



FY2025 Mid-Year Results

4 February 2025

Nat Edington, CEO
Michael Tyerman, CFO



IMPORTANT NOTICE

This presentation and any verbal information given (together, the “Presentation”), has been prepared by the directors of Filtronic plc (the “Company”). The information in the Presentation is not intended to form the basis of any contract. By attending (whether in person or by telephone) or reading the Presentation, you agree to the conditions set out below. The Presentation is confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by its recipients to any other person for any purpose, other than with the consent of the Company.

The Presentation does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares or other securities of the Company, nor shall it (or any part of it), or the fact of its distribution, form the basis of, or be relied on in connection with or act as any inducement to enter into, any contract whatsoever relating to any securities.

The Presentation is provided for general information only and does not purport to contain all the information that may be required to evaluate the Company. The information in the Presentation is provided as at the date of the Presentation (unless stated otherwise) and is subject to updating, completion, revision and further verification. No reliance may be placed for any purpose whatever on the information or opinions contained or expressed in the Presentation or on the accuracy, completeness or fairness of such information and opinions.

To the extent permitted by law or regulation, no undertaking, representation or warranty or other assurance, express or implied, is made or given by or on behalf of the Company or any of its parent or subsidiary undertakings or the subsidiary undertakings of any such parent undertaking, or any of its directors, officers, partners, employees, agents, affiliates, representatives or advisors, or any other person, as to the accuracy, completeness or fairness of the information or opinions contained in the Presentation. Save in the case of fraud, no responsibility or liability is accepted by any person for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred, however arising, directly or indirectly, from any use of, as a result of the reliance on, or otherwise in connection with, the Presentation. In addition, no duty of care or otherwise is owed by any such person to recipients of the Presentation or any other person in relation to the Presentation.

Nothing in the Presentation is, or should be relied on as, a promise or representation as to the future. The Presentation includes certain statements, estimates and projections provided by the Company in relation to strategies, plans, intentions, expectations, objectives and anticipated future performance of the Company. By their nature, such statements, estimates and projections involve risk and uncertainty since they are based on various assumptions made by the Company concerning anticipated results which may or may not prove to be correct and because they may relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company’s ability to control or predict.

No representations or warranties of any kind are made by any person as to the accuracy of such statements, estimates or projections, or that any of the events expressed or implied in any such statements, estimates or projections will actually occur. The Company is not under any obligation, and expressly disclaims any intention, to update or revise any such statements, estimates or projections.

No statement in the Presentation is intended as a profit forecast or a profit estimate.

The Presentation does not constitute or form part of an offer or invitation to issue or sell, or the solicitation of an offer to subscribe or purchase, any securities to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful, and, in particular, is not for distribution in or into Australia, Canada, Japan, the Republic of South Africa or the United States.

The Company has not registered and does not intend to register any shares the subject of the Fundraising under the US Securities Act of 1933 or under any securities laws of any state or other jurisdiction of the United States and, subject to certain exceptions, such shares will not be offered, sold, resold, taken up, exercised, renounced, transferred or delivered, directly or indirectly, in or into the United States. The relevant clearances have not been, and will not be, obtained from the Securities Commission of any provision or territory of Canada; no document in relation to the Fundraising has been, or will be, lodged with, or registered by, the Australian Securities and Investments Commission; no registration statement has been, or will be, filed with the Japanese Ministry of Finance in relation to the Fundraising; and the relevant clearances have not been, and will not be, obtained from the South African Reserve Bank and any other applicable body in the Republic of South Africa in relation to such shares. Accordingly, such shares will not, directly or indirectly, be offered or sold within the United States Canada, Australia, Japan, the Republic of South Africa or offered or sold to any resident, national or citizen of the United States, Canada, Australia, Japan or the Republic of South Africa.

By accepting receipt of, attending any delivery of, or electronically accessing, the Presentation, you agree to be bound by the above limitations and conditions and, in particular, you represent, warrant and undertake to the Company that: (i) you are a Relevant Person (as defined above); (ii) you will not forward the Presentation to any other person, or reproduce or publish this document, in whole or in part, for any purpose and (iii) you have read and agree to comply with the contents of this notice.

- ✓ Significant Revenue and EBITDA increase
- ✓ Deepening relationship with SpaceX with longer term planning
- ✓ Good progress with new Design Wins
- ✓ Significant progress with technology developments, with production wafer released for new RF band chip
- ✓ Opened office in Cambridge, with design team assembled
- ✓ Scaled manufacturing capacity with two new production lines added
- ✓ Enhanced engineering capabilities with 30 new engineers onboard (to end Jan)
- ✓ Strengthening of Leadership Team






Market
Focus

Accelerated
technology
development

Manufacturing
capabilities &
scaling

Leadership &
Business
Development

Moving up the
value chain

Revenue	
£25.6m	(202%)
Adjusted EBITDA*	
£8.7m	(4,129%)
Operating profit	
£6.8m	(1,932%)
Cash at bank	
£7.2m	(0%)
Net cash (net of all lease obligations except right of use property lease)	
£5.1m	(1%)

* Adjusted EBITDA is adjusted earnings before interest, taxation, depreciation, amortisation, share-based payment and exceptional items

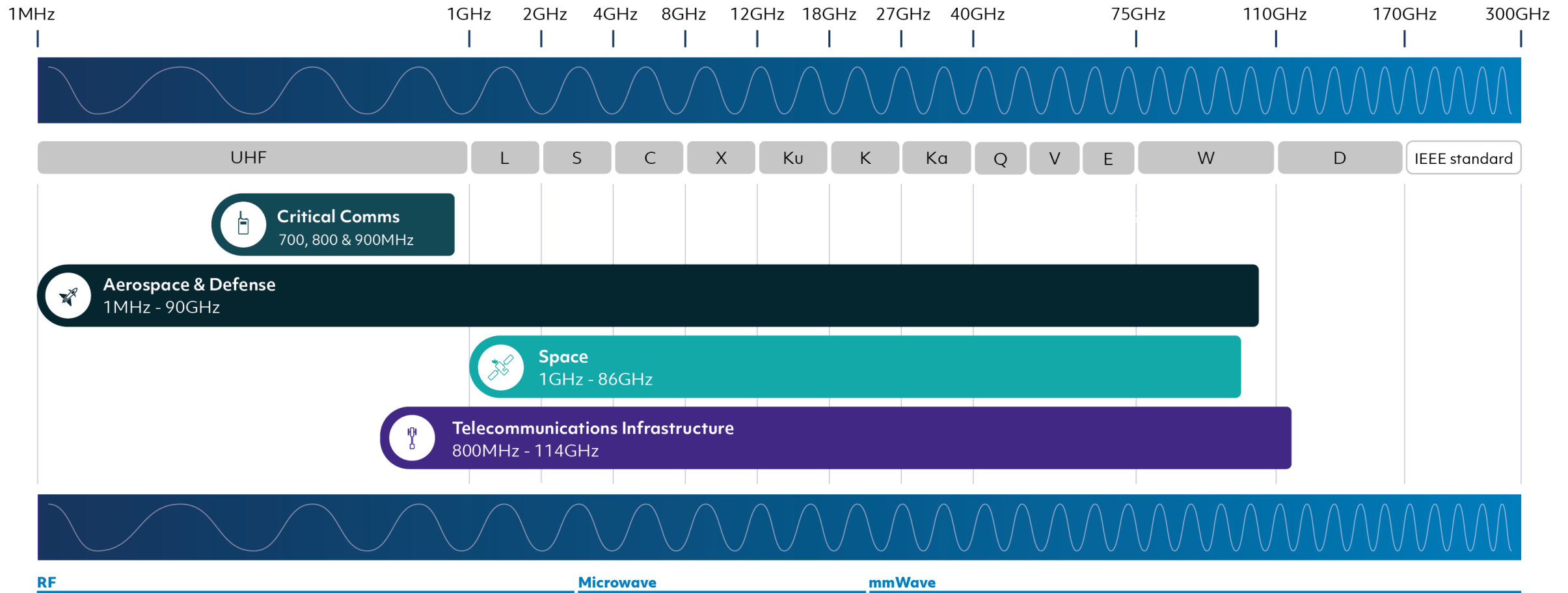
Operational Highlights

- Strong order inflow from SpaceX in the period aligned with the Strategic Partnership agreement.
- Technology developments progressing well to deliver on our future product roadmap in conjunction with key customers.
- Excellent progress made with the recruitment drive to scale the engineering team to meet demand and serve the healthy opportunity pipeline. This has resulted in a 16% headcount increase including the recruitment of a design team in Cambridge.
- Two new production lines installed in the period to increase manufacturing capacity to support revenue growth.
- Healthy cash position enables continued investment in revenue growth initiatives to deliver the strategic plan.

Post-period Highlights

- Leadership team further strengthened with three key appointments added.
- Positive cadence of order intake has continued in H2 resulting in two material upgrades to market expectations in the last two months.

RF solutions across the spectrum



Commercial in confidence

Confidential & Proprietary - Filtronic plc - © Filtronic plc 2021.



RF design and manufacturing capabilities across the entire spectrum and up to the highly complex challenging frequency bands at E/W and D-band.



Transceivers



Solid-state power amplifiers



Filters



Space Communications



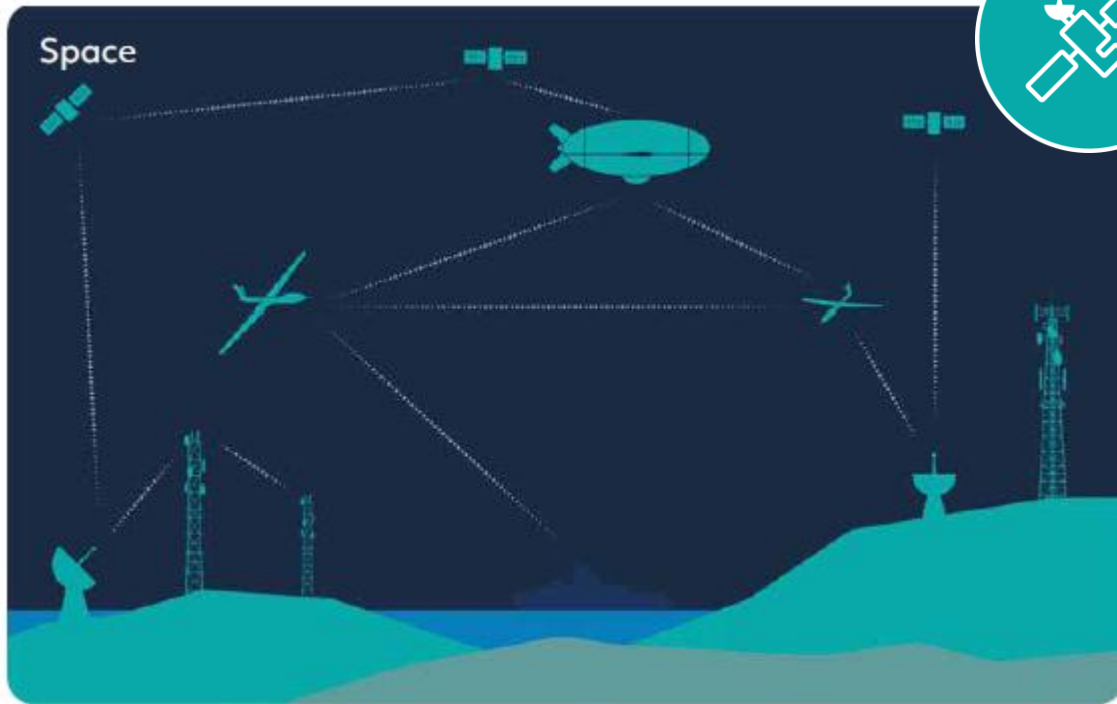
Aerospace & Defence



Telecommunications Infrastructure



Critical Communications



Connecting a converged network

- Low Earth Orbit (LEO) and High Altitude Pseudo Satellites (HAPS) applications
- Commercial and Military solutions
- Transceivers, Power Amplifiers, Filters



RF, Electronic Warfare & AESA Radar

- Unmanned & counter unmanned systems
- Electronic countermeasures
- Space communications solutions
- Transmit-Receive Modules, Switched filter banks, system builds

Market Dynamics



	Telecommunications Infrastructure (<i>X-haul</i>)	LEO Space (<i>Gateway / Payload Links</i>)	Aerospace & Defence (<i>Radar / EW / ECM</i>)	Critical Communications (<i>LMR / P25 Networks</i>)
Primary Applications	<ul style="list-style-type: none"> E-band backhaul transceivers for 5G telecoms infrastructure Private telecom solutions 	<ul style="list-style-type: none"> LEO Gateway communication links – payload and ground station 	<ul style="list-style-type: none"> RF transceiver modules for airborne ASEA radar and EW systems Battlefield communications 	<ul style="list-style-type: none"> Subsystems for LMR secure public safety / first responder communications networks
Market Growth Rate	<ul style="list-style-type: none"> 5G E-band Backhaul growth: 20% p/a CY2024-28 2025/26 outlook less optimistic due to overstocking by telcos 	<ul style="list-style-type: none"> >36,000 LEO satellites launched by 2033 SpaceX setting the pace European constellations will need to accelerate their systems 	<ul style="list-style-type: none"> Global market for EW to grow to \$35B by 2031 £16.5bn increase in UK Defence Spending CY2020-27 (under review) £6.6b DSTL S&T budget 	<ul style="list-style-type: none"> LMR market growth: 7% p/a CY2022-26
Market Drivers	<ul style="list-style-type: none"> Global 5G telecoms rollout Release of E-band licences High density urban networks Low installed fibre in backhaul 	<ul style="list-style-type: none"> Ubiquitous broadband access Release of Ka,Q/V E-band licences Economic network coverage Future operating revenues 	<ul style="list-style-type: none"> Outsourced RF design capability Sovereign OSAT hybrid facility UK Defence Strategy / Exports 	<ul style="list-style-type: none"> Reliability P25 LMR solutions Upgrade + MRO installed base Introduction of LTE solutions Integration LTE LMR solutions
Filtronic USP	<ul style="list-style-type: none"> Partnership with market leader Quality /reputation / brand Proven IP / Performance History of volume delivery 	<ul style="list-style-type: none"> Partnership with SpaceX Tx /Rx Power SSPA performance Telecoms reputation / cost Volume manufacture + ramp-up 	<ul style="list-style-type: none"> Partnership with market leaders Accredited UK RF hybrid facility Strong RF design / DFM support Manufacturing processes 	<ul style="list-style-type: none"> Partnership with Motorola Quality /reputation / brand US manufacturing facility



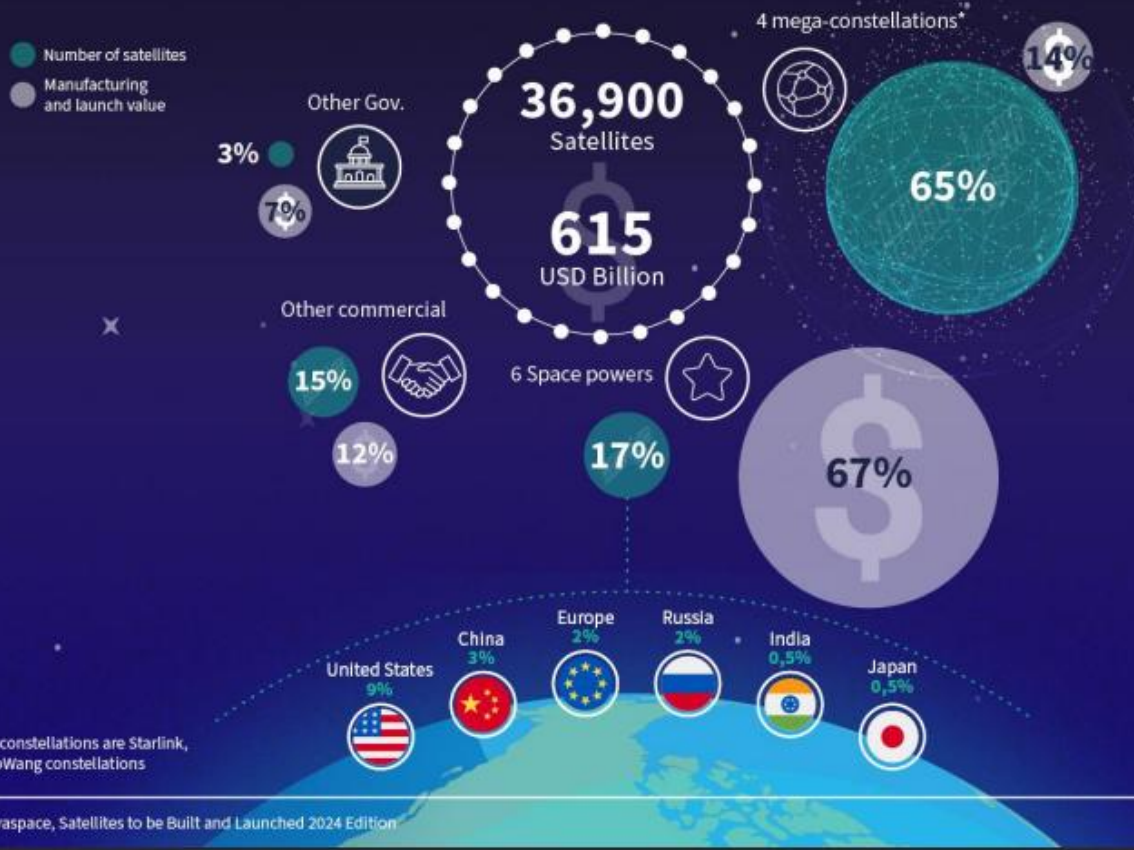


Space - A massive market opportunity

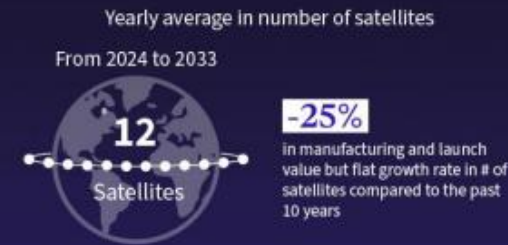
Satellite market by 2033

An average of seven tons of satellites will be launched per day over the next 10 years, driven by mega-constellations amid consolidation

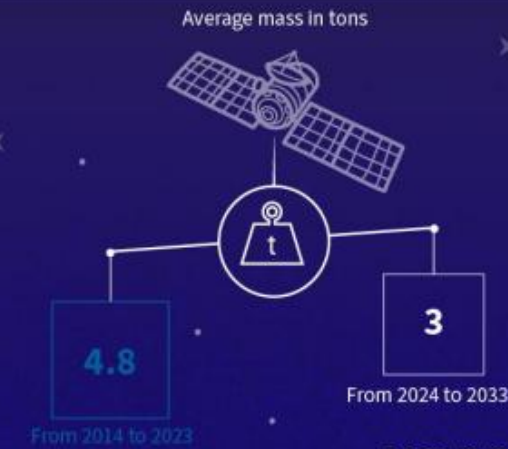
Imbalance between the number of satellites and their market value



Commercial GEO comsat demand stabilizing...



... Smaller form factors emerging



NOVSPACE
Merger of Euroconsult Group and SpaceTec Partners

- Mega constellations drive volume but lower % of \$
- Large projects with the “Space Powers” US, Europe, India and Japan.
- Key solutions for the market:
 - SSPA
 - Transceivers
 - Filter
 - Diplexer
 - Transponders



Primary LEO Space Constellations

Programme	Target Segments	Target Constellation Size	HQ	Launch Partners	Satellite OEM	Bands	Comments
StarLink	Consumer and Enterprise Internet / Government	42,000	Redmond, USA	SpaceX	SpaceX	Ka, E, others	Service live across, US, EU and SE Asia inc Australia and NZ
Amazon Kuiper	Consumer and Enterprise Internet / Government	3,236	Seattle, USA	Arianespace, Blue Origin, United Launch Alliance	Amazon Kuiper	Ka	Trials ongoing but delayed, expecting launch first satellite in 2024, service starts in 2025/6
OneWeb	Consumer and Enterprise Internet / Government	648	London, UK	SpaceX	Airbus / LHM	Ka	Limited service available / OWG2 under review
TeleSat	Enterprise Internet / Government	188	Ottawa, Canada	Arianespace, SpaceX, ILS (Russian)	Boeing, Space Systems Loral, EADS Astrium, BAE,	Ku, Ka	GEO service available, LEO undergoing trials
AST	Direct to Cellular	95	Texas, USA	SpaceX	AST	Ka, V/Q	Trials - some objections to their 700sq ft satellite
Rivada	Enterprise Internet / Government	600	Munich, Germany	TBA RFQ out	TBA - RFQ out	Ka	Trials, Deployment starts 2025, expected service 2028
Lynk	Direct to Mobile Connections	5000	Washington, USA			Ka	Trials
SES O3B	Media and Private Networking	20	Luxemburg	SpaceX		Ka / E	MEO service for media today

Commercial in confidence

Confidential & Proprietary - Filtronic plc - © Filtronic plc 2022.

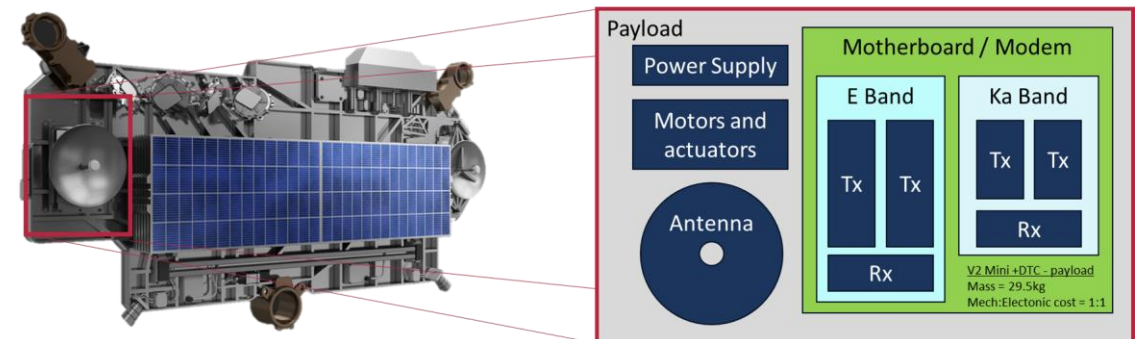
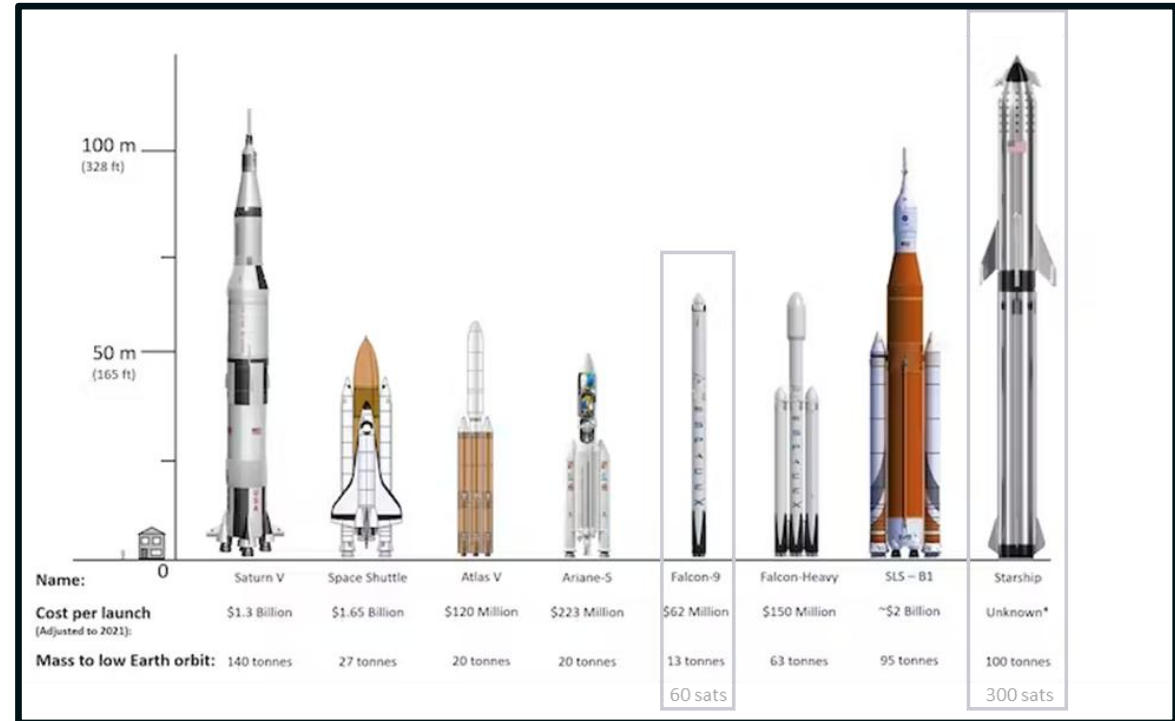


- Ground stations, or **Gateway Links**, links the ground to and from the LEO satellite as it passes overhead
- Uplinks require high performance amplification at mmWave frequencies to expand **network capacity and lower latency**
- LEO deployment will have multifrequency connectivity **Ka, E-band** in a dual-band system with **additional bands** added in the future to maximise capacity and optimise latency
- Ratio of between **1:1 and 4:1 satellites per ground station** depending on user demand, service standards and network configuration



LEO Space - Satellite Payload Opportunity

- Solving the **cost of launch and deployment** has been the key to unlocking the economic potential of LEO satellite constellations
- The speed of network deployment depends on launch capacity - **SpaceX Starship could carry up to 300 Starlink satellites per launch**
- Payload solutions must consider **size, weight, power and cost** and be designed to survive in a radiation environment – this requires significant qualification effort – ref: ESA contract award
- Current market assumption is **>36,000 LEO constellation satellites in service by 2033** – between 1 and 5 payload links per satellite





Filtronic investment case

- **Sovereign capability** - Filtronic secure UK facilities with full defence accreditation
- **RF skills shortage in the UK** – defence primes need support on key programmes to deliver
- **Current conflicts** highlight the importance of Electronic Warfare (EW) and Electronic Counter Measures (ECM)
- **Convergence of markets** – space and defence converging with telecoms

UK Defence Budget: approx. 2.3% GDP

- UK Typhoon fleet radar system
- **SkyNet 6** – secure MoD GEO Space communications
- **Tempest** - next generation fast jet platform
- **DSTL** - 5-year budget for Science & Technology £6.6b

New UK radar for Typhoon: ECRS Mk2
Critical to the UK's combat air strategy

LEONARDO **BAE SYSTEMS**

Delivering UK Capability
• Multi-functional array (MFA) that will give UK Typhoons a world leading Electronic Warfare (EW) capability, including wide band Electronic Attack (EA), in addition to traditional radar functions.
• Provides a unique Suppression of Enemy Air Defences (SEAD) capability, allowing Typhoon to operate in a contested and congested electromagnetic environment.
• Greatly enhanced and a wide range of new Air-to-Air and Air-to-Surface capabilities.

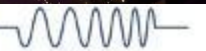
Sustaining Critical Skill Sets in the UK
Development of the ECRS Mk 2 radar will sustain more than **600 highly skilled jobs** across the country.
The investment will **deliver the right people and technology** to support the UK's future **Combat Air Strategy** including Tempest.

Capability Bridge to Tempest
The technologies and skills developed for the ECRS Mk 2 radar cross over into Leonardo's and BAE Systems' on-going development work as members of **Team Tempest**. This will **reduce the cost and time** of Tempest developments and improve the overall performance of the system.

Supporting Typhoon Export Campaigns
ECRS Mk2 is UK-led but open to **international partners** and therefore supports future Typhoon exports and follow on sales.
ECRS Mk2 can be retrofitted to the large existing Typhoon fleet

AIRBUS

Skynet





Antonino Spatola

Chief Commercial Officer

Over 20 years of expertise in commercial leadership, business development, and strategic growth, with a particular focus on the Space and Defence sectors.

Prior to joining Filtronic, Antonino held senior commercial positions at industry leaders including Teledyne E2V and Leonardo.



Dave Marshall

Director of Programmes

Dave now leads the company's portfolio of critical programmes in key sectors such as Defence and Space.

Prior to joining Filtronic, Dave held senior leadership roles at Leonardo, including his most recent position as Vice President of Typhoon Radar Development. With a proven track record of managing complex, high-profile projects, he brings extensive expertise in programme management and strategic leadership.



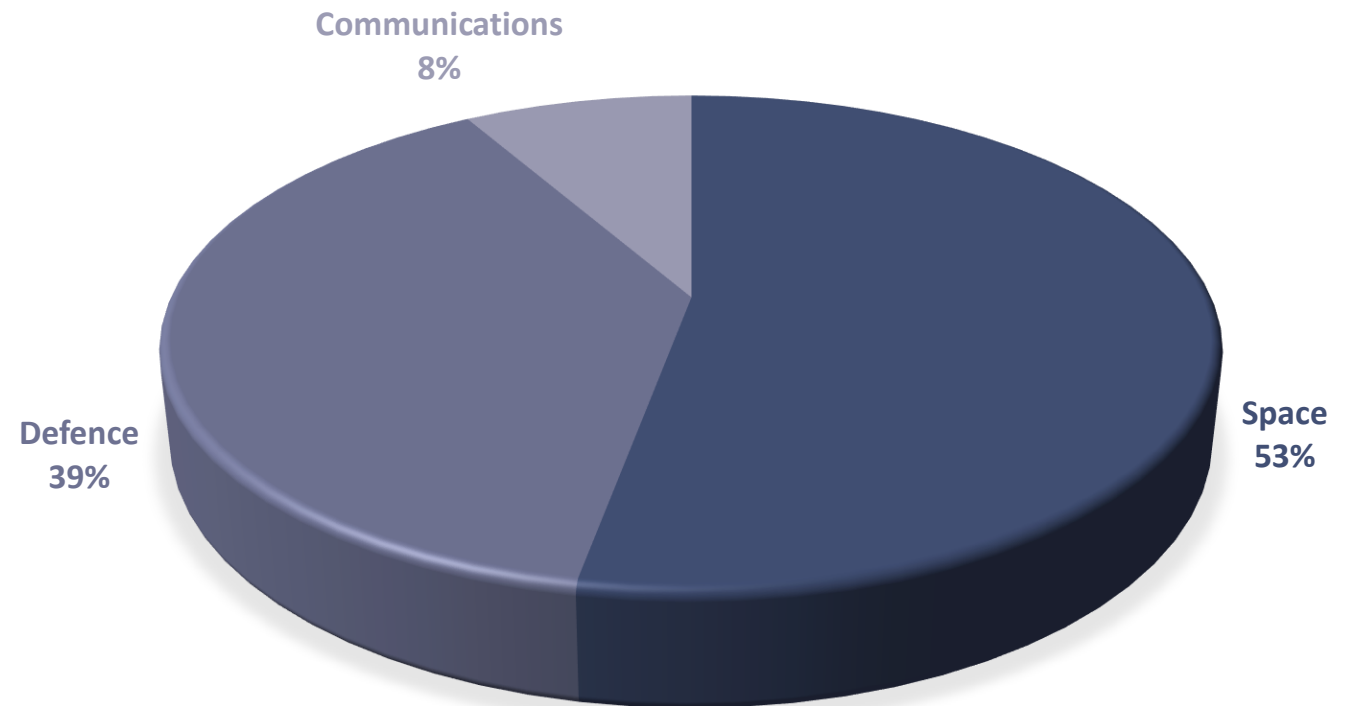
Sarah Shaw

General Counsel

Sarah oversees the company's legal affairs and manages critical commercial contracts with major customers. With over a decade of global experience as a commercial lawyer and business leader, she is adept at navigating complex challenges with sound commercial judgement and strategic insight.

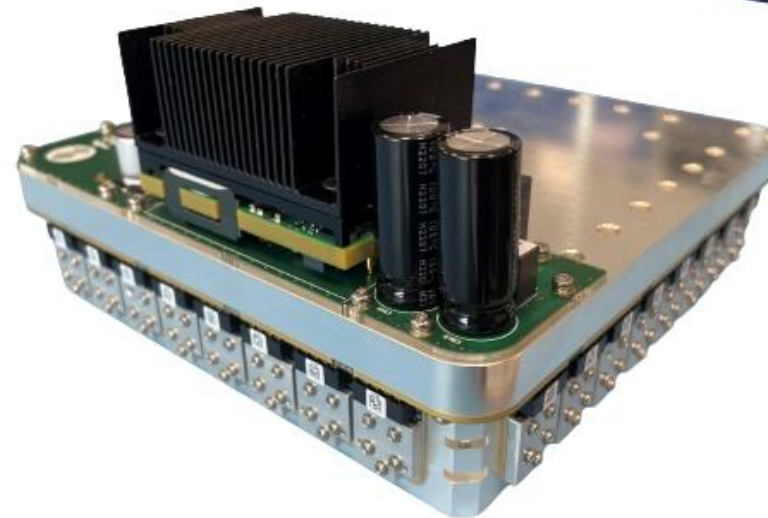
Before joining Filtronic, Sarah served as Director of Contracts and Counsel at Teledyne

- 12 new Design Wins with 9 customers in 1H 2025 with lifetime revenue >£30M
- Target growth markets of Space & Defence dominate sales pipeline
- Strategic Defence Review has imposed some delays on key opportunities
- Good progress with customer diversification, but this will be an evolving picture over the next 2-3 years



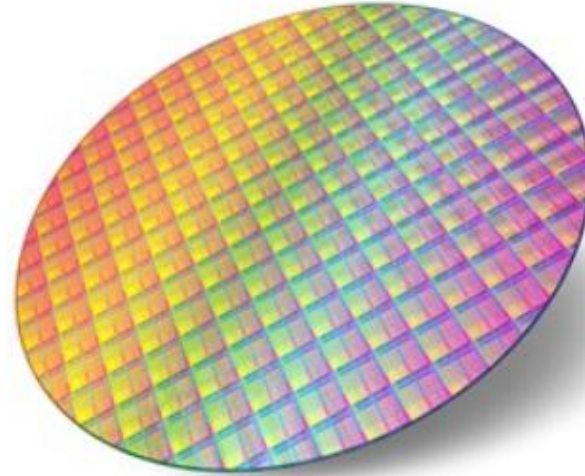
Sales Pipeline Market split (w/o main customer)

- Partnership progressing well
- First 5% share warrants from Strategic Partnership fully vested due to high levels of orders for E-Band GaAs SSPAs
- Greater long term visibility and planning
- Next generation technology developments are on time for roll out
- Increasing demand, which had led to market upgrades



Next RF band Chip Development

- Initial devices produced and measured
- Improved designs & tape-out complete
- Production ready H1 FY2026

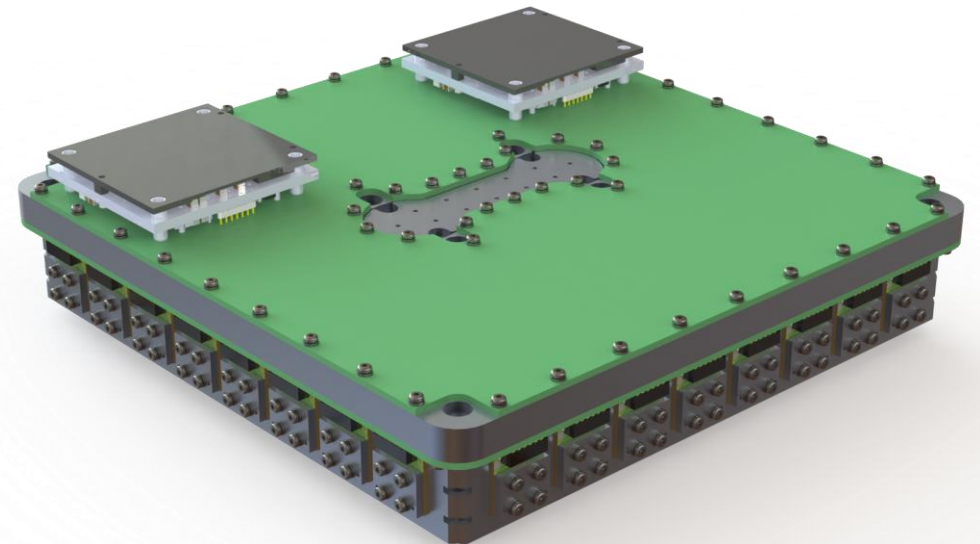


High power GaN Chip Developments

- Three RF band developments in parallel
- Good performance demonstrated and one production mask released
- Production ready H2 FY2026

GaN based Solid State Power Amplifiers

- All modules underway aligned with chip developments
- First prototypes H1 FY2026
- Production ready H2 FY2026



HQ Expansion – Entry Summer 2025

- Move of headquarters to new state of the art facility on the same site
- 44,000 sqft manufacturing and office space (current is 17,000 sqft)
- 6x larger cleanroom than current facility – ISO7, 8 and 9 zones
- Secure cell for Defence market
- >150 office staff area



Financial Summary

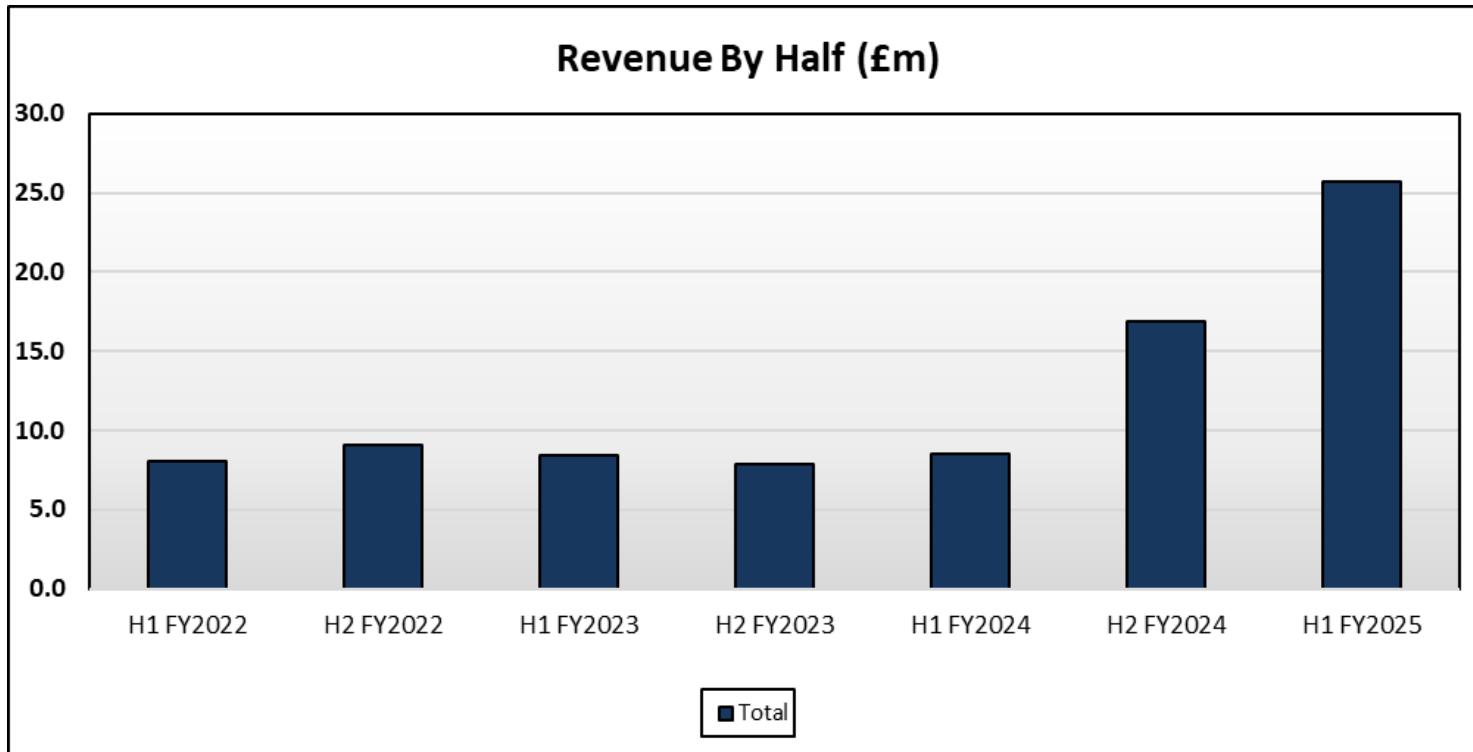


Revenue: Increase of 202% vs FY2024

Revenue from long-term development contracts at ESA, BAE and QinetiQ still to be realised

Key strategic objective:

Continue to develop customer base outside of major customers



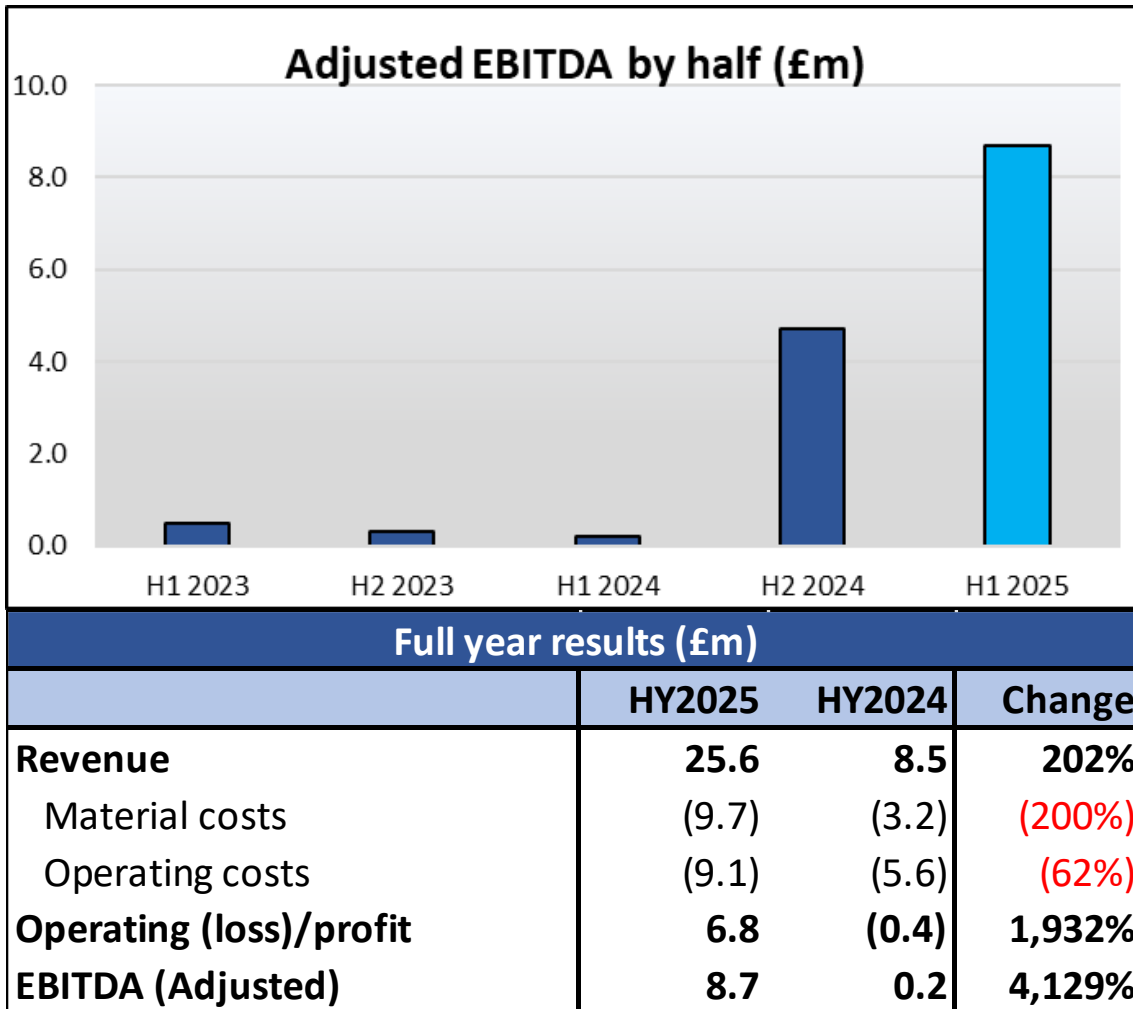
Group revenue £25.6m (2024: £8.5m)

- Space market delivering transformational growth for the business thanks to strategic partnership with SpaceX.
- Aerospace & defence projects impacted by a supply hiatus due to component trials. Demand expected to return.
- Critical communications results normalised after semiconductor shortages after covid.

202% increase against FY2024

- **Xhaul including Space:** Increased 426% vs HY2024 with space market driving growth.
- **Defence:** Decrease of 7% vs HY2024.
- **Critical comms:** 39% revenue decrease vs HY2024.

Tangible results starting to show from the output of strategy execution



- **Sales mix** is similar to the prior year with contribution margin flat
 - Increased level of trading, benefit of improved overhead recovery, driving margin improvement.
- Investment in engineering continued which has increased the overhead cost base by 62% to £9.1m to support revenue growth.
- **Adjusted EBITDA** increased by 4,129% albeit from a low base to £8.7m.
 - Driven by stronger sales despite aggressive investment in resources and processes.
- EBITDA **margin** is over 30% reflecting the business's ability to scale.

	Nov-24	May-24	Nov-23
	£m	£m	£m
Goodwill and intangible assets	2.6	2.3	2.0
Right of use assets	3.8	3.7	3.6
Property, plant and equipment	2.1	1.2	0.8
Deferred tax	1.0	1.0	1.2
Non-current assets	9.5	8.2	7.6
Inventory	4.2	3.3	2.6
Trade and other receivables	15.1	6.5	4.5
Contract assets	1.7	0.0	0.0
Cash and cash equivalents	7.2	7.2	4.1
Current Assets	28.2	17.0	11.2
Trade creditors and other payables	8.2	5.4	2.8
Provisions	0.5	0.5	0.4
Deferred income	1.5	1.5	1.8
Lease liabilities	3.0	3.0	2.8
Total liabilities	13.2	10.4	7.8
Net assets	24.5	14.8	11.0
Share capital and reserves	24.5	14.8	11.0

Capital expenditure and Right of use assets

- Two new production lines added enabling us to flex capacity as well as the addition of increased engineering capability.

Capitalised development costs

- Execution of the strategic plan and technology roadmap have led to capitalisation of £0.5m development costs in line with IAS38.
 - Space market product development.

Working capital

- Inventory managed tightly with a reduction of holding by 30 days.
- All within terms and in-line with industry standard.

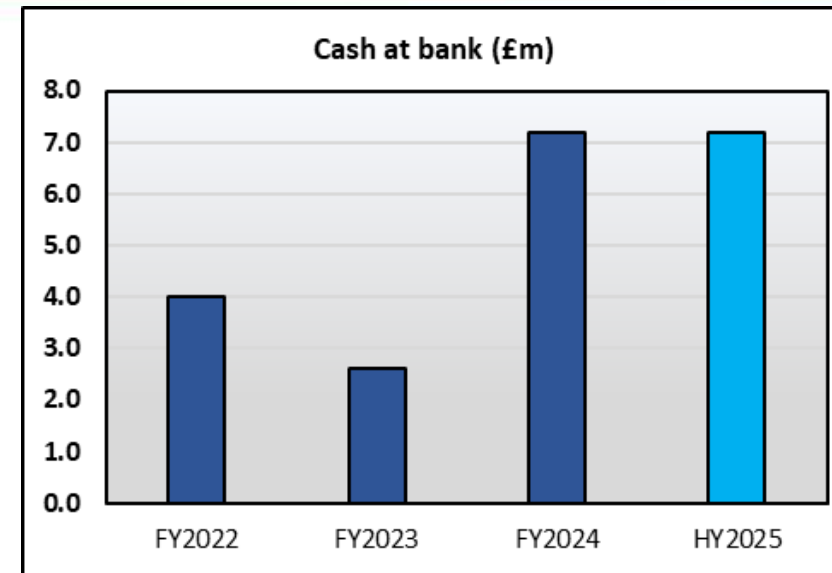
Contract assets

- Recognition of SpaceX share warrants as a contract asset at fair value. £0.9m amortised to revenue as variable consideration in the period.

	Nov-24	May-24	Nov-23
	£m	£m	£m
Net cash generated from operating activities	2.1	1.9	1.8
Net cash used in investing activities	(2.0)	(0.5)	(0.5)
Net cash used in financing activities	(0.1)	0.1	0.1
Movement in cash and cash equivalents	0.0	1.5	1.5
Currency exchange movement	0.0	0.0	0.0
Opening cash and cash equivalents	7.2	2.6	2.6
Closing cash and cash equivalents	7.2	4.1	4.1

Cashflow movement

- Generated £2.1m from operating activities: Strong EBITDA generation with adverse working capital movement financing revenue growth.
- Investments in product development and capital expenditure saw outflow of £1.5m.
- Cash neutral in HY2025 but working capital unwind and further EBITDA generation will drive healthy cash growth in H2.



Cash position healthy to maintain investment in growth

- £7.2m cash at bank at 30 November 2024 (May 2024: £7.2m).
- A healthy cash position to maintain.
- RCF signed with Santander in November 2024 for a 3-year committed facility for £5.0m – available to UK and USA. No drawings at 30 Nov (May 2024: no drawings).

Key Financial Themes

- Aerospace and defence
- Space
- Critical comms



Quality of Earnings

- Telecoms

Future investment	
Engineering resource	Target to maintain investment at 13% of revenue
Sales and marketing	Strengthening of the direct sales channel with a focus on space and defence to capitalise on the strong macro tailwinds
Operational cost base	Cost base previously sub-scale but now operating efficiently at this level of trading. Small number of add-ins will be needed to prepare business for future growth.
Manufacturing capacity	Higher revenue can be supported without the need for significant capex spend. More space added in FY2026 giving more flexibility for future strategy decisions
Capex requirements	Requirement for additional engineering capability and support new market-driven frequency band. New state-of-the-art facility in Sedgefield due to be operational in the middle of 2025.
EBITDA margin	Healthy EBITDA margin supporting re-investment



Investment Proposal

- On a significant growth trajectory
- Focused strategy designed for major revenue growth and shareholder value
- Significant and growing orderbook and opportunity pipeline for FY2025 and beyond
- Controlled investment in leadership, business development, engineering
- Global technology leaders in high growth markets, innovating at pace



Thank You!

