9)**	(4.3)
Cash and cash equivalents at beginning of the period		**13.4**	14.0
Effects of exchange rate changes		**-**	(0.1)
Cash and cash equivalents at end of the period		**11.5**	9.6

[1] Purchases of property, plant and equipment for HY26 have been presented net of $1.0m cash received for grant funding.

Consolidated Statement of Changes in Equity

	Note	Share capital $m	Share premium $m	Other reserves $m	Retained earnings $m	Total equity $m
At 30 September 2024		**50.3**	**54.3**	**(15.7)**	**77.6**	**166.5**
Profit for the period		-	-	-	2.4	2.4
Net exchange differences offset in reserves		-	-	0.7	-	0.7
Actuarial gain on retirement benefit scheme		-	-	-	5.7	5.7
Deferred tax on retirement benefit scheme		-	-	-	(2.0)	(2.0)
Total comprehensive income for the period		-	-	0.7	6.1	6.8
Dividends paid	4.5	-	-	-	(4.9)	(4.9)
Own share acquired		-	-		(2.5)	(2.5)
Fair value of share-based payments		-	-	-	2.5	2.5
At 31 March 2025		**50.3**	**54.3**	**(15.0)**	**78.8**	**168.4**
Profit for the period		-	-	-	7.9	7.9
Net exchange differences offset in reserves		-	-	(0.2)	-	(0.2)
Actuarial loss on retirement benefit scheme		-	-	-	(6.6)	(6.6)
Deferred tax on other temporary differences		-	-	-	0.3	0.3
Deferred tax on retirement benefit scheme		-	-	-	2.2	2.2
Total comprehensive income for the period		-	-	(0.2)	3.8	3.6
Dividends paid	4.5	-	-	-	(2.3)	(2.3)
Own share acquired		-	-	-	(6.6)	(6.6)
Fair value of share-based payments		-	-	-	1.6	1.6
Deferred tax on employee share schemes		-	-	-	2.0	2.0
At 30 September 2025		**50.3**	**54.3**	**(15.2)**	**77.3**	**166.7**
Profit for the period		-	-	-	10.3	10.3
Net exchange differences offset in reserves		-	-	(0.8)	-	(0.8)
Actuarial gain on retirement benefit scheme		-	-	-	5.7	5.7
Deferred tax on retirement benefit scheme		-	-	-	(1.9)	(1.9)
Total comprehensive income for the period		-	-	(0.8)	14.1	13.3
Dividends paid	4.5	-	-	-	(4.9)	(4.9)
Fair value of share-based payments		-	-	-	2.3	2.3
At 31 March 2026		**50.3**	**54.3**	**(16.0)**	**88.8**	**177.4**

Other reserves consist of the capital redemption reserve of $0.6m (31 March 2025: $0.6m, 30 September 2025: $0.6m) and the translation reserve of ($16.6m) (31 March 2025: ($15.6m), 30 September 2025 ($15.8m)).

NOTES TO THE FINANCIAL STATEMENTS

Section 1: General Information and Basis of Preparation

The Company is a public limited Company incorporated in England and Wales and domiciled in England with its ordinary shares being traded on the London Stock Exchange. The address of its registered office is Hampton Park West, Semington Road, Melksham, Wiltshire, SN12 6NB.

This unaudited condensed consolidated interim financial information was approved for issue on 13 May 2026.

The interim financial period presents the 6 months ended 31 March 2026 (prior interim financial period 6 months ended 31 March 2025, prior annual financial year ended 30 September 2025).

The financial information set out in this document does not constitute the Group's statutory accounts for the period or the full year. Statutory accounts for the previous financial year were approved by the Board of Directors on 11 November 2025 and delivered to the Registrar of Companies.

The report of the auditors on those accounts was unqualified, and did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report.

This condensed consolidated interim financial information for the 6 months ended 31 March 2026 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and with IAS 34, 'Interim financial reporting' as adopted by the United Kingdom. These interim financial results should be read in conjunction with the annual financial statements for the year ended 30 September 2025, which have been prepared in accordance with UK-adopted international accounting standards.

The financial information presented in this Interim Report has been prepared in accordance with the accounting policies expected to be used in preparing the 2026 Annual Report and Accounts which do not differ significantly from those used in the preparation of the 2025 Annual Report and Accounts.

The Directors have prepared a going concern assessment covering the 12 month period from the date of approval of these interim financial statements. The assessment indicates that the Group will have sufficient funds to meet its liabilities as they fall due for that period.

The Group has committed RCF facilities of $137m to May 2029. Related loan covenants include a limit of 3.0 times for the ratio of net debt, excluding lease liabilities, to bank-determined adjusted EBITDA (leverage). As part of the going concern assessment, the Directors considered sensitivity of financial covenants and liquidity headroom to a reverse stress test to determine the deterioration against the base case forecast required to challenge covenant levels. This demonstrated significant headroom, with the downside movement required not considered plausible given the secured order book and mitigating actions available to reduce future cash outflows or expenses within managements control.

On this basis, the Directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the approval of these interim financial statements. Accordingly, the Group continues to adopt the going concern basis in preparing its interim financial statements.

Section 2: Results for the Period

2.1 Adjusted performance measures

The Directors assess the operating performance of the Group based on adjusted measures of operating profit, net finance costs, taxation and earnings per share, as well as other measures not defined under IFRS including orders received, closing order book, operating profit margin, return on invested capital, cash conversion, net debt excluding lease liabilities, average working capital turns, average inventory turns and constant currency equivalents for relevant metrics. These measures are collectively described as Adjusted Performance Measures (APMs).

The Directors believe that the APMs provide a useful comparison of business trends and performance. The APMs exclude adjusting items considered unrelated to the underlying trading performance of the Group. The term adjusted is not defined under IFRS and may not be comparable with similarly titled measures used by other companies.

Adjustments to operating profit

	6 months ended 31 March 2026 $m	6 months ended 31 March 2025 $m
Operating profit	**16.5**	6.2
Amortisation of acquired intangibles	**2.8**	2.9
Transformational costs	**4.4**	6.0
Acceleration of Irvine depreciation - transformational	**-**	1.1
Acceleration of software amortisation - transformational	**0.7**	1.3
Adjusted operating profit	**24.4**	17.5
Depreciation	**3.1**	3.8
Other amortisation charges	**1.8**	2.1
Adjusted EBITDA	**29.3**	23.4

Amortisation charges for acquired intangible assets of $2.8m (HY25: $2.9m) are excluded from adjusted measures as they do not change each period based on underlying business trading and performance.

Transformational costs excluding depreciation and amortisation were $4.4m (HY25: $6.0m). These included $2.9m related to footprint optimisation and operational excellence, and $1.5m related to functional excellence.

Transformational accelerated depreciation and amortisation charges were $0.7m (HY25: $2.4m). These include $0.7m related to removal of the Group's legacy SAP ERP system (HY25: $1.3m), and, in the prior period $1.1m for assets held in Irvine that will not be used following operational closure.

Transformational costs are considered an adjusting item as they related to specific activities which do not form part of the underlying business trading and performance.

Adjustments to finance costs	6 months ended 31 March 2026 $m	6 months ended 31 March 2025 $m
Net finance costs	**(3.0)**	(3.1)
U.K. defined benefit pension scheme net interest expense	**0.4**	0.4
Adjusted net finance costs	**(2.6)**	(2.7)

$0.4m (HY25: $0.4m) net interest expense on the U.K. defined benefit pension scheme liability is treated as an adjusting item given the scheme relates to employees employed prior to 31 January 2003 and was closed to future accrual of benefits on 1 October 2009 (note 5.2).

Adjustments to taxation

Adjustments to taxation represent the tax effects of the adjustments to operating profit and finance costs. Adjusting items do not have significantly different tax rates, with the overall effective rate of 24% (HY25: 22%) approximating statutory rates applicable in the U.S. and U.K.

Constant currency reporting

Constant currency measures remove the impact of changes in exchange rates. Constant currency measures are calculated by translating the prior period at current period exchange rates.

	6 months ended 31 March 2025 constant currency $m	6 months ended 31 March 2025 reported $m
Orders received	172.3	170.5
Closing order book	248.3	247.0
Revenue	150.6	148.7
Adjusted operating profit	24.4	24.4
Adjusted profit before tax	21.8	21.8
Adjusted basic earnings per share (cents)	38.8c	38.8c

Average inventory turns	31 March 2026 $m	31 March 2025 $m
12-month average month end inventory	**62.8**	60.1
Last 12 months adjusted cost of sales	**187.5**	177.3
Group average inventory turns	**3.0**	3.0

Average inventory turns measure how many times inventory was turned over in the period by dividing adjusted cost of sales over the last 12 months, by the 12-month average month end inventory value.

Average productivity	6 months ended 31 March 2026	6 months ended 31 March 2025

Average direct headcount	**591**	549
Last 12 months revenue	**$326.0m**	$296.6m
Group productivity	**$552k**	$540k

Productivity measures how much revenue was generated per direct employee by dividing the revenue over the last 12 months, by the 12-month average month end number of direct heads.

Scrap (% of revenue)	**6 months ended 31 March 2026 $m**	6 months ended 31 March 2025 $m
Last 6 months scrap	**2.4**	2.0
Last 6 months revenue	**160.8**	148.7
Group scrap (% of revenue)	**1.5%**	1.4%

Scrap (% of revenue) is calculated by dividing the total value of scrap produced in the period, by the revenue generated in the period.

Return on invested capital (ROIC)

	6 months ended 31 March 2026 $m	6 months ended 31 March 2025 $m
Net assets	**177.4**	168.4
Net debt excluding lease liabilities	**58.0**	54.9
Lease liabilities	**16.2**	19.8
Retirement benefit obligations	**5.7**	8.5
Derivatives	**-**	(0.1)
Net tax	**(26.6)**	(28.5)
Total invested capital	**230.7**	223.0
Average invested capital	**226.9**	227.9
Adjusted operating profit (preceding 12 months)	**47.2**	37.2
ROIC	**20.8%**	16.3%

Cash conversion

Cash conversion excludes the impact of adjusting items from operating cash flow and EBITDA.

	6 months ended 31 March 2026 $m	6 months ended 31 March 2025 $m
Cash flow from operations before adjusting items (Note 5.3)	**11.2**	13.0
Adjusted EBITDA	**29.3**	23.4
Cash conversion	**38%**	56%

2.2 Operating segments

The Group Executive team is responsible for allocating resources and assessing performance of its operating segments. Operating segments are therefore reported in a manner consistent with the internal reporting provided to the Group Executive team.

The Group has two different operating and reportable segments: Avon Protection and Team Wendy.

6 months ended 31 March 2026	**Avon Protection $m**	**Team Wendy $m**	**Adjusted Total $m**	**Adjustments (Note 2.1) $m**	**Total $m**
Revenue	**92.9**	**67.9**	**160.8**	**-**	**160.8**
Adjusted operating profit/(loss)	**20.7**	**3.7**	**24.4**	**(7.9)**	**16.5**
Net finance costs			**(2.6)**	**(0.4)**	**(3.0)**
Profit/(loss) before taxation			**21.8**	**(8.3)**	**13.5**
Taxation			**(5.2)**	**2.0**	**(3.2)**
Profit/(loss) for the period			**16.6**	**(6.3)**	**10.3**
Basic earnings per share (cents)			**56.4c**	**(21.4c)**	**35.0c**
Diluted earnings per share (cents)			**54.1c**	**(20.5c)**	**33.6c**

6 months ended 31 March 2025	Avon Protection $m	Team Wendy $m	Adjusted Total $m	Adjustments (Note 2.1) $m	Total $m
Revenue	75.5	73.2	148.7	-	148.7
Adjusted operating profit/(loss)	14.3	3.2	17.5	(11.3)	6.2
Net finance costs			(2.7)	(0.4)	(3.1)
Profit/(loss) before taxation			14.8	(11.7)	3.1
Taxation			(3.3)	2.6	(0.7)
Profit/(loss) for the period			11.5	(9.1)	2.4
Basic earnings per share (cents)			38.8c	(30.7c)	8.1c
Diluted earnings per share (cents)			37.2c	(29.5c)	7.7c

Revenue analysed by line of business

	6 months ended 31 March 2026			6 months ended 31 March 2025		
	Avon Protection $m	**Team Wendy $m**	**Total $m**	Avon Protection $m	Team Wendy $m	Total $m
U.S. DoW	**13.5**	**44.6**	**58.1**	19.6	49.7	69.3
Commercial Americas	**27.3**	**15.8**	**43.1**	14.4	16.8	31.2
U.K. & International	**52.1**	**7.5**	**59.6**	41.5	6.7	48.2
Total	**92.9**	**67.9**	**160.8**	75.5	73.2	148.7

Revenue analysed by geographic region by origin

	6 months ended 31 March 2026 $m	6 months ended 31 March 2025 $m
U.K.	**43.1**	25.6
U.S.	**117.7**	123.1
Total	**160.8**	148.7

2.3 Earnings Per Share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period, excluding those held as treasury shares (note 4.4). The company has dilutive potential ordinary shares in respect of the Performance Share Plan. Reconciliations of the earnings and weighted average number of shares used in calculations of earnings per share are set out below:

Weighted average number of shares

	6 months ended 31 March 2026	6 months ended 31 March 2025
Weighted average number of ordinary shares in issue used in basic calculations (thousands)	**29,394**	29,638
Potentially dilutive shares (weighted average) (thousands)	**1,295**	1,259
Fully diluted number of ordinary shares (weighted average) (thousands)	**30,689**	30,897

2.4 Taxation

Tax charged within the 6 months ended 31 March 2026 has been calculated using a 24% estimated annual effective rate of tax which is expected to apply to the Group for the financial year (HY25: 22%). The estimated effective rate of tax was calculated by aggregating separate estimates for UK and US tax jurisdictions.

Section 3: Non-current assets

3.1 Intangible assets

Net book amounts	Goodwill $m	Acquired intangibles $m	Development expenditure $m	Computer software $m	Total $m
At 30 September 2025	65.4	33.9	14.1	2.0	115.4
Additions	-	-	0.8	-	0.8
Amortisation	-	(2.8)	(1.5)	(1.0)	(5.3)
At 31 March 2026	**65.4**	**31.1**	**13.4**	**1.0**	**110.9**

Assessments of potential impairment indicators for the Avon Protection and Team Wendy CGUs that include associated goodwill, acquired intangible assets and property, plant and equipment, and attributable working capital were conducted at the interim reporting date. No indicators were noted.

Development assets are grouped into the smallest identifiable group of assets generating future cash flows largely independent from other assets, known as cash-generating units (CGU). Included in CGUs are development expenditure, tangible assets and inventory related to the product group. CGUs are tested for impairment annually and whenever there is an indication of impairment. At the interim reporting date an assessment of development asset CGUs was performed with no impairments noted.

3.2 Property, plant and equipment

Net book amounts	Freeholds $m	Right of use assets $m	Plant and machinery $m	Leasehold improvements $m	Total $m
At 30 September 2025	1.3	8.1	28.9	4.0	42.3
Additions	0.1	-	2.6	1.2	3.9
Depreciation	-	(1.0)	(1.9)	(0.2)	(3.1)
At 31 March 2026	**1.4**	**7.1**	**29.6**	**5.0**	**43.1**

3.3 Finance leases

	Finance leases $m
At 30 September 2025	**4.5**
Interest Income	0.1
Payments received	(0.6)
At 31 March 2026	**4.0**

The Group sub-leases legacy commercial premises where they are no longer required for operations, resulting in lease assets being held on the balance sheet. Payments received include $0.1m interest and $0.5m capital receipts.

Section 4: Funding

4.1 Borrowings

	As at 31 March 2026 $m	As at 30 Sept 2025 $m
Current		
Lease liabilities	**2.7**	2.8
Non-Current		
Bank Loans	**69.5**	63.5
Lease liabilities	**13.5**	15.1
	83.0	78.6
Total Group borrowings	**85.7**	81.4

The Group had the following committed facilities at the balance sheet date:

	As at 31 March 2026 $m	As at 30 Sept 2025 $m
Overdraft facility	**3.0**	3.0
Total undrawn committed borrowing facilities	**67.5**	73.5
Bank loans and overdrafts utilised	**69.5**	63.5
Total Group committed facilities	**140.0**	140.0

In May 2024 the Group signed a $137m revolving credit facility (RCF), together with a $50m accordion. The RCF is held with a syndicate of four lenders and is available until May 2029, having recently been extended by one-year (previously until May 2028).

The RCF is subject to financial covenants measured on a bi-annual basis. These include a limit of 3.0 times for the ratio of net debt, excluding lease liabilities, to bank-defined adjusted EBITDA (leverage). The Group was in compliance with all financial covenants during the current and prior period.

The Group has provided the lenders with a negative pledge in respect of certain shares in Group companies.

4.2 Analysis of net debt

	As at 30 Sept 2025 $m	Cash flow $m	Non-cash movements $m	Exchange movements $m	**As at 31 March 2026 $m**
Cash at bank and in hand	13.4	(1.9)	-	-	**11.5**
Bank loans	(63.5)	(6.0)	-	-	**(69.5)**
Net debt excluding lease liabilities	(50.1)	(7.9)	-	-	**(58.0)**
Lease liabilities	(17.9)	2.3	(0.5)	(0.1)	**(16.2)**
Net debt	(68.0)	(5.6)	(0.5)	(0.1)	**(74.2)**

Cash flow relating to bank loans consisted of $15.0m proceeds from drawdowns, less $9.0m repayments.

4.3 Net finance costs

	6 months ended 31 March 2026 $m	6 months ended 31 March 2025 $m
Interest payable on bank loans and overdrafts	**(2.1)**	(2.3)
Interest payable in respect of leases	**(0.5)**	(0.5)
Amortisation of finance fees	**(0.2)**	(0.3)
U.K. defined benefit pension scheme net interest expense	**(0.4)**	(0.4)
Bank interest income	**0.1**	0.1
Finance lease interest	**0.1**	0.3
Net finance costs	**(3.0)**	(3.1)

4.4 Equity

Share Capital

	No. of shares as at 31 March 2026	**Ordinary shares as at 31 March 2026 $m**	**Share premium as at 31 March 2026 $m**	No. of shares as at 30 Sept 2025	Ordinary shares as at 30 Sept 2025 $m	Share premium as at 30 Sept 2025 $m
Called up, allotted and fully paid ordinary shares of £1 each						
At the beginning of the period	31,023,292	50.3	54.3	31,023,292	50.3	54.3
At the end of the period	31,023,292	50.3	54.3	31,023,292	50.3	54.3

Ordinary shareholders are entitled to receive dividends and to vote at meetings of the Company.

Own shares held – Share Buyback Programme

	6 months ended 31 March 2026 No. of shares	Year ended 30 Sept 2025 No. of shares
Opening balance	765,098	765,098
Acquired in the period	-	-
Closing balance	765,098	765,098

In 2022 the Group completed a £9.25m ($12.4m) Share Buyback Programme, purchasing 765,098 ordinary shares. Dividends on these shares have been waived. Purchased shares under the programme are held at cost as treasury shares and deducted from shareholders' equity.

Own shares held – Long-Term Incentive Plan

	6 months ended 31 March 2026 No. of shares	Year ended 30 Sept 2025 No. of shares
Opening balance	**944,810**	555,205
Acquired in the period	-	494,650
Disposed on exercise of options	**(138,265)**	(105,045)
Closing balance	**806,545**	944,810

These shares are held in trust in respect of awards made under the Avon Protection Long-Term Incentive Plan (LTIP). Dividends on the shares have been waived. The market value of shares held in trust at 31 March 2026 was $17.7m (30 September 2025: $27.0m). The shares are held at cost as treasury shares and deducted from shareholders' equity.

In the prior year the trust acquired 494,650 shares at a cost of $9.1m. 142,403 of these shares were acquired in H1 2025 at a cost of $2.5m.

4.5 Dividends

On 30 January 2026, the shareholders approved a final dividend of 17.0c per qualifying ordinary share in respect of the year ended 30 September 2025. This was paid on 6 March 2026 utilising $4.9m of shareholders' funds.

The Board of Directors has declared an interim dividend of 8.1c (2025: 7.6c) per qualifying ordinary share in respect of the year ending 30 September 2026. This interim dividend will be paid on 4 September 2026 to shareholders on the register at 7 August 2026 with an ex-dividend date of 6 August 2026.

In accordance with accounting standards, this dividend has not been provided for. It will be recognised in shareholders' funds in H2 FY26 and is expected to utilise $2.3m of shareholders' funds.

Section 5: Other

5.1 Provisions for liabilities and charges

	Warranty	Legal	Property	Employee incentives	Offset	Restructuring and other	Total
	$m	**$m**	**$m**	**$m**	**$m**	**$m**	**$m**
At 30 September 2025	3.2	0.8	5.6	-	1.0	0.6	11.2
Created/(released)	(0.2)	(0.1)	0.1	-	-	1.3	1.1
Payments in the period	(0.4)	-	(1.4)	-	-	(0.5)	(2.3)
Transfer from accruals	-	-	-	1.5	-	-	1.5
At 31 March 2026	**2.6**	**0.7**	**4.3**	**1.5**	**1.0**	**1.4**	**11.5**

	As at 31 March 2026	As at 30 Sept 2025
Analysis of total provisions	**$m**	$m
Current	**4.8**	6.3
Non-current	**6.7**	4.9
Total provisions	**11.5**	11.2

Warranty provisions cover expected costs under guarantees provided with certain products. Legal provisions relate to specific claims against the Group. Property obligations relate to leased premises of the Group which are subject to dilapidation risks. Offset provisions relate to the Group's estimated obligations under programmes to generate economic value for specific countries. Restructuring provisions relate to costs associated with transformational programmes. Employee incentives relate to employer social security contributions on share-based remuneration schemes. During the period employee incentives were transferred from accruals to provisions for liabilities and charges, this being considered a more appropriate classification.

5.2 Defined benefit pension scheme

	As at 31 March 2026 $m	As at 30 Sept 2025 $m
Net pension liability	**5.7**	13.8

The Group operated a contributory defined benefit plan to provide pension and death benefits for the employees of Avon Protection plc and its Group undertakings in the U.K. employed prior to 31 January 2003. The plan was closed to future accrual of benefit on 1 October 2009 and has a weighted average maturity of approximately 11 years. The defined benefit plan exposes the Group to actuarial risks such as longevity risk, inflation risk and investment risk.

The funding of the plan is based on regular actuarial valuations. The most recent finalised actuarial valuation of the plan was carried out at 31 March 2022 when the market value of the plan's assets was £337.5 million. The fair value of those assets represented 91% of the value of the benefits which had accrued to members, after allowing for future increase in pensions. The next triennial valuation at 31 March 2025 is underway, with the outcome of the process expected in June 2026.

During the period the Group made payments to the fund of $3.3m (HY25: $3.0m) in respect of scheme expenses and deficit recovery plan payments.

Movement in net defined benefit liability

	Defined benefit obligation		Defined benefit asset		Net defined benefit liability	
	31 March 2026 $m	30 Sept 2025 $m	**31 March 2026 $m**	30 Sept 2025 $m	**31 March 2026 $m**	30 Sept 2025 $m
At the beginning of the period	**(297.2)**	(329.3)	**283.4**	312.1	**(13.8)**	(17.2)
Included in profit or loss						
Administrative expenses	-	-	**(0.6)**	(0.9)	**(0.6)**	(0.9)
Net interest cost	**(8.3)**	(15.7)	**7.9**	15.0	**(0.4)**	(0.7)
	(8.3)	(15.7)	**7.3**	14.1	**(1.0)**	(1.6)
Included in other comprehensive income						
– Actuarial gain/(loss) arising from:						
– Demographic assumptions	-	1.4	-	-	-	1.4
– Financial assumptions	**4.7**	28.0	-	-	**4.7**	28.0
– Experience adjustment	-	(3.8)	-	-	-	(3.8)
– Return on assets excluding interest	-	-	**1.0**	(26.5)	**1.0**	(26.5)
	4.7	25.6	**1.0**	(26.5)	**5.7**	(0.9)
Other						
Contributions by the employer	-	-	**3.3**	6.0	**3.3**	6.0
Net benefits paid out	**11.3**	22.5	**(11.3)**	(22.5)	-	-
FX gain/(loss)	**4.2**	(0.3)	**(4.1)**	0.2	**0.1**	(0.1)
At 31 March/30 September	**(285.3)**	(297.2)	**279.6**	283.4	**(5.7)**	(13.8)

Actuarial assumptions

	31 March 2026 % p.a.	30 Sept 2025 % p.a.
Inflation (RPI)	**3.20**	2.90
Inflation (CPI)	**2.85**	2.55
Pension increases post August 2005	**2.20**	2.05
Pension increases pre August 2005	**3.00**	2.75
Discount rate for scheme liabilities	**6.15**	5.80

5.3 Cash flow from operations

	6 months ended 31 March 2026 $m	6 months ended 31 March 2025 $m
Profit for the period	**10.3**	2.4
Adjustments for:		
Taxation	**3.2**	0.7
Depreciation	**3.1**	4.9
Amortisation of intangible assets	**5.3**	6.3
Defined benefit pension scheme cost	**0.6**	0.3
Net finance costs	**3.0**	3.1
Fair value of share-based payments	**2.4**	3.0
Transformational costs expensed[1]	**4.4**	6.0
Increase in inventories	**(3.6)**	(3.8)
Increase in receivables	**(5.7)**	(10.4)
(Decrease)/increase in payables and provisions	**(11.8)**	0.5
Cash flow from operations before adjusting items	**11.2**	13.0
Transformational costs paid	**(3.2)**	(6.5)
Cash flow from operations	**8.0**	6.5

[1]Transformational costs expensed exclude amortisation and depreciation (note 2.1).

5.4 Exchange rates

	Average rate 31 March 2026	**Closing rate 31 March 2026**	Average rate 31 March 2025	Closing rate 31 March 2025	Closing rate 30 Sept 2025
USD/GBP	**0.7471**	**0.7552**	0.7866	0.7721	0.7740

5.5 Principal risks and uncertainties

The nature of the principal risks and uncertainties impacting the Group are described on pages 46-53 of our 2025 Annual Report. Further information on risks and opportunities for the remaining six months of the year is set out in the initial section of this announcement. These updates have not resulted in a change to the number of principal risks, which remain:

- Cleveland ramp-up
- Manufacturing quality
- Supply chain
- Cybersecurity
- NPI
- Political and economic uncertainty
- Bids and contracts
- Government customers
- Defined benefit pension scheme
- Compliance and internal control
- Controls and financial reporting

5.6 Related party transactions

There were no related party transactions during the period or outstanding at the end of the period (2025 nil) other than internal transactions between Group companies, and compensation of key management personnel which will be disclosed as required in the Group's Annual Report for the year ending 30 September 2026.