NEWS RELEASE

Preliminary results

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discoverIE Group plc

Preliminary results for the year ended 31 March 2026

Continued earnings growth and building sales momentum

discoverIE Group plc (LSE: DSCV, "discoverIE" or "the Group"), a leading international designer and manufacturer of customised electronics to industry, today announces its preliminary results for the year ended 31 March 2026 ("FY 2025/26" or "the year").

	FY 2025/26	FY 2024/25	Growth %	CER(2) growth %
Revenue	**£443.3m**	£422.9m	+5%	+5%
Adjusted operating profit(1)	**£61.0m**	£60.5m	+1%	+1%
Adjusted operating margin(1)	**13.8%**	14.3%	-0.5ppts	-0.4ppts
Adjusted profit before tax(1)	**£51.9m**	£50.1m	+4%	
Adjusted EPS(1)	**40.3p**	38.7p	+4%	

Reported profit before tax	**£36.1m**	£32.0m	+13%
Reported fully diluted EPS	**29.4p**	25.0p	+18%
Full year dividend per share	**13.0p**	12.5p	+4%

Highlights

- **Increasing growth with strong finish to the year**
  - Orders grew 5% organically(3) for the year with 14% growth in Q4
  - Sales grew 2% organically for the year with 5% growth in Q4

- **Adjusted operating profit up 1% to £61.0m**
  - Increased operational investment to support sales & orders growth
  - On track for medium-term 17% operating margin target driven by organic and inorganic initiatives (including recent high margin acquisitions)
  - Continued earnings progress with adjusted EPS up 4% to 40.3p and up 14% CAGR over last 10yrs

- **Excellent free cash flow**(4) **of £36.6m from capital-light operations**
  - Free cash conversion of 92%, comfortably ahead of 85% target
  - Cash conversion rates average c.100% over the last decade

- **Three high growth earnings & margin accretive acquisitions announced(5)**
  - Combined consideration of £95m for an EBIT multiple of 9x
  - Storm**(5)** completed in the year, Trival in April 2026 and 3G announced in May 2026
  - Increased presence in fast growing security target market in line with strategy

- **Revolving credit facility of £240m extended to May 2030**
  - Year-end gearing(6) of 1.2x, proforma gearing(6) including acquisitions of 2.2x
  - Proforma gearing reducing to 1.8x by March 2027, comfortably within our target range

- **Good start to the new year with strong growth in orders, and sales momentum**
  - Orders well ahead of sales with growing order book
  - Strong pipeline of design wins underpins future organic growth
  - Continuing pipeline of acquisition opportunities
  - Benefitting from improving industrial market conditions and growing security market demand

Nick Jefferies, Group Chief Executive, commented:

"The Group has delivered another set of robust results where profits and earnings reached new highs and the business saw a return to strong levels of organic orders and sales growth by the year end, which has continued into the new year.

Trading momentum improved through the year with final quarter orders increasing by 14% organically, sales increasing by 5% organically and with orders ahead of sales, giving us confidence as we start the new financial year. To support this strengthening growth outlook, additional investment in operating, sales and engineering capacity has been made to ensure we capitalise on the structural growth opportunities in our target markets.

We have announced three acquisitions in the last six months, 3G in North America, Trival in Slovenia and Storm in the UK, for a combined consideration of £95m. Trival and 3G increase our exposure in the defence market, while Storm adds to our Human-Machine Interface cluster. All three businesses have a strong record of growth, with margins well ahead of the Group's current margin target.

The outlook for the year ahead is positive with full year adjusted earnings in line with Board expectations. First quarter trading has started well with strong growth in orders and further good sales growth and orders running well ahead of sales. We remain focused on generating strong compounding growth through the cycle. The combination of organic growth, a strong order book providing good visibility, an accelerating pipeline of design wins converting

into revenue, and a clear and consistently executed acquisition strategy gives us confidence in the outlook."

Analyst presentation:

An analyst presentation will be held today at 9.30am (UK time) at the offices of Investec. If you would like to join in person or via the live webinar, please contact Burson Buchanan at **discoverie@buchanan.uk.com**.

Enquiries:

discoverIE Group plc **IR@discoverIEplc.com**
Nick Jefferies Group Chief Executive
Simon Gibbins Group Finance Director
Lili Huang Head of Investor Relations

Burson Buchanan 020 7466 5000
Jamie Hooper, Toto Berger
discoverIE@buchanan.uk.com

Notes:

(1) 'Adjusted operating profit', 'Adjusted operating margin', 'Adjusted EBITDA', 'Adjusted profit before tax', 'Adjusted EPS', 'Adjusted operating cash flow' and 'Free cash flow' are non-IFRS financial measures used by the Directors to assess the performance of the Group. These measures exclude acquisition and disposal related costs (amortisation of acquired intangible assets of £16.3m less net acquisition and disposal net credits of £0.5m) totalling £15.8m. Equivalent adjusting items within the FY 2024/25 adjusted results totalled £18.1m. 'Adjusted EBITDA' also excludes the impact of IFRS 16, non-cash share-based payments cost and IAS19 pension costs in line with the Group's banking covenants. For further information, see note 6 of the attached condensed consolidated financial statements.

(2) Growth rates at constant exchange rates ("CER"). In calculating CER for the year, the average Sterling rate of exchange strengthened 5% against the US Dollar but weakened 3% against the Euro and weakened 5% on average against the three Nordic currencies resulting in no significant net impact for the year.

(3) Organic growth for the Group compared with last year is calculated at CER and is shown excluding the first 12 months of acquisitions post completion (Hivolt was acquired in August 2024, Burster in January 2025 and Storm in December 2025) adjusted for any disposals.

(4) Free cash flow is cash flow available for the payment of dividends and investment in acquisitions. Free cash conversion is free cash flow divided by Adjusted profit after tax. See definitions in note 6 of the attached condensed consolidated financial statements.

(5) Keymat Technology Ltd was acquired in December 2025 for £5.5m and operates under the trading name Storm Interface. The business is referred to as Storm. Trival completed in April 2026 for €45.5m (£39.9m) and the acquisition of 90% of 3Gmetalworx ("3G") was announced in May 26 subject to regulatory approval, for $67.5m (£50.0m). All amounts shown are the debt free, cash free initial consideration.

(6) Gearing ratio is defined as net debt divided by Adjusted EBITDA (annualised for acquisitions). Proforma gearing includes the acquisition of Trival (acquired April 2026) and 3G (announced in May 2026) as if they had been acquired at 31 March 2026, additionally with a forecast of gearing expected as at 31 March 2027.

(7) Unless stated, growth rates refer to the comparable prior year.

(8) These financial statements have been prepared solely to provide additional information on trading to the Shareholders of discoverIE Group plc. They should not be relied on by any other party for other purposes. Certain statements made are forward looking statements. Such statements have been made by the Directors in good faith using information available up until the date that they approved these preliminary financial statements. Forward looking statements should be regarded with caution because of the inherent uncertainties in economic trends and business risks.

Notes to Editors:

About discoverIE Group plc

discoverIE Group plc is a leading international group of businesses that design and manufacture customised electronic components for industrial applications.

The Group supplies application-specific components to original equipment manufacturers ("OEMs") internationally through its two divisions, Magnetics & Controls and Sensing & Connectivity. By designing components that meet customers' unique requirements, which are then manufactured and supplied throughout the life of their production, a high level of long-term repeating revenue is generated.

The Group focuses on key target markets driven by structural growth, increasing electronic content and sustainability, namely industrial automation & connectivity, security, renewable energy, medical and the electrification of transportation. With this focus, the Group aims to grow well ahead of GDP through the economic

cycle and to supplement that with complementary acquisitions, compounding growth. The Group is committed to reducing the impact of its operations on the environment in order to reach net-zero.

The Group, which has made 30 acquisitions in the last 15 years, employs c.4,600 people across 21 countries with its principal operating units located in Mainland Europe, the UK, China, Sri Lanka, India and North America.

discoverIE is listed on the Main Market of the London Stock Exchange and is a member of the FTSE 250, classified within the Electrical Components and Equipment subsector.

Strategic, Operational and Financial Review

Good performance in challenging conditions

The Group designs and manufactures essential, customised, high value-add, technically complex electronic products, enabling our customers to create better equipment. During the year, we made further progress towards our key strategic indicator targets, despite the disruption created by trade tariffs and destocking at certain customers in our Controls operating unit.

After 18 months of widespread industrial market destocking, the Group returned to organic sales growth across most market sectors, with Europe leading regional growth, increasing by 3% organically and including strong growth in Germany.

Overall, sales in the year increased by 5% CER and by 2% organically with improving organic trends through the year culminating in 5% organic growth in the final quarter.

Orders increased by 9% in the year and by 5% organically with North America up by 10% organically and Asia up 24% partially offset by Europe which was flat. Demand increased through the year with organic growth in the final quarter of 14%, with a book-to-bill ratio also improving through the year increasing from 0.99 in H1 to 1.03 in H2.

The Group's order book at 31 March 2026 was £165m, 5% higher than at 30 September 2025 and 2% higher than last year end. This represents c.4.5 months of annualised second half sales and provides good visibility of growth for the new financial year.

The Group has a strong bank of design wins, forming the basis of the Group's through-cycle organic growth. During the year, new opportunities and design wins were ahead of last year, building on the bank of previously registered wins that are commencing production.

Adjusted operating profit grew 1% and included additional investments in production capacity in Asia, and engineering and sales capacity in the US and Europe to support future growth. Interest and tax costs also reduced leading to adjusted EPS growth of 4%.

Our capital-light model once again led to strong free cash conversion for the year of 92%, driven by tight working capital control and low capital expenditure requirements of c.1.5% of sales.

Limited direct impact from US tariffs and Middle East conflict

Our flexible manufacturing model has limited the direct impact of US tariffs as we have been able to increase local market production at our US facilities and reduce imports from elsewhere around the Group. We expect this trend to continue and have the capacity to achieve this. Additionally, where tariffs are incurred on products made by the Group and shipped to the US, these are passed on.

During the year, 22% of Group sales were in the US of which just over half were manufactured locally in one of our seven US production sites. Imports of materials from China into the US for local manufacturing currently amount to c.£4m p.a, any tariffs on which we are mitigating through passing on cost increases or re-sourcing. The Group is well placed to optimise production location according to evolving supply chain and customer requirements.

The Group has no direct trading exposure to the Middle East conflict, with no operations in the region and negligible revenue derived from customers based there. We are mindful of the potential for wider cost inflation and operational disruption as a result of the conflict, but the Group has a strong record in managing pricing and supply chains dynamically and leaves us able to respond to any challenges effectively. The Group's total oil and gas usage is less than 0.1% of Group sales and whilst we are seeing instances of increased freight costs, in such cases they are being passed on.

Our customer order patterns remained consistent through the year, with over 90% of orders scheduled for delivery within a twelve month period, similarly split between near term demand (c.4 months) and longer term (6-12 months). We suspect however, that tightening global supply chains may drive some customers to place firm orders to secure supply.

Earnings growth and strong cashflow

This year saw a return to organic sales growth, augmented by further contributions from acquisitions. Group sales for the year increased by 5% CER to £443.3m with continuing robust gross margins. Reflecting additional investment in our operations to support future growth, adjusted operating profits increased by 1% to £61.0m. Adjusted operating margin of 13.8% was 0.4ppts CER lower than last year with the additional growth investment partly funded by further cost efficiencies. With this investment and with the benefit from recent higher margin acquisitions, we remain well on track for our 17% margin target by FY2029/30. Reduced finance costs through lower average net debt balances and reducing interest rates resulted in adjusted profit before tax increasing by 4% to £51.9m, with adjusted earnings per share increasing by 4% to 40.3p (FY 2024/25: 38.7p).

After the inclusion of acquisition-related costs of £15.8m (mainly amortisation of intangibles), profit before tax for the year on a reported basis increased by 13% to £36.1m (FY 2024/25: £32.0m) with fully diluted earnings per share increasing by 18% to 29.4p (FY 2024/25: 25.0p).

Strong free cash flow of £36.6m was generated in the year representing 92% of adjusted earnings, comfortably ahead of our 85% target; conversion rates have averaged around 100% for the last decade. Net debt (excluding IFRS16) at 31 March 2026 was £13.8m lower at £80.5m (31 March 2025: £94.3m), reducing gearing to 1.2x. With the recently completed acquisition of Trival and the announced acquisition of 3G, proforma gearing at 31 March 2026 was 2.2x which is forecast to reduce to 1.8x by the end of this new financial year, comfortably within our target range.

Dividend and capital allocation

The Board is recommending a 4% (0.35 pence) increase in the final dividend to 8.95 pence per share, giving a 4% increase in the full year dividend per share to 13.0 pence (FY 2024/25: 12.5 pence) and an adjusted earnings cover of 3.1 times (FY 2024/25: 3.1 times). The final dividend is payable on 31 July 2026 to Shareholders registered on 26 June 2026 and the final date for Dividend Reinvestment Plan ("DRIP") elections will be 10 July 2026.

The Board believes in maintaining a progressive dividend policy along with a long-term dividend cover of over three times earnings on an adjusted basis. This approach, along with the continued development of the Group, will enable funding of both dividend growth and a higher level of investment in acquisitions from internally generated resources.

Share buybacks will be considered if the Group has surplus cash. Currently, the fragmented international market in which we operate provides ample opportunities for accretive acquisitions with excellent growth prospects and the potential for high returns as our recent acquisitions illustrate. As such our capital is currently deployed in this direction, with this policy reviewed periodically.

Proven growth strategy

The Group of today has been built by acquiring and growing carefully selected specialist component design & manufacturing businesses over the past 15 years, organised into clusters to derive operational efficiencies. Through this combination of organic growth, operational efficiencies and acquisitions, the Group is building a growth compounding, international electronics specialist.

We have a disciplined approach to capital allocation and see significant scope for further expansion, with a pipeline of investment opportunities continually in development. The Group operates in a c.$30bn fragmented market with many smaller players presenting numerous consolidation opportunities.

The Group's strategy comprises five elements:

1. **Structurally growing markets:** Grow well ahead of GDP over the economic cycle by focusing on specialist technologies in high quality markets with long-term growth. By targeting five growth markets, we aim to create consistent, compounding growth with low customer concentration and less cyclical variability.

2. **Acquire highly differentiated businesses:** Acquire businesses operating in electronic market niches with strongly differentiated products, attractive growth prospects and strong operating margins, either as new platforms or as bolt-ons to existing clusters.

3. **Operating margin enhancement:** Generate operational efficiencies and improve operating margins through clustering of businesses and increasing product differentiation.

4. **Strong cash generation driving disciplined capital allocation:** Generate strong cash flows and long-

term sustainable returns from a capital-light business model, re-investing free cashflow after dividends into organic growth opportunities and further acquisitions.

5. **Minimising environmental impact:** Reduce our carbon emissions to achieve net-zero (Scope 1 & 2) by 2030.

The Group's competitive advantage is rooted in deep engineering expertise, application knowledge, and early design engagement, which enable us to co-develop specialised solutions that are embedded within customers' systems. This creates significant barriers to substitution as replacing components would require redesign, re-testing and re-certification, introducing cost, complexity, delay and operational risk that customers seek to avoid. Barriers to entry are reinforced by the Group's breadth of technical capability, niche high performance offerings, and strong application knowledge in demanding and regulated markets. Combined with long term supply assurance and strong engineering relationships, these factors support high customer retention, revenue recurrence and pricing resilience, which underpin the Group's durable and sustainable business model.

Five target markets to drive long-term growth

Our five target markets (industrial automation & connectivity, medical, renewable energy, security and the electrification of transportation), are attractive and technology-rich sectors underpinned by long term, structural growth drivers. In total, the five target markets account for around 80% of sales.

Our focus on these target markets over the last decade has driven the Group's through-cycle growth well ahead of GDP, attracting higher margins and greater resilience than other markets, and created numerous acquisition opportunities. We expect this to continue.

Compelling products for today's markets

The Group has a product and manufacturing footprint that is well suited to today's technology requirements.

- *Essential products*: the Group's specialist products are essential for customers' applications and amount to only a small proportion of their overall system cost. This leads to repeating revenues over a long period with robust gross margins.

- *Wide and flexible manufacturing*: a decentralised model with manufacturing sites and commercial operations around the world, able to support customers locally and internationally. For example, once our new facility in Bangalore is open, it will have the capacity for several of our Group companies to operate in India.

- *Low energy intensity operations:* the large majority of the Group's energy exposure is electricity and energy costs which represent less than 0.5% of Group revenues, limiting the Group's exposure to energy price rises and operational disruptions. The cost of oil and gas represents less than 0.1% of Group revenues. Through the installation of solar panels at several of our sites as part of our project to reduce carbon emissions, 85% of our electricity usage is now from renewable sources.

Continued progress on key strategic indicators

For more than 10 years, the Group's strategic and financial progress has been measured through key strategic indicators ("KSIs"). Targets are periodically reviewed and increased. For example, the adjusted operating margin target was most recently reviewed in June 2025 and a new five-year target of 17% was set.

For tracking purposes, the KSIs in the table below remain as reported at the time rather than adjusted for disposals. Targets are for the medium-term unless stated, defined as being around five years. This year's performance relative to last year is discussed below.

Key Strategic Indicators

	FY18	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**Target**
1. Increased adjusted	6.3%	7.0%	8.0%	10.2%	10.9%	11.5%	13.1%	14.3%	13.8%	17%(2)

operating margin										
2. Sales growth										
CER	11%	14%	8%	-1%	28%	15%	1%	-2%	5%	Well ahead of GDP thru cycle
Organic	11%	10%	5%	-4%	18%	10%	-1%	-7%	2%	
3. Adjusted EPS growth	16%	22%	11%	-8%	31%	20%	5%	5%	4%	>10%
4. Adjusted operating cash conversion(3)	85%	93%	106%	128%	80%	94%	103%	103%	91%	>85% of adjusted operating profit
5. Free cash conversion(3)	78%	94%	104%	136%	77%	95%	102%	106%	92%	>85% of adjusted earnings
6. ROCE(3)	13.7%	15.4%	16.0%	14.5%	14.7%	15.9%	15.7%	15.8%	15.2%	>15%
7. Carbon emissions reduction(4)						35%	47%	59%	68%	Net-zero(5)

(1) Results for FY 2017/18 to FY 2019/20 are for total operations before disposals as reported at the time
(2) By FY 2029/30
(3) Defined in note 6 of the attached condensed consolidated financial statements
(4) Carbon emissions are measured on a calendar year basis (e.g. CY 2022 shown as FY 2022/23) with emission reduction shown since CY 2021
(5) Net-zero Scope 1 & 2 by CY 2030 and net zero with Scope 3 by 2040

The Group made further progress on its KSIs during the year:

- Adjusted operating margin was 13.8%, a reduction of 0.4ppts CER on last year. This reduction followed increased operational investment during the year in engineering and sales capacity in the US and Europe, and additional manufacturing capacity in Asia to support future growth. On an annualised basis and including recent high margin acquisitions, the adjusted operating margin is ahead of last year and accordingly, we remain on track for our 17% margin target by FY2029/30. Since FY14, adjusted operating margin has increased by 10ppts with approximately half coming from organic growth and efficiencies, and half from higher margin acquisitions. Going forward, acquisitions are expected to account for around two-thirds of margin improvement.

- Sales increased this year by 5% CER and by 2% organically as customers' inventories returned to appropriate levels and normal ordering patterns resumed. Sales improved through the year culminating in 5% organic growth in the final quarter. The average full year organic growth in three of our four operating units was 5%. This was partly offset by the Controls operating unit where certain customers had continued to destock during the year. The trend in Controls also improved through the year with final quarter organic sales back into growth. We remain focused on achieving strong through-cycle organic growth which is supported by our pipeline of design wins. Over the last decade, sales have grown by c.5% CAGR organically.

- Following a return to organic sales growth and with operational investment to support future growth, adjusted operating profit for the year increased by 1% CER, with adjusted EPS increasing by 4%. In total, the Group has grown its adjusted EPS by 14% CAGR over the last 10 years.

- Adjusted operating cash flow and free cash flow conversion rates of 91% and 92% continue to be comfortably ahead of our 85% targets. Over the last 10 years, both adjusted operating cash conversion and free cash conversion have been consistently strong, averaging around 100% through-cycle, reflecting low capital expenditure requirements and efficient working capital.

- ROCE for the year of 15.2% was above our target although slightly below last year (FY 2024/25: 15.8%). The rate of Group ROCE improvement is tempered by acquisitions in the short term, but is expected to benefit from their contribution over the longer term as their additional growth compounds. We acquire

businesses with long-term growth prospects that we expect will generate high returns over time. For example, our acquisitions made up to FY2017/18 generated a collective ROCE of 28% this year. We expect this to continue growing and for acquisitions made more recently to grow similarly.

- Scope 1 & 2 carbon emissions reduced further during the year and in CY 2025 were 68% lower on an absolute basis than in CY 2021, 3ppts better than the 65% reduction target for CY 2025 that we set 4 years ago. Our next target is to achieve net-zero (Scope 1 & 2) by CY 2030.

Divisional results

The divisional results for the Group for the year ended 31 March 2026 are set out and reviewed below.
During the first half this year, the Sens-Tech business was reclassified from S&C to M&C and our Silvertel business was reclassified from M&C to S&C, so as to better align operational similarities. Comparatives have been restated accordingly.

	FY 2025/26			FY 2024/25(3)			Reported revenue growth	CER revenue growth	Organic revenue Growth
	Revenue £m	**Adjusted operating profit(1) £m**	**Margin(2)**	Revenue £m	Adjusted operating profit(1) £m	Margin			
M&C(3) (CER)	**267.0**	**41.7**	**15.6%**	260.8	42.7	16.4%	+2%	+2%	+2%
S&C(3) (CER)	**176.3**	**31.4**	**17.8%**	162.5	29.4	18.1%	+9%	+8%	+2%
Unallocated		**(12.1)**			(11.8)				
Total (CER)	**443.3**	**61.0**	**13.8%**	423.3	60.3	14.2%		+5%	+2%
FX				(0.4)	0.2				
Total	**443.3**	**61.0**	**13.8%**	422.9	60.5	14.3%	+5%		

(1) Adjusted operating profit excludes acquisition and disposal-related costs
(2) Margin refers to adjusted operating margin
(3) Two businesses were transferred between M&C and S&C so prior year divisional results have been restated (see note 5 of the attached condensed consolidated financial statements). There was no impact to the Group results.

Magnetics & Controls Division ("M&C")

The M&C division designs, manufactures and supplies highly differentiated magnetic and power components, and embedded computing and interface controls for industrial applications. This division operates across 16 countries through two operating units, Magnetics and Controls. The Magnetics operating unit ("Magnetics") comprises our magnetic cluster of Noratel, Shape, Myrra and Flux. The Controls operating unit ("Controls") comprises our cluster of embedded computing and interface controls businesses (Beacon, Hectronic and DTI), our human machine interface ("HMI") cluster (Cursor Controls and Storm) and two business platforms (Sens-Tech & Vertec). Almost all products are manufactured in-house, with the division's principal facilities being in China, India, Mexico, Poland, Sri Lanka, Thailand, the UK and the US. Geographically, 5% of sales by destination are in the UK, 50% in the rest of Europe, 25% in North America and 20% in Asia. During the year, Flux, our high-reliability magnetics business, expanded its manufacturing capacity in Thailand, while Noratel, our power magnetics business, commenced construction of a new, larger facility in Bangalore to replace its existing facility (due to complete in the first half of the new financial year).

In December 2025, the Group completed the acquisition of Keymat Technology Ltd, a UK-based designer and manufacturer of differentiated assistive HMI products, into the division, to sit alongside our existing Cursor Controls business. Keymat trades under the name Storm Interface ("Storm").

Orders in the year increased by 12% CER and by 11% organically to £274.8m (FY 2024/25: £246.0m CER) with a book-to-bill ratio of 1.03 driven by strong order growth in both Magnetics and Controls.

Sales increased by 2% CER and organically, with good growth in Magnetics being partly offset by destocking in Controls which has now worked through with sales in Controls returning to growth in the final quarter. By territory, Europe (including the UK) and Asia grew by 3% offset by North America down 2%.

With little FX impact this year, reported divisional revenue also increased by 2% to £267.0m (FY 2024/25: £260.8m reported). Adjusted operating profit of £41.7m was £1.0m (-2%) lower than last year at CER and £1.3m (-3%) lower on a reported basis (FY 2024/25: £43.0m) reflecting good organic sales growth in the lower margin Magnetics unit offset by sales reductions in the higher margin Controls unit. This mix effect also impacted adjusted operating margin which at 15.6% was 0.8ppts lower at CER than last year and 0.9ppts lower on a reported basis (FY 2024/25: 16.5%).

Sensing & Connectivity Division ("S&C")

The S&C division designs, manufactures and supplies highly differentiated sensing and connectivity components for industrial applications. This division operates across nine countries through two operating units, Sensing and Connectivity. The Sensing operating unit ("Sensing") comprises our sensing cluster of Variohm, Burster, CPI, Limitor, Magnasphere, Phoenix and Positek. The Connectivity operating unit ("Connectivity") comprises the RF & Wireless cluster (2J, Antenova and Trival from April 2026), the Components cluster (Contour, Stortech and CDT), the Fibre Communications cluster (Foss and IKN) and four business platforms (MTC, Santon, Silvertel and Hivolt). Almost all products are manufactured in-house, with the division's principal facilities being in Hungary, the Netherlands, Norway, Slovakia, the UK and the US. Geographically, 18% of sales by destination are in the UK, 54% in the rest of Europe, 20% in North America and 8% in Asia.

During the year, we completed the merger of two of our UK Components businesses, Contour and Stortech, into one site. Additionally, our MTC electro-magnetic shielding business expanded its manufacturing capacity in South Korea. Since the year end, the Group has completed the acquisition of Trival Antene d.o.o ("Trival"), a Slovenian-based designer and manufacturer of communication antennas for defence applications, into the Connectivity operating unit, and announced the acquisition of 3G.

Divisional orders in the year reduced by 4% organically to £173.0m against a strong prior year comparator, with a return to growth in the second half (H1: -10%; H2: +2%). Including the Burster acquisition last year, orders were up 4% CER with a book-to-bill ratio for the year of 0.98 with good improvement in the second half (H1: 0.92; H2: 1.04). The reduction in orders came mainly in Transportation and Medical (following strong growth last year) partly offset by other markets which were broadly flat.

Divisional sales increased by 2% organically, with sales in North America increasing by 4%, Europe (including the UK) increasing by 2% and Asia broadly flat.

Combined with a 6% sales contribution from the Burster acquisition, overall divisional sales increased by 8% CER. With little Sterling translation impact this year, reported divisional revenue increased by 9% to £176.3m (FY

2024/25: £162.1m reported and £162.5m at CER).

Adjusted operating profit of £31.4m was £2.0m (+7%) higher than last year at CER and £2.1m (+7%) higher on a reported basis (FY 2024/25: £29.3m). The adjusted operating margin of 17.8% was 0.3ppt lower than last year (FY 2024/25: 18.1%).

Strong bank of design wins will drive future recurring revenues

The Group has a strong bank of design wins, forming the basis of the Group's through-cycle organic growth. During the year, new opportunities and design wins were ahead of last year, building on the bank of previously registered wins that are commencing production. Over the last eighteen months, conversion of design wins into revenue was delayed in some areas due to customers' inventory destocking activities. This has now generally completed and we are starting to see new revenue and growth.

New project design activity remains at a high level, being broad-based and across all our markets. The total pipeline of ongoing projects continues to be very strong.

Acquisitions

The market is highly fragmented with many opportunities to acquire. Currently, the Group's pipeline consists of around 250 potential targets, of which a number are in the active outreach phase and live deal negotiation at any time.

The businesses we acquire are typically led by entrepreneurs who wish to remain with the business for a period following acquisition. We encourage this as it enables integration and helps retain a dynamic, decentralised and entrepreneurial culture.

We acquire high-quality businesses with good growth prospects and attractive operating margins. We invest in these businesses for growth and operational performance development.

The Group has acquired 30 design and manufacturing businesses over the last 15 years, with the Group's continuing revenues increasing to £443m in FY 2025/26 from £10m in FY 2009/10. By taking a long-term approach to generating compounding growth, the Group has generated substantial value. The Group's consistent returns reflect an evolving balance between the strong and growing ROCE of those business acquired earlier supporting the lower initial ROCE of those acquired more recently as they grow into delivery of their targets. With plans in place in each business, as growth returns following the end of the extended industry destocking, we fully expect returns in all businesses to increase.

In December 2025, the Group acquired Keymat Technology Ltd trading under the name Storm Interface ("Storm"), a UK-based designer and manufacturer of differentiated assistive HMI electronic products, primarily tactile and audible content navigation devices for the visually impaired, for sale in the UK, EU and US. The need for such products is driven by the roll out of legislation in Europe, UK and North America that requires assistive interfaces in consumer facing electronic equipment. Storm was acquired into the Controls operating unit in our M&C division alongside our existing Cursor Controls business, for an initial cash consideration of £5.5m on a debt free, cash free basis together with an earn-out of up to £2.2m payable subject to Storm's performance up to 31 March 2026. A full pay out is expected to be made.

In April 2026, following receipt of regulatory approvals, the Group completed the acquisition of Trival Antene d.o.o ("Trival"), a Slovenian-based designer and manufacturer of communication antennas and masts for defence applications, for an initial cash consideration of €45.5m (£39.9m) on a debt free, cash free basis, before expenses. In addition, deferred consideration of up to €1.65m (£1.45m) will be payable subject to certain conditions twelve months from completion and an earn-out of up to €5.5m (£4.8m) will be payable subject to Trival achieving certain growth and performance conditions in the period up to 31 March 2028.

Trival's antennas are used in land-based defence applications such as handheld, mobile and fixed radio communications systems and are sold internationally into c.70 countries. Trival has a strong track record of revenue growth and is accretive to both adjusted earnings and adjusted operating margin. Trival has become part of our Connectivity operating unit within the S&C division alongside our two RF businesses, 2J and Antenova.

Since the year end, we have announced the acquisition, subject to regulatory approval, of 90% of 3Gmetalworx ("3G"), a North American designer and manufacturer of electromagnetic shielding and thermal management products, for a cash consideration of $67.5m (£49.6m) on a debt free, cash free basis. Ongoing management will continue to hold 10% of 3G. These management shares will be subject to a put / call option exercisable between the third and fifth anniversary of the date of completion. Once exercised, the Group will own 100% of the business.

3G, under its ongoing management, will join our Connectivity operating unit within the S&C division and will work alongside MTC, our existing European shielding business. Other businesses in the Group will also benefit from access to 3G's extensive customer base and sales channels. 3G will be accretive to both adjusted earnings and adjusted operating margin from completion.

Sustainability and social responsibility

The Group creates innovative electronics for a variety of applications, with a strategic focus on end markets that are aligned to the UN Sustainable Development Goals (UN SDGs). More information on how we work with customers and suppliers to support the UN SDGs is available in the Group's latest Impact Report and on our website at www.discoverIEplc.com.

In May 2025, the Group's greenhouse gas ("GHG") emissions reductions targets were validated by the Science Based Targets initiative ("SBTi"). The Group is committed to achieving net-zero GHG emissions across Scope 1 and 2 by 2030, and throughout the value chain by 2040. We have updated our Road to Net Zero strategy document this year to explain in more detail how we plan to achieve this. During FY 2025/26, the Group disclosed its environmental impact on water through the Carbon Disclosure Project ("CDP") for the first time, achieving a C score, while retaining its B score for climate disclosure.

During the year, the Group also reviewed its ESG strategy to ensure alignment with emerging regulatory requirements and its strategic priorities. Following this review, the Group reaffirmed its focus on Planet, People, and Products.

Summary and Outlook

The Group has delivered another set of robust results where profits and earnings reached new highs and the business saw a return to strong levels of organic orders and sales growth by the year end, which has continued into the new year.

Trading momentum improved through the year with final quarter orders increasing by 14% organically, sales increasing by 5% organically and with orders ahead of sales, giving us confidence as we start the new financial year. To support this strengthening growth outlook, additional investment in operating, sales and engineering capacity has been made to ensure we capitalise on the structural growth opportunities in our target markets.

We have announced three acquisitions in the last six months, 3G in North America, Trival in Slovenia and Storm in the UK, for a combined consideration of £95m. Trival and 3G increase our exposure in the defence market, while Storm adds to our Human-Machine Interface cluster. All three businesses have a strong record of growth, with margins well ahead of the Group's current margin target.

The outlook for the year ahead is positive with full year adjusted earnings in line with Board expectations. First quarter trading has started well with strong growth in orders and further good sales growth and orders running well ahead of sales. We remain focused on generating strong compounding growth through the cycle. The combination of organic growth, a strong order book providing good visibility, an accelerating pipeline of design wins converting into revenue, and a clear and consistently executed acquisition strategy gives us confidence in the outlook.

Nick Jefferies
Group Chief Executive

Group Financial Results

Revenue and orders

Group sales of £443.3m were 5% higher than last year (both CER and reported) (FY 2024/25: £422.9m). Two acquisitions last financial year (Burster and Hivolt) and one this year (Storm) added 4% to revenue while the disposal of the Santon solar business completed last year reduced sales by 1%. Organic sales increased by 2% following an 18-month period of widespread customer destocking.

Revenue (£m)	**FY 2025/26**	**FY 2024/25**	**%**
Organic sales	427.3	419.4	+2%
Acquisitions	16.0		+4%
Disposals		3.9	-1%
Sales at CER	443.3	423.3	+5%
FX translation		(0.4)	
Reported sales	443.3	422.9	+5%

Orders for the year were £447.8m, 9% higher at CER than last year and on a reported basis (FY 2024/25: £411.9m) giving a rising book-to-bill ratio of 1.01 (H2: 1.03; H1: 0.99 and 0.97 in the second half last year). Orders in the year increased by 5% organically (H2: +10%; H1: +0.5%).

The order book at the year-end of £165m was strong, 5% higher than at 30 September 2025 and 2% higher than last year. At c.4.5 months of annualised second half sales, the order book provides good visibility for the first half of the new financial year.

Group operating profit and margin

Group adjusted operating profit for the year was £61.0m, a 1% increase on last year both at CER and on a reported basis (FY 2024/25: £60.5m) with an adjusted operating margin of 13.8%. This was 0.4ppts lower at CER than last year following investment in operations to fund future growth. Together with high margin acquisitions in the last 6 months, the annualised adjusted operating margin is ahead of last year and we remain on track to reach our target for FY 2029/30 of 17%.

Group reported operating profit for the year (including acquisition and disposal-related expenses as discussed below within adjusting items) was £45.2m, 7% higher than last year (FY 2024/25: £42.4m).

£m	**FY 2025/26**			FY 2024/25		
	Operating profit	**Finance Cost**	**Profit before tax**	Operating profit	Finance cost	Profit before tax
Adjusted	61.0	(9.1)	51.9	60.5	(10.4)	50.1
Adjusting items						
Amortisation of acquired intangibles	(16.3)	-	(16.3)	(16.2)	-	(16.2)
Acquisition & disposal credit/(expenses)	0.5	-	0.5	(1.9)	-	(1.9)

Reported	45.2	(9.1)	36.1	42.4	(10.4)	32.0

As shown below, adjusted operating profit growth has mainly been achieved through organic growth in sales and accretive acquisitions made this year and last year, partially offset by operational investment in future growth.

£m	**Adjusted Operating Profit**
FY 2024/25	60.5
Gross profit on organic sales increase	3.4
Organic gross margin impact	0.9
Sales mix impact on gross margin	(1.4)
Organic operational investment	(4.4)
Organic profit reduction	(1.5)
Profit from acquired companies	2.2
CER growth in operating profits	0.7
Foreign exchange impact	(0.2)
Net growth in operating profits	0.5
FY 2025/26	**61.0**

Various manufacturing and operating initiatives continued this year helping lift individual business gross margins by 0.2ppts on average which was offset by the mix effect of stronger sales growth in our lower margin businesses (0.3ppts impact). We have invested in new sales and engineering resource and additional operating capacity (Thailand this year with India being completed during the first half next year, both on schedule and on budget) to aid future growth, with organic operating costs increasing by 3.5%. Operating profits of £2.2m were earned this year by last year's two acquisitions (Hivolt acquired in August 2024 and Burster acquired in January 2025) during their first year of ownership and by Storm (acquired in December 2025).

Sterling was 5% stronger this year versus 12 months ago, compared with the US Dollar but 3% weaker against the Euro and 5% weaker on average against Nordic currencies, giving rise to a net reduction in adjusted operating profits on translation of £0.2m for the year.

Adjusting items

Adjusting items for the year totalled £15.8m (FY 2024/25: £18.1m) comprising the amortisation of acquired intangibles of £16.3m (FY 2024/25: £16.2m), broadly in line with last year, less net acquisition and disposal credits of £0.5m (FY 2024/25: a net expense of £1.9m).

The net acquisition and disposal credits of £0.5m comprises a net reduction in the fair value of contingent consideration payable on past acquisitions of £5.8m less £1.3m fair value adjustments on acquired inventory, £3.2m of costs associated with acquisitions, £0.4m of acquisition integration costs and £0.4m of GMP equalisation payments in respect of the Group's legacy pension scheme.

Financing costs

Net finance costs for the year were £9.1m (FY 2024/25: £10.4m) and include a £1.3m charge for leased assets under IFRS 16 (FY 2024/25: £1.0m) and a £0.6m charge for amortised upfront facility costs (FY 2024/25: £0.6m). Excluding these, net finance costs related to our banking facilities were £7.2m (FY 2024/25: £8.8m), a reduction of 20%, due to lower average net debt balances during the year and lower base rates for our main borrowing currencies (Sterling, US Dollars and Euros), all of which reduced during the year. The Sterling base rate and US Dollar Federal rate both reduced by 0.75ppts to 3.75%, while the ECB lending rate reduced by 0.5ppts to 2.15%.

Adjusted tax rate

The adjusted effective tax rate ("ETR") for the year was 23.5%, 0.5ppts lower than last year (FY 2024/25: 24.0%) due to greater profits in lower tax territories.

The overall ETR of 19.7% was lower than last year's ETR (FY 2024/25: 23.1%) due to a low rate of tax on the net acquisition and disposal credit within adjusting items as shown in the table below.

£m	FY 2025/26		FY 2024/25	
	PBT	ETR	PBT	ETR
Adjusted	51.9	23.5%	50.1	24.0%
Adjusted items				
Amortisation of acquired intangibles	(16.3)		(16.2)	
Acquisition & disposal credit/(expenses)	0.5		(1.9)	
Reported	36.1	19.7%	32.0	23.1%

Profit before tax and EPS

Following the reduction in net finance costs, adjusted profit before tax for the year of £51.9m was £1.8m higher (+4%) than last year (FY 2024/25: £50.1m) with adjusted EPS for the year increasing by 4% to 40.3p (FY 2024/25: 38.7p).

£m	FY 2025/26		FY 2024/25	
	PBT	EPS	PBT	EPS
Adjusted	51.9	40.3p	50.1	38.7p
Adjusting items				
Amortisation of acquired intangibles	(16.3)		(16.2)	
Acquisition & disposal credit/(expenses)	0.5		(1.9)	
Reported	36.1	29.4p	32.0	25.0p

After adjusting items, reported profit before tax was £36.1m, 13% higher than last year (FY 2024/25: £32.0m) with reported fully diluted earnings per share of 29.4p, 18% ahead of last year (FY 2024/25: 25.0p).

Working capital and asset returns ratios

Working capital at 31 March 2026 was £81.8m (FY 2024/25: £79.0m) with a £2.4m increase from acquisitions and £1.3m of working capital investment offset by a £0.9m reduction from foreign exchange translation. This is equivalent to 16.6% of final quarter annualised sales at CER, a 0.6ppts improvement on last year (FY 2024/25: 17.2%).

Working capital KPIs have remained robust during the year with debtor days of 47 (1 day higher than last year), creditor days of 74 (6 days lower than last year) and stock turns of 3.2 (0.1 turns higher than last year).

ROCE for the year of 15.2% was above our 15.0% target although slightly below last year (FY 2024/25: 15.8%) due to the impact of acquisitions and operational investment this year.

Return on Tangible Capital Employed ("ROTCE") for the year, which excludes goodwill, intangible assets and non-operational assets, was 45.1%. This illustrates both the strong returns being generated by the Group's operational assets, and our capital-light requirements with capital expenditure of only 1.5% of sales (FY 2024/25: 1.4%). ROTCE was 7.0ppts lower than last year (FY 2024/25: 52.1%) due to £13m of additional right-of-use assets, capitalised under IFRS16.

Cash flow

Net debt at 31 March 2026, excluding IFRS16 leases, was £80.5m, compared with £94.3m at 31 March 2025 with the reduction in the year of £13.8m driven by strong free cash generation partly offset by the acquisition of Storm, payment of earn-outs and last year's final dividend.

£m	FY 2025/26	FY 2024/25
Opening net debt	(94.3)	(104.0)
Free cash flow (see table below)	36.6	40.4
Dividends	(12.2)	(11.7)
Acquisitions & disposals	(9.5)	(19.8)
Equity issuance	0.1	-
Amortisation of debt fees	(0.6)	(0.6)
Foreign exchange impact	(0.6)	1.4
Net debt at 31 March	**(80.5)**	**(94.3)**

Acquisitions and disposals cash outflow of £9.5m in the year comprised £4.3m for the acquisition of Storm, £2.8m payment of earnouts related to Hivolt and CPI, £1.1m of acquisition expenses, £0.7m of integration expenses and £0.6m of acquisition & disposal completion payments.

Dividends of £12.2m were paid during the year, an increase of 4% over the prior year.

The impact of movements in Sterling in the year led to an FX loss of £0.6m compared with an FX gain last year of £1.4m. The Group's policy is to hold net debt in currencies aligned to the currency of its cash flows in order to protect the gearing of the Group.

Adjusted operating cash flow and free cash flow for the year (see definitions in note 6 to the attached condensed consolidated financial statements) compared with last year are shown below:

£m	FY	FY

	2025/26	2024/25
Adjusted profit before tax	**51.9**	50.1
Net finance costs	9.1	10.4
Non-cash items	14.5	15.1
IFRS 16 - lease payments	(7.9)	(7.5)
Adjusted EBITDA	**67.6**	**68.1**
Changes in working capital	(5.5)	0.3
Capital expenditure	(6.6)	(6.1)
Adjusted operating cash flow	**55.5**	**62.3**
Finance costs	(7.2)	(9.0)
Taxation	(10.7)	(10.6)
Legacy pension	(1.0)	(2.3)
Free cash flow	**36.6**	**40.4**

Adjusted EBITDA of £67.6m was £0.5m lower than last year (FY 2024/25: £68.1m) due to lower non-cash items, principally being a lower share-based payment charge.

During the year, the Group invested £5.5m in working capital supporting strong sales and orders in the final quarter. This compares with a small inflow last year of £0.3m.

Capital expenditure of £6.6m was invested during the year, being 1.5% of sales, similar to last year (FY 2024/25: £6.1m at 1.4% of sales). This included investment in our expanded Thailand facility and our new Indian facility (due to complete in August 2026) together with various new production line extensions. Capital expenditure levels are expected to increase to c.£9m for next year with the completion of the Indian facility and a new facility in Norway.

£55.5m of adjusted operating cash flow was generated in the year (FY 2024/25: £62.3m) being 91% of adjusted operating profit, comfortably ahead of our 85% target (FY 2024/25: 103%). This conversion rate is lower than last year due to investments in working capital to support growth.

Finance cash costs of £7.2m were £1.8m below last year due to lower net debt balances during the year and lower base rates for our main borrowing currencies (Sterling, US Dollars and Euros) which all reduced during the year. Corporate income tax payments of £10.7m were broadly in line with last year (FY 2024/25: £10.6m).

Free cash flow (being cash flow before dividends and acquisitions) of £36.6m was generated in the year, (FY 2024/25: £40.4m) at a free cash conversion rate of 92% of adjusted earnings, again ahead of our 85% target (FY 2024/25: 106%). Over the past decade, the Group has consistently achieved high levels of adjusted operating cash and free cash conversion, both averaging around 100%.

Banking facilities

The Group has a £240m syndicated banking facility which, in November 2025, was extended to May 2030 with extension options to May 2032. In addition, the Group has an £80m accordion facility which it can use to extend the total facility up to £320m, subject to bank approval. The syndicated facility is available both for acquisitions and for working capital purposes and comprises seven lending banks. As part of the renewal, our gearing covenant was increased from 3.0x to 3.5x which provides us with additional flexibility to operate temporarily above the upper end of our target gearing range of 2.0x to optimise execution of our acquisition pipeline.

With net debt (excluding IFRS 16 leases in accordance with our banking covenants) at 31 March 2026 of £80.5m, the Group's gearing ratio at the end of the year (being net debt excluding IFRS 16 leases divided by Adjusted EBITDA as annualised for acquisitions) was 1.2x.

With the acquisition of Trival completed in April 2026 and the recently announced acquisition of 3G, proforma gearing at 31 March 2026 was 2.2x which is forecast to reduce to 1.8x by the end of this new financial year, comfortably within our target range.

Defined benefit pension scheme

In January 2025, the Group completed the buy-in of its legacy UK defined benefit pension scheme with Just Retirement Limited for a premium of £29.1m, funded primarily from existing scheme assets. The buy-in delivers greater security for scheme members, whilst substantially removing the Group's exposure to defined benefit liabilities and investment, longevity, interest rate and inflation risks in respect of the scheme.

Balance sheet

Net assets of £328.6m at 31 March 2026 were £20.6m higher than at the end of the last financial year (31 March 2025: £308.0m). The increase primarily relates to net profit after tax for the year of £29.0m being partly offset by dividends paid during the year of £12.2m. The movement in net assets is summarised below.

£m	FY 2025/26
Net assets at 31 March 2025	308.0
Net profit after tax	29.0
Dividend paid	(12.2)
Currency net assets - translation impact	2.1
Gain on defined benefit scheme	0.2
Issue of shares	0.2
Share based payments (inc tax)	1.3
Net assets at 31 March 2026	**328.6**

Risks and uncertainties

The principal risks faced by the Group are covered in more detail in the Group's 2026 Annual Report and Accounts, which will be published later this month. These risks comprise: the economic environment, particularly linked to the geopolitical issues arising from the ongoing conflicts in the Middle East and Ukraine; the imposition of US trade tariffs and counter tariffs; the performance of acquired companies; climate-related risks; loss of major customers or suppliers; technological changes; major business disruption; cyber security; loss of key personnel; control risk; product liability; liquidity and debt covenants; exposure to adverse foreign currency movements; and non-compliance with legal and regulatory requirements.

The Board reviewed the Group's principal risks and the mitigating actions and processes in place during the financial year. The Board's view is that risks associated with the macroeconomic environment, including the impact from US tariffs and cyber attacks have increased during the financial year with no material change to the relative importance or quantum of the Group's other principal risks.

The risk assessment and review are an ongoing process, and the Board will continue to monitor risks and the mitigating actions in place. The Group's risk management processes cover identification, impact assessment, likely occurrence and mitigation actions where practicable. Some level of risk, however, will always be present. The Group is well positioned to manage such risks and uncertainties, if they arise, given its strong balance sheet, committed banking facility of £240m and the adaptability we have as an organisation.

Simon Gibbins
Group Finance Director

Consolidated Statement of Profit or Loss

for the year ended 31 March 2026

	Notes	2026 £m	2025 £m
Revenue	4	**443.3**	422.9
Operating costs		**(398.1)**	(380.5)
Operating profit	7	**45.2**	42.4
Finance income		**2.7**	3.7
Finance costs		**(11.8)**	(14.1)
Profit before tax		**36.1**	32.0
Tax expense		**(7.1)**	(7.4)
Profit for the year		**29.0**	24.6
Earnings per share	10		
Basic, profit for the year		**30.2p**	25.6p
Diluted, profit for the year		**29.4p**	25.0p

The above consolidated Statement of Profit or Loss should be read in conjunction with the accompanying notes.

Supplementary Statement of Profit or Loss information

for the year ended 31 March 2026

Alternative performance measures	Notes	2026 £m	2025 £m
Operating profit	7	**45.2**	42.4
Add back: Net acquisition and disposal (credit)/expenses	6	**(0.5)**	1.9
Amortisation of acquired intangible assets		**16.3**	16.2
Adjusted operating profit		**61.0**	60.5
Profit before tax		**36.1**	32.0
Add back: Net acquisition and disposal (credit)/expenses	6	**(0.5)**	1.9
Amortisation of acquired intangible assets		**16.3**	16.2
Adjusted profit before tax		**51.9**	50.1
Adjusted earnings per share - diluted	6	**40.3p**	38.7p
Adjusted earnings per share - basic	6	**41.3p**	39.7p

Consolidated Statement of Comprehensive Income

for the year ended 31 March 2026

	Notes	**2026 £m**	2025 £m
Profit for the year		**29.0**	24.6
Other comprehensive gain/(loss):			
Items that will not be subsequently reclassified to profit or loss:			
Actuarial gain/(loss) on defined benefit pension scheme	15	**0.3**	(4.7)
Tax (charge)/credit relating to defined benefit pension scheme		**(0.1)**	1.2
		0.2	(3.5)
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translation of foreign subsidiaries		**2.1**	(3.7)
		2.1	(3.7)
Other comprehensive income/(loss) for the year, net of tax		**2.3**	(7.2)
Total comprehensive income for the year, net of tax		**31.3**	17.4

The above consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

as at 31 March 2026

	Notes	2026 £m	2025 £m
Non-current assets			
Property, plant and equipment		**24.0**	23.0
Intangible assets - goodwill	11	**249.2**	244.2
Intangible assets - other		**81.3**	92.2
Right-of-use assets		**33.3**	27.4
Deferred tax assets		**7.3**	10.1
		395.1	396.9
Current assets			
Inventories		**85.4**	82.9
Trade and other receivables		**85.7**	74.4
Current tax assets		**3.1**	1.5
Cash and cash equivalents	12	**125.3**	139.3
		299.5	298.1
Total assets		**694.6**	695.0
Current liabilities			
Trade and other payables		**(91.9)**	(81.1)
Loans and borrowings		**(95.6)**	(95.0)
Lease liabilities		**(6.5)**	(6.2)
Current tax liabilities		**(8.4)**	(8.2)
Provisions		**(3.8)**	(5.0)
		(206.2)	(195.5)
Non-current liabilities			
Other payables		**(0.5)**	(6.2)
Loans and borrowings		**(110.2)**	(138.6)
Lease liabilities		**(27.5)**	(21.2)
Pension liability	15	**(0.2)**	(0.5)
Provisions		**(4.3)**	(4.0)
Deferred tax liabilities		**(17.1)**	(21.0)
		(159.8)	(191.5)
Total liabilities		**(366.0)**	(387.0)
Net assets		**328.6**	308.0
Equity			
Share capital	14	**4.9**	4.8
Share premium		**192.1**	192.0
Merger reserve		**2.9**	2.9
Currency translation reserve		**(3.7)**	(5.8)
Retained earnings		**132.4**	114.1
Total equity		**328.6**	308.0

The above consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

The Financial Statements were approved by the Board of Directors on 2 June 2026 and signed on its behalf by:

NICK JEFFERIES
SIMON GIBBINS

Group Chief Executive Group Finance Director

Consolidated Statement of Changes in Equity

for the year ended 31 March 2026

	Attributable to equity holders of the Company					
	Share capital £m	Share premium £m	Merger reserve £m	Currency translation reserve £m	Retained earnings £m	Total equity £m
At 1 April 2024	**4.8**	**192.0**	**2.9**	**(2.1)**	**104.0**	**301.6**
Profit for the year	-	-	-	-	24.6	24.6
Other comprehensive loss	-	-	-	(3.7)	(3.5)	(7.2)
Total comprehensive (loss)/income	-	-	-	(3.7)	21.1	17.4
Share-based payments including tax	-	-	-	-	0.7	0.7
Dividends (note 9)	-	-	-	-	(11.7)	(11.7)
At 31 March 2025	**4.8**	**192.0**	**2.9**	**(5.8)**	**114.1**	**308.0**
Profit for the year	-	-	-	-	29.0	29.0
Other comprehensive income	-	-	-	2.1	0.2	2.3
Total comprehensive income	-	-	-	2.1	29.2	31.3
Share-based payments including tax	-	-	-	-	1.3	1.3
Shares issued	0.1	0.1	-	-	-	0.2
Dividends (note 9)	-	-	-	-	(12.2)	(12.2)
At 31 March 2026	**4.9**	**192.1**	**2.9**	**(3.7)**	**132.4**	**328.6**

THE ABOVE CONSOLIDATED STATEMENT OF CHANGES IN EQUITY SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

Consolidated Statement of Cash Flows

for the year ended 31 March 2026

	Notes	2026 £m	2025 £m
Net cash flow from operating activities	13	**45.3**	46.4
Investing activities			
Acquisition of businesses, net of cash acquired		**(4.7)**	(27.7)
Contingent consideration related to business acquisitions		**(2.8)**	(2.3)
Proceeds from business disposals		**-**	13.3
Shares issued		**0.1**	-
Purchase of property, plant and equipment		**(5.7)**	(5.4)
Purchase of intangible assets - software		**(0.9)**	(0.7)
Interest received		**2.7**	3.5
Net cash used in investing activities		**(11.3)**	(19.3)
Financing activities			
Proceeds from borrowings		**27.1**	37.5
Repayment of borrowings		**(57.4)**	(33.2)
Payment of lease liabilities		**(6.6)**	(6.5)

Dividends paid	9	**(12.2)**	(11.7)
Net cash used in financing activities		**(49.1)**	(13.9)
Net (decrease)/increase in cash and cash equivalents[1]		**(15.1)**	13.2
Net cash and cash equivalents at 1 April		**43.7**	31.5
Effect of exchange rate fluctuations		**0.4**	(1.0)
Net cash and cash equivalents at 31 March		**29.0**	43.7

Reconciliation to cash and cash equivalents in the consolidated Statement of Financial Position		
Net cash and cash equivalents shown above	**29.0**	43.7
Add back: bank overdrafts	**96.3**	95.6
Cash and cash equivalents presented in current assets in the consolidated Statement of Financial Position	**125.3**	139.3

The above consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Group consolidated Financial Statements

for the year ended 31 March 2026

1. PUBLICATION OF NON-STATUTORY ACCOUNTS

THE PRELIMINARY RESULTS WERE AUTHORISED FOR ISSUE BY THE BOARD OF DIRECTORS ON 2 JUNE 2026. THE FINANCIAL INFORMATION SET OUT ABOVE DOES NOT CONSTITUTE THE COMPANY'S STATUTORY ACCOUNTS FOR THE YEARS ENDED 31 MARCH 2026 OR 31 MARCH 2025, BUT IS DERIVED FROM THOSE ACCOUNTS. STATUTORY ACCOUNTS FOR 2025 HAVE BEEN DELIVERED TO THE REGISTRAR OF COMPANIES WHEREAS THOSE FOR 2026 WILL BE DELIVERED FOLLOWING THE COMPANY'S ANNUAL GENERAL MEETING. THE AUDITORS HAVE REPORTED ON THOSE ACCOUNTS; THEIR REPORT WAS UNQUALIFIED AND DID NOT CONTAIN A STATEMENT UNDER SECTION 237 (2) OR (3) OF THE COMPANIES ACT 2006.

2. BASIS OF PREPARATION

THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS HAVE BEEN PREPARED IN ACCORDANCE WITH UK-ADOPTED INTERNATIONAL ACCOUNTING STANDARDS ("UK-ADOPTED IAS") IN CONFORMITY WITH THE REQUIREMENTS OF THE COMPANIES ACT 2006 AND THE DISCLOSURE GUIDANCE AND TRANSPARENCY RULES SOURCEBOOK OF THE UNITED KINGDOM'S FINANCIAL CONDUCT AUTHORITY. THE CONSOLIDATED FINANCIAL STATEMENTS ARE PREPARED UNDER THE HISTORICAL COST CONVENTION, UNLESS OTHERWISE STATED.

The Group consolidated Financial Statements are presented in pounds sterling and all values are rounded to the nearest hundred thousand except as otherwise indicated.

3. GOING CONCERN

In line with IAS 1 Presentation of Financial Statements and revised guidance on risk management, internal control and related financial and business reporting, management has taken into account all available information about the future for a period of at least, but not limited to, 12 months from the date of approval of the Financial Statements when assessing the Group's and Company's ability to continue as a going concern.

The Group's business activities, together with factors which may adversely impact its future development, performance and position, are set out in the Strategic and Operational Review section of this press release. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Finance Review section of the

Strategic Report of this press release.

The Group's forecasts and projections, taking account of the sensitivity analysis of changes in trading performance, show that the Group is well placed to operate within its current debt facilities of £240m committed up to May 2030, with options to extend to 2032. In addition, the Group has access to an £80m accordion facility, providing the ability to increase the total committed facility to £320m, subject to bank approval. The Group's financing arrangements are subject to key financial covenants comprising a net leverage covenant of less than 3.5x and an interest cover covenant of greater than 4.0x. As at 31 March 2026, the Group's net leverage was 1.2x and interest cover was 9.6x.

The Viability Base Case has been subjected to sensitivity analysis involving flexing a number of the underlying key assumptions, both individually and in conjunction. The sensitivities take into account the principal risks and uncertainties, notably instability in the economic environment, under performance of acquired businesses, climate-related risks, loss of key customers and suppliers, major business disruption, liquidity restriction, debt covenants, interest rate increases, the continued impact of US tariffs and counter tariffs, the ongoing impact of the Middle East and Ukraine conflicts and adverse foreign currency movements. Both the viability Base Case and downside sensitivities include the impact of the acquisition of Trival Antene d.o.o., completed on 1 April 2026 and 3Gmetalworx announced on 19th May 2026, subject to receipt of regulatory approvals.

The most severe but plausible downside scenario assumes a worsening of the economic environment caused by a number of factors including the ongoing conflict in the Middle East, the continued impact of US tariffs and counter tariffs, and significant reduction in customer demand due to continuing inflationary pressures and elevated interest rates. This downside scenario results in a significant decline in the second half sales of FY 2026/27, with FY 2027/28 sales flat on the reduced FY 2026/27 level, and modest growth in FY 2028/29. Additionally, gross margin was reduced, working capital materially increased, significant one-off expenditures included (product quality and liability, major customer insolvency or litigation, irrecoverable customer debt, climate change, cyber-security incident, inventory and technology obsolescence), interest rates increased and the Group effective tax rate increased.

After factoring in these significant additional downsides to the Viability Base Case, there remains good headroom both in terms of liquidity and our debt covenants. This is supported by the fact that the Group sells a wide portfolio of different products across a diverse set of industries and geographies, has low customer / supplier concentration, a global supply chain network, diverse manufacturing capacity, and has well-established relationships with its customers. These factors are considered important in mitigating many of the risks that could affect the long-term viability of the Group. As a consequence, the Directors believe that the Group is well placed to manage its principal risks and uncertainties.

Reverse stress testing has also been applied to the most plausible downside scenario to determine the level of additional downside that would be required before the Group would breach its debt covenants or current liquidity headroom during the assessment period. The reverse stress test was conducted on the basis that certain mitigating actions would be undertaken to reduce overheads and capital expenditure during the period as sales declined and, on that basis, a fall in adjusted operating margin to below 6.3% in FY 2026/27 would be required before such a breach occurred. The Board considers the possibility of such a scenario to be remote and further mitigation, such as hiring freezes, pay and bonus reductions, headcount reductions, reduction in planned capital expenditure, equity raises and suspension of dividend payments, would be available if future trading conditions indicated that such an outcome were possible.

The Company acts as a holding company for investments in the subsidiaries and does not engage in any trading activities directly and thus is dependent on the trading activities of its subsidiaries. The Company holds sufficient net current assets as at 31 March 2026 to continue as a going concern.

The Directors are confident that the Company and the Group have sufficient resources to continue in operational existence for at least 12 months from the date of approval of the Financial Statements. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

4. REVENUE

Group revenue is analysed below:

	2026 £m	2025 £m
Sale of goods	**437.8**	417.7
Rendering of services	**5.5**	5.2
Total revenue	**443.3**	422.9

5. OPERATING SEGMENT INFORMATION

The reportable operating segments of the Group include two distinct divisions, Magnetics & Controls ("M&C") and Sensing & Connectivity ("S&C"). Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board.

Within each of these reportable operating segments are aggregated business units with similar characteristics such as the nature of customers, products, risk profile and economic characteristics. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is reported and evaluated based on adjusted operating profit earned by each segment.

During the year, to enhance alignment and commonality across our businesses, one business was reclassified from M&C to S&C and one business from S&C to M&C. Prior year figures have been restated to reflect these reclassifications. There is no impact on the Group results.

SEGMENT REVENUE AND RESULTS

2026	Magnetics & Controls	Sensing & Connectivity	Unallocated Costs	Total
	£m	£m	£m	£m
Revenue	**267.0**	**176.3**	**-**	**443.3**
Result				
Adjusted operating profit/(loss)	41.7	31.4	(12.1)	61.0
Net acquisition and disposal (expenses)/credit	(0.7)	1.6	(0.4)	0.5
Amortisation of acquired intangible assets	(9.2)	(7.1)	-	(16.3)
Operating profit/(loss)	**31.8**	**25.9**	**(12.5)**	**45.2**

2025 (restated)	Magnetics & Controls	Sensing & Connectivity	Unallocated Costs	Total
	£m	£m	£m	£m
Revenue	**260.8**	**162.1**	**-**	**422.9**
Result				
Adjusted operating profit/(loss)	43.0	29.3	(11.8)	60.5
Net acquisition and disposal (expenses)/credit	(2.1)	0.2	-	(1.9)
Amortisation of acquired intangible assets	(9.3)	(6.9)	-	(16.2)
Operating profit/(loss)	**31.6**	**22.6**	**(11.8)**	**42.4**

6. ADJUSTED PERFORMANCE MEASURES

These Financial Statements include adjusted performance measures that are not prepared in accordance with IFRS. These alternative performance measures have been selected by management to assist them in making operating decisions as they represent the underlying operating performance of the Group and facilitate internal comparisons of performance over time.

Adjusted performance measures are presented in these Financial Statements as management believes they provide investors with a means of evaluating performance of the Group on a consistent basis, similar to the way in which management evaluates performance, that is not otherwise apparent on an IFRS basis, given that certain strategic non-recurring and acquisition-related items that management does not believe are indicative of the underlying operating performance of the Group are included when preparing financial measures under IFRS. The trading results of acquired businesses are included in adjusted performance.

The Directors consider there to be the following key adjusted performance measures:

ADJUSTED OPERATING PROFIT

"ADJUSTED OPERATING PROFIT" IS DEFINED AS OPERATING PROFIT EXCLUDING ACQUISITION AND DISPOSAL-RELATED COSTS.

Acquisition and disposal-related costs include "acquisition and disposal expenses" which comprise transaction costs relating to acquisitions and disposals, fair value adjustment on acquired inventory and costs related to integration and restructuring of acquired businesses into the Group; "contingent consideration relating to the retention of former owners of acquired businesses and adjustments to previously estimated contingent consideration" and "amortisation of acquired intangible assets".

ADJUSTED OPERATING COSTS

"ADJUSTED OPERATING COSTS" IS DEFINED AS OPERATING COSTS EXCLUDING ACQUISITION AND DISPOSAL-RELATED COSTS.

ADJUSTED EBITDA

"Adjusted EBITDA" is defined as adjusted operating profit excluding the impact of IFRS16 and with depreciation, amortisation, equity-settled share-based payment expense and IAS 19 pension cost added back.

Adjusted operating margin

"Adjusted operating margin" is defined as adjusted operating profit divided by revenue.

ADJUSTED PROFIT BEFORE TAX

"Adjusted profit before tax" is defined as profit before tax excluding acquisition and disposal-related costs.

Adjusted tax charge / Adjusted effective tax rate ("ETR")

"Adjusted tax charge" is defined as the tax charge adjusted for the tax effect of the acquisition and disposal-related costs.

"ADJUSTED ETR" IS DEFINED AS ADJUSTED TAX CHARGE DIVIDED BY ADJUSTED PROFIT BEFORE TAX.

Adjusted profit after tax

"Adjusted profit after tax" is defined as adjusted profit before tax less adjusted tax charge.

ADJUSTED EARNINGS PER SHARE

"ADJUSTED EARNINGS PER SHARE - DILUTED" IS CALCULATED AS ADJUSTED PROFIT AFTER TAX, DIVIDED BY THE WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (FOR DILUTED EARNINGS PER SHARE PURPOSES) IN ISSUE

DURING THE PERIOD.

"Adjusted earnings per share - basic" is calculated as adjusted profit after tax, divided by the weighted average number of ordinary shares (for basic earnings per share purposes) in issue during the period.

Adjusted operating cash flow / Adjusted operating cash conversion

"Adjusted operating cash flow" is defined as adjusted EBITDA, plus/minus the investment in, or release of, working capital and less the cash cost of capital expenditure.

"Adjusted operating cash conversion" is defined as adjusted operating cash flow divided by adjusted operating profit.

FREE CASH FLOW / FREE CASH FLOW CONVERSION

"FREE CASH FLOW" IS DEFINED AS NET CASH FLOW BEFORE DIVIDEND PAYMENTS, THE COST OF ACQUISITIONS AND PROCEEDS FROM BUSINESS DISPOSALS.

"Free cash conversion" is free cash flow divided by adjusted profit after tax.

RETURN ON CAPITAL EMPLOYED ("ROCE") / RETURN ON TANGIBLE CAPITAL EMPLOYED ("ROTCE")

"ROCE" IS DEFINED AS ADJUSTED OPERATING PROFIT, INCLUDING THE ANNUALISATION OF PROFITS OF ACQUIRED BUSINESSES, AS A PERCENTAGE OF NET ASSETS EXCLUDING NET DEBT, DEFERRED CONSIDERATION RELATED TO DISCONTINUED OPERATIONS AND LEGACY DEFINED BENEFIT PENSION LIABILITY.

"ROTCE" is defined as ROCE excluding the value of acquired goodwill and intangibles, lease liabilities, provisions and tax balances.

Organic and CER revenue growth

"CER revenue growth" is defined as growth rates at constant exchange rates.

"Organic revenue growth" is defined as CER revenue growth excluding the first 12 months of acquisitions post completion, and adjusted for disposals.

Gearing ratio

Gearing ratio is defined as net debt divided by adjusted EBITDA, including the annualisation of acquired businesses.

THE TABLES BELOW SHOW THE RECONCILIATION TO THE IFRS REPORTING MEASURES, FOR THE MAIN ADJUSTED PERFORMANCE MEASURES USED BY THE GROUP.

ADJUSTED OPERATING PROFIT / ADJUSTED EBITDA

Adjusted operating profit and EBITDA are calculated as follows:

			2026 £m	2025 (restated) £m
Operating profit			**45.2**	42.4
Add back:	Net acquisition and disposal expenses	(a)	**5.3**	3.6
	Contingent consideration	(b)	**(5.8)**	(1.7)
	Amortisation of acquired intangibles		**16.3**	16.2
Adjusted operating profit			**61.0**	60.5
Add back:	Depreciation and amortisation		**12.6**	12.4
	Share-based payment and IAS 19 pension cost		**1.9**	2.7
Less:	Lease payments		**(7.9)**	(7.5)
Adjusted EBITDA			**67.6**	68.1

Prior year Adjusted EBITDA restated to exclude the impact of IFRS16.

(a) Net acquisition and disposal expenses comprise £2.3m of transaction costs in relation to the acquisitions of Storm, Trival, 3G and ongoing transactions, £0.4m of integration and restructuring expenses across the Group, £2.2m related to changes in fair value of inventory and £0.4m equalisation of Guaranteed Minimum Pensions ("GMPs") in the legacy Sedgemoor Group Pension Fund.

During the prior year, net acquisition and disposal expenses of £3.6m comprised £1.4m of transaction costs in relation to the acquisitions of Burster, Hivolt and ongoing transactions, and £3.1m of integration and restructuring expenses related to the establishment of our operating clusters mainly associated with removing duplicate positions in our Magnetics & Sensing clusters, £1.2m related to changes in fair value of inventory, offset by £2.1m gain on disposal of the Santon solar business.

(b) Movement in fair value of contingent consideration on past acquisitions.

ADJUSTED PROFIT BEFORE TAX

Adjusted profit before tax is calculated as follows:

		2026 £m	2025 £m
Profit before tax		**36.1**	32.0
Add back:	Net acquisition and disposal expenses	**5.3**	3.6
	Contingent consideration	**(5.8)**	(1.7)
	Amortisation of acquired intangible assets	**16.3**	16.2
Adjusted profit before tax		**51.9**	50.1

Adjusted effective tax rate

Adjusted effective tax rate ("ETR") is calculated as follows:

	2026 £m	2025 £m

Adjusted profit before tax	**51.9**	50.1
Total tax charge	**7.1**	7.4
Add back tax effect of net acquisition and disposal-related costs	**5.1**	4.6
Adjusted tax charge	**12.2**	12.0
Adjusted effective tax rate	**23.5%**	24.0%

Adjusted profit after tax / Adjusted earnings per share

Adjusted profit after tax and earnings per share are calculated as follows:

		2026 £m	2025 £m
Profit for the year		**29.0**	24.6
Add back:	Net acquisition and disposal expenses	**5.3**	3.6
	Contingent consideration	**(5.8)**	(1.7)
	Amortisation of acquired intangible assets	**16.3**	16.2
Tax charge relating to the above adjustments		**(5.1)**	(4.6)
Adjusted profit after tax		**39.7**	38.1

	2026 Number	2025 Number
Weighted average number of shares for basic earnings per share	**96,108,648**	96,028,934
Effect of dilution - share options	**2,405,124**	2,398,601
Weighted average number of shares for diluted earnings per share	**98,513,772**	98,427,535
Adjusted earnings per share - diluted	**40.3p**	38.7p
Adjusted earnings per share - basic	**41.3p**	39.7p

ADJUSTED OPERATING CASH FLOW / FREE CASH FLOW

	2026 £m	2025 £m
Adjusted EBITDA	**67.6**	68.1
Changes in working capital	**(5.5)**	0.3
Capital expenditure	**(6.6)**	(6.1)
Adjusted operating cash flow	**55.5**	62.3
Net interest paid	**(7.2)**	(9.0)
Tax payments	**(10.7)**	(10.6)
Legacy pension scheme funding	**(1.0)**	(2.3)

Free cash flow	**36.6**	40.4

ROCE / ROTCE

ROCE and ROTCE are calculated as follows:

		2026 £m	2025 £m
Net assets		**328.6**	308.0
Less:	Deferred consideration in relation to disposed businesses	**-**	(0.3)
	Net debt	**80.5**	94.3
	IAS 19 pension liability	**0.2**	0.5
Capital employed		**409.3**	402.5
Less:	Goodwill	**(249.2)**	(244.2)
	Acquired intangible assets	**(79.1)**	(90.4)
	Deferred tax assets and liabilities	**9.8**	10.9
	Current tax assets and liabilities	**5.3**	6.7
	Lease liabilities	**34.0**	27.4
	Provisions	**8.1**	9.0
Trading capital employed		**138.2**	121.9
Adjusted operating profit		**61.0**	60.5
Add:	Annualisation of acquired businesses	**1.3**	3.0
Annualised operating profit		**62.3**	63.5
ROCE		**15.2%**	15.8%
ROTCE		**45.1%**	52.1%

Organic and CER revenue growth

Organic and CER revenue growth are calculated as follows:

	2026 £m	2025 £m
Revenue	**443.3**	422.9
FX translation impact	**-**	0.4
Adjusted (CER) revenue	**443.3**	423.3
Acquisitions and disposals	**(16.0)**	(3.9)
Organic revenue	**427.3**	419.4

Organic growth for the Group compared with last year is calculated at constant exchange rates ("CER") and is shown excluding the first 12 months of acquisitions post completion (Hivolt in August 2024, Burster in January 2025 and Storm in December 2025) and the results of the Santon solar business unit disposal.

Gearing ratio

Gearing ratio is calculated as follows:

	2026 £m	2025 £m
Net debt	**80.5**	94.3
Adjusted EBITDA	**67.6**	68.1
Annualisation of acquired businesses	**1.3**	3.0
Covenant EBITDA	**68.9**	71.1
Gearing ratio	**1.2**	1.3

7. OPERATING PROFIT

	2026 £m	2025 £m
Revenue	**443.3**	422.9
Direct materials/direct labour	**(244.5)**	(236.8)
Other cost of goods sold	**(6.3)**	(4.6)
Selling and distribution costs	**(41.6)**	(40.9)
Administrative expenses	**(105.7)**	(98.2)
Operating profit	**45.2**	42.4

8. Business combinations

Acquisitions in the year ended 31 March 2026

Acquisition of Keymat Technology Limited ("Storm")

On 18 December 2025, the Group completed the acquisition of 100% of the share capital of Keymat Technology Limited operating under the trading name Storm Interface ("Storm"), a company incorporated in the United Kingdom. Storm is a UK-based designer and manufacturer of differentiated assistive HMI products. These are primarily tactile and audible content navigation devices for visually impaired people, for sale in the UK and internationally. The need for such products is being driven by the roll out of legislation in Europe, UK and Americas that requires assistive interfaces in electronic equipment.

Storm was acquired for an initial consideration of £5.5m on a cash-free, debt-free basis, before expenses, funded from the Group's existing debt facilities. The initial cash consideration paid of £7.7m includes a net adjustment of £2.2m (cash acquired offset by other debt-like items). In addition, a contingent payment of up to £2.2m will be payable subject to Storm achieving certain financial performance conditions over the period between 1 April 2025 and 31 March 2026.

The fair values of the identifiable assets and liabilities of Storm at the date of acquisition were:

	Fair value recognised at acquisition £m
Intangible assets - other *(incl. customer relationships)*	4.8
Property, plant and equipment	0.2

Right-of-use assets	0.2
Inventories	1.3
Trade and other receivables	0.2
Cash acquired	3.8
Trade and other payables	(0.9)
Current and deferred tax liabilities	(1.9)
Lease liabilities	(0.2)
Total identifiable net assets	**7.5**
Goodwill arising on acquisition	**2.9**
Total investment	**10.4**

Discharged by	
Initial cash consideration	7.7
Purchase price adjustment	0.5
Contingent consideration	2.2
	10.4

Net cash outflows in respect of the acquisition comprise:

	Total £m
Cash consideration	7.7
Transaction costs	0.4
Net cash acquired	(3.8)
	4.3

Transaction costs of £0.4m related to acquisition expenses and were expensed as incurred in the period ended 31 March 2026. These were included within operating costs and operating cash flows.

Included in cash flow from investing activities is the initial cash consideration of £7.7m, offset by the net cash acquired of £3.8m.

From the date of acquisition to 31 March 2026, Storm contributed £1.9m to revenue and a profit of £0.1m to profit after tax of the Group. If the business combination had taken place at the beginning of the year, the consolidated revenue for the Group would have been £448.2m and the consolidated profit after tax for the Group would have been £29.9m.

The goodwill is attributable to the workforce and the high profitability of the acquired business. It will not be deductible for tax purposes. Included in the £2.9m of goodwill recognised above are certain intangible assets that cannot be individually separated and reliably measured, due to their nature. These include the value of expected operational benefits. All the acquired receivables are expected to be collected.

9. DIVIDENDS

Dividends recognised in equity as distributions to equity holders in the year:	2026 £m	2025 £m
Equity dividends on ordinary shares:		
Final dividend for the year ended 31 March 2025 of 8.60p (2024: 8.25p)	**8.3**	7.9
Interim dividend for the year ended 31 March 2026 of 4.05p (2025: 3.90p)	**3.9**	3.8
Total amounts recognised as equity distributions during the year	**12.2**	11.7

Proposed for approval at AGM:	2026 £m	2025 £m
Equity dividends on ordinary shares:		
Final dividend for the year ended 31 March 2026 of 8.95p (2025: 8.60p)	**8.6**	8.3
Summary		
Dividends per share declared in respect of the year	**13.0p**	12.50p
Dividends per share paid in the year	**12.65p**	12.15p
Dividends paid in the year	**£12.2m**	£11.7m

10. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is the basic earnings per share after allowing for the dilutive effect of the conversion into ordinary shares of the weighted average number of options outstanding during the year.

The following reflects the income and share data used in the basic and diluted earnings per share calculations.

	2026 £m	2025 £m
Profit after tax for the year	**29.0**	24.6

	2026 Number	2025 Number
Weighted average number of shares for basic earnings per share	**96,108,648**	96,028,934
Effect of dilution - share options	**2,405,124**	2,398,601
Weighted average number of shares for diluted earnings per share	**98,513,772**	98,427,535
Basic earnings per share	**30.2p**	25.6p
Diluted earnings per share	**29.4p**	25.0p

At the year-end, there were 2,622,432 ordinary share options in issue that could potentially dilute earnings per share in the future, of which 2,405,124 are currently dilutive (2025: 2,648,415 in issue and 2,398,601 dilutive).

11. INTANGIBLE ASSETS - GOODWILL

Cost	£m

At 1 April 2024	233.4
Business acquired (note 8)	15.5
Disposal	(1.7)
Exchange adjustments	(3.0)
At 31 March 2025	244.2
Business acquired (note 8)	2.9
Exchange adjustments	2.1
At 31 March 2026	**249.2**

Impairment	**£m**
At 31 March 2025 and 31 March 2026	**-**

Net book value at 31 March 2026	**249.2**
Net book value at 31 March 2025	244.2

The Group's operations are organised into two distinct divisions, Magnetics & Controls ("M&C") and Sensing & Connectivity ("S&C"). Each of these divisions comprises two operating units. Within each operating unit are aggregated business units ("CGUs") that share similar characteristics such as the nature of customers, products, risk profile and economic characteristics.

With the increased number of acquisitions and the anticipated synergies across the Group's businesses in particular within an operating unit, the Group's management has transitioned from monitoring individual CGUs separately to aggregating the performance outputs of each of the four operating units. This approach is adopted to facilitate the assessment of performance, resource allocation and strategic decision-making.

The Group's management has determined that the lowest level within the Group at which the goodwill is monitored for internal management purposes consists of the operating units, each comprising a number of CGUs. Therefore, according to IAS 36.82, goodwill is tested for impairment at the level that reflects the way the Group manages its operations and with which the goodwill would naturally be associated.

The carrying value of goodwill is analysed as follows:

	2026 £m	2025 (restated) £m
Magnetics	**39.5**	38.2
Controls	**81.7**	79.7
Magnetics & Controls	**121.2**	117.9
Sensing	**46.0**	45.6
Connectivity	**82.0**	80.7
Sensing & Connectivity	**128.0**	126.3
Total	**249.2**	244.2

During the year, to enhance alignment and commonality across our businesses, one business was reclassified from M&C to S&C and one business from S&C to M&C. Prior year figures have been restated to reflect these reclassifications. There is no impact on the Group position.

The movement in goodwill compared to prior year relates mainly to the movement in foreign exchange rates and to Storm which was acquired in the year into the Magnetics & Controls division (note 8).

12. MOVEMENTS IN CASH AND NET DEBT

Year to 31 March 2026	1 April 2025 £m	Cash flow £m	Non-cash changes £m	31 March 2026 £m
Bank loans over one year	(139.4)	28.8	(1.4)	**(112.0)**
Capitalised debt costs	1.4	1.5	(0.4)	**2.5**
Lease liability	(27.4)	7.9	(14.5)	**(34.0)**
Liabilities arising from financing activities	**(165.4)**	**38.2**	**(16.3)**	**(143.5)**
Cash and cash equivalents	139.3	(16.0)	2.0	**125.3**
Bank overdrafts	(95.6)	0.9	(1.6)	**(96.3)**
Net cash	**43.7**	**(15.1)**	**0.4**	**29.0**
Net debt (incl. lease liability)	**(121.7)**	**23.1**	**(15.9)**	**(114.5)**
Remove: lease liability	27.4	(7.9)	14.5	**34.0**
Net debt[1]	**(94.3)**	**15.2**	**(1.4)**	**(80.5)**

1 Net debt is an alternative performance measure as it is not defined in IFRS. The most directly comparable IFRS measure is the aggregate of loans and borrowings (current and non-current) and cash and cash equivalents.

Bank loans over one year above include £111.9m (2025: £139.3m) drawn down against the Group's revolving credit facility.

Bank overdrafts reflect the aggregated gross overdrawn balances of Group companies (even if those companies have other positive cash balances). The overdrafts and cash and cash equivalents are held with the Group's relationship banks.

Year to 31 March 2025	1 April 2024 £m	Cash flow £m	Non-cash changes £m	31 March 2025 £m
Bank loans over one year	(137.5)	(4.3)	2.4	(139.4)
Capitalised debt costs	2.0	-	(0.6)	1.4
Lease liability	(20.1)	7.5	(14.8)	(27.4)
Liabilities arising from financing activities	(155.6)	3.2	(13.0)	(165.4)
Cash and cash equivalents	110.8	29.6	(1.1)	139.3
Bank overdrafts	(79.3)	(16.4)	0.1	(95.6)
Net cash	31.5	13.2	(1.0)	43.7
Net debt (incl. lease liability)	(124.1)	16.4	(14.0)	(121.7)
Remove: lease liability	20.1	(7.5)	14.8	27.4
Net debt	(104.0)	8.9	0.8	(94.3)

13. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2026 £m	2025 £m
Profit for the year	**29.0**	24.6
Tax expense	**7.1**	7.4
Net finance costs	**9.1**	10.4
Depreciation of property, plant and equipment	**5.1**	4.5
Depreciation of right-of-use assets	**7.4**	7.3
Amortisation of intangible assets - other	**16.6**	16.6
Loss on disposal of property, plant and equipment	**0.1**	-
Loss on disposal of intangible assets	**-**	0.1
Change in provisions	**(1.0)**	0.1
Pension scheme funding	**(1.0)**	(2.3)
IAS 19 pension charge	**0.9**	0.7
Gain on disposal of business	**-**	(2.1)
Impact of equity-settled share-based payment expense and associated taxes	**1.4**	2.0
Operating cash flows before changes in working capital	**74.7**	69.3
(Increase)/Decrease in inventories	**(0.2)**	5.4
(Increase)/Decrease in trade and other receivables	**(10.3)**	5.8
Increase/(Decrease) in trade and other payables	**3.0**	(10.0)
Changes in working capital	**(7.5)**	1.2
Cash generated from operations	**67.2**	70.5
Interest paid	**(9.9)**	(12.5)
Interest paid on lease liabilities	**(1.3)**	(1.0)
Income taxes paid	**(10.7)**	(10.6)
Net cash flow from operating activities	**45.3**	46.4

14. SHARE CAPITAL AND SHARE PREMIUM

Allotted, called-up and fully paid	2026 Number	2026 £m	2025 Number	2025 £m
Ordinary shares of 5p each	**97,356,109**	**4.9**	96,356,109	4.8

During the year to 31 March 2026, 1,000,000 shares of 5p each were issued to the Group's Employee Benefit Trust (2025: nil). At 31 March 2026 the Trust held 1,229,297 shares (2025: 299,219). During the year to 31 March 2026, employees exercised 69,922 share options under the terms of the various share option schemes (2025: 115,381).

During the year to 31 March 2026, a number of share options were exercised by employees under the CSOP scheme. £0.1m related to the exercise price paid by the employees to the Company was posted to the Share Premium account.

15. PENSION

The acquisition of the Sedgemoor Group in June 1999 brought with it certain defined benefit pension schemes, together "the Sedgemoor Scheme". The Sedgemoor Scheme is funded by the Group, provides retirement benefits based on final pensionable salary and its assets are held in a separate trustee-administered fund.

Following the acquisition of the Sedgemoor Group, the Sedgemoor Scheme was closed to new members. Shortly thereafter, employees were given the opportunity to join the discoverIE scheme and future service benefits ceased to accrue to members under the Sedgemoor Scheme.

Contributions to the Sedgemoor Scheme are determined in accordance with the advice of independent, professionally qualified actuaries and are set based upon funding valuations carried out every three years.

On 21 January 2025, the Trustee entered into a bulk annuity "buy-in" policy with an insurance company. This policy covers all known current members of the Scheme and its fair value matches the present value of the benefits insured. The Group paid cash contributions to the Scheme of £0.9m over the year to March 2026, of which £0.3m was paid from the escrow account. This is to support the expenses of running the Scheme and payments required to members related to the data cleanse.

As part of the buy-in process, the Trustee is carrying out a data cleanse. At the end of the process, a true-up premium or refund to the Company will be calculated by the insurer to cover any changes in data and benefits relative to those currently insured.

Other than the Trustee bank account, the buy-in policy is the only asset now held by the Trustee as part of the Scheme's investment strategy. Under the terms of the policy, the Trustee will receive income equal to the pension benefits that have been insured. This largely removes exposure to the Group from pension scheme investment, inflation and longevity risks. Residual differences between the benefits currently insured under the buy-in policy and those paid out by the Fund are allowed for within the IAS19 figures.

For the year ended 31 March 2026, a total of £0.4m (2025: £0.8m) was paid into the escrow account and £0.6m was paid directly into the Scheme (2025: £1.5m). The estimated amount of employer contribution expected to be paid to the Sedgemoor Scheme over the year to 31 March 2027 is £0.8m, of which £0.4m is to be paid into escrow.

16. EXCHANGE RATES

The Statement of Profit or Loss of overseas subsidiaries are translated into Sterling at average rates of exchange for the year and the Statements of Financial Position are translated at year-end rates. The main currencies are the US Dollar, the Euro and the Norwegian Krone. Details of the exchange rates used are as follows:

	Year to 31 March 2026		Year to 31 March 2025	
	Closing rate	**Average rate**	Closing rate	Average rate
US Dollar	**1.3242**	**1.3400**	1.2947	1.2754
Euro	**1.1516**	**1.1562**	1.1971	1.1883
Norwegian Krone	**12.9127**	**13.4760**	13.6624	13.8861

17. Events after the reporting date

There were no matters arising, between the balance sheet date and the date on which these Financial Statements were approved by the Board of Directors, requiring adjustment in accordance with IAS 10 Events after the Reporting Period. The following important non-adjusting events should be noted:

Dividends

A final dividend of 8.95p per share (2025: 8.60p), amounting to a dividend of £8.6m (2025: £8.3m) and bringing the total dividend for the year to 13.0p (2025: 12.50p), was declared by the Board on 2 June 2026. The Group Financial Statements do not reflect this dividend.

Acquisition of Trival Antene d.o.o ("Trival")

On 1 April 2026, following receipt of regulatory approvals, the Group completed the acquisition of Trival Antene d.o.o ("Trival"), a Slovenian-based designer and manufacturer of communication antennae and masts for defence applications, for an initial cash consideration of €45.5m (£39.9m) on a debt free, cash free basis, before expenses. In addition, deferred consideration of up to €1.65m (£1.45m) will be payable subject to certain conditions twelve months from completion and an earn-out of up to €5.5m (£4.8m) will be payable subject to Trival achieving certain growth and performance conditions

in the period up to 31 March 2028.

Due to the timing of acquisition completion, and its proximity to the results announcement, the assessment of the fair value of identifiable assets and liabilities is not yet finalised and is not disclosed.

Acquisition of 3Gmetalworx ("3G")

On 19 May 2026, the Group has announced the acquisition, subject to regulatory approval, of 90% of 3Gmetalworx ("3G"), a North American designer and manufacturer of electromagnetic shielding and thermal management products, for a cash consideration of $67.5m (£49.6m) on a debt free, cash free basis. Ongoing management will continue to hold 10% of 3G. These management shares will be subject to a put / call option exercisable between the third and fifth anniversary of the date of completion. Once exercised, the Group will own 100% of the business.

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[1] Further information on the consolidated Statement of Cash Flows is provided in notes 12 and 13.

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