

Carclo plc

Interim Report and Accounts

Half-year results for the six months ended 30 September 2025

Carclo plc ("Carclo" or the "Group"), a global precision engineering group with comprehensive, end-to-end manufacturing capabilities is pleased to announce results for the six months ended 30 September 2025 ('HY26').

	HY26	Restated HY25	Change
Revenue	£57.2m	£61.0m	(6.1)%
Underlying operating profit ²	£5.5m	£3.4m	61.2%
Underlying EBITDA ²	£8.6m	£7.1m	22.3%
Underlying basic earnings per share ²	0.9p	0.6p	50.0%
Cash generated from operations	£3.9m	£7.3m	(45.7)%
Net Debt	£24.5m	£25.2m	3.1%
Statutory operating profit	£5.2m	£2.4m	112.2%
Statutory profit/(loss) for the period	£0.4m	£(0.7)m	-
Statutory diluted earnings/(loss) per share	0.5p	(0.9)p	-

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

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

Financial highlights:

- The Group achieved the important milestone of Return on Sales ('ROS') of 10.1% (HY25: 6.1%) and Return on Capital Employed ('ROCE') of 28.8% (HY25: 17.5%) on a trailing twelve-month basis. Both are ahead of the targets set in 2023, of 10% and 25% respectively. This provides the Group with a strong platform to support further profitable growth
- Increase in like for like total Manufacturing Solutions revenue has been more than offset by a reduction in Design & Engineering revenue to focus on margin enhancing portfolio optimisation, and foreign exchange headwinds, resulting in total revenue declining 6.1% to £57.2m (HY25: £61.0m)
- Manufacturing process optimisation, increased asset utilisation and efficiency aligned to the strategic portfolio reset has significantly increased underlying operating profit 61.2% to £5.5m (HY25: £3.4m)
- Operating cash generation of £3.9m (HY25: £7.3m), with strong EBITDA generation partially offset by anticipated normalisation of working capital
- Net debt reduced to £24.5m (HY25: £25.2m). Positive cash generation was partially offset by one-off £5.1m pension scheme contribution paid in April 2025 as part of the re-financing arrangements

Strategic highlights:

- Structural improvements in safety culture and performance were delivered with an Incident Frequency Ratio ('IFR') of 0.6 (HY25: 1.3). Incident Frequency Rate is a measure of the number of safety incidents per 100,000 hours worked
- Significant contract renewal announced in July 2025 with a major customer reflecting customer trust and providing enhanced revenue visibility over the five-year period of the agreement

- In April 2025, the Group successfully secured an expanded three year £36.0m financing arrangement with BZ Commercial Finance DAC and agreed the UK defined benefit pension scheme deficit recovery plan, providing certainty of funding and pension scheme cash contributions
- Continued embedding standardised manufacturing platforms across the Group's global operations provides significant strategic resilience against ongoing geopolitical uncertainties having completed the portfolio reset
- Consolidated Speciality division continues strong growth trajectory with the focussed product portfolio on higher-value precision solutions delivering excellent results

Outlook

The Board's expectations for the full year performance remain unchanged as the Group maintains the positive momentum established in HY26 throughout the remainder of FY26, with D&E revenues expected to slightly increase in the second half, continued margin expansion and positive cash generation.

Medium-term growth initiatives are concentrated on advancing our presence within the Life Sciences sector, where demand for high-precision solutions remains robust, as well as sustaining growth in our Speciality division, particularly within the aerospace segment. Recent developments, such as the announcement of a significant contract renewal in July 2025, underscore our long-standing strategic partnerships and the expanding markets for our products.

We are confident in delivering sustainable profitable growth and enduring value for all our stakeholders.

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

"I'm delighted with the progress we continue to make across the business. Importantly our IFR is now operating consistently at 0.6 demonstrating the enhanced safety and culture we have embedded across our operations. The business portfolio delivers a solid platform from which it can continue to grow in a sustainable and profitable manner.

Significant opportunities exist in all our key market sectors. The strategic focus is to continue the journey from being a volume provider to a focussed engineering business providing value solutions, which will contribute to our ongoing margin expansion and positive cash generation. I am excited about the potential to build upon the foundations we have laid, made possible by the hard work and commitment from all our colleagues across the business."

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About Carclo plc:

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

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

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Introduction from Chief Executive Officer

I would like to thank all my colleagues for their hard work in delivering a strong performance in the first half of the year which saw an increased Return on Sales (RoS) and Return on Capital Employed (ROCE) – two key metrics for the Group. This was achieved alongside an improved safety performance. Once again, this demonstrates the company's ability to improve its performance on a sustainable basis and consistently, across our key financial metrics.

Total revenue was slightly lower than anticipated largely due to lower CTP Design and Engineering revenue and foreign exchange headwinds arising from a strengthening sterling since the beginning of the year. The Group's trading performance in the period is in line with management's expectations, with strong margin performance and positive underlying growth in both CTP Manufacturing Solutions and our Speciality businesses at constant currency.

Health & Safety

Safety is our number one priority across the Group. The focus across all sites to embed a safety culture reflects Carclo's commitment to operational excellence and risk management. This culture directly supports sustainable operational success and is demonstrated with a reduction in Incident Frequency Ratio falling by more than 53% to 0.6 (HY25: 1.3).

Operational progress

In HY26, CTP continued to drive innovation in diagnostics and drug delivery, while the Speciality division delivered progress in precision aerospace components and advanced automotive and LED lighting solutions. Together, these divisions are aligned to Carclo's long-term objectives, supporting sustained growth and value creation.

CTP Manufacturing Solutions (MS)

The strategic realignment of the CTP Manufacturing Solutions portfolio was completed in the first half of the prior financial year with the final exits of the non-core short-run product lines in September 2024. The business is now focused on delivering consistent operational performance following this portfolio restructuring.

The consolidation of the US operations into Pennsylvania is bearing fruit, with the new management focus and specialised production cells delivering improved operational performance and resource utilisation. As a result, the US business is demonstrating both underlying sales growth, before the effect of currency translation, and improved margins delivering significantly improved financial performance compared to prior year.

EMEA operations continue to perform strongly, with both steady top line growth compared to prior year and solid margin performance as the strategy to focus the UK operations on high volume, highly automated solutions with more flexible, medium volume runs in our Czechia facility. In Asia Pacific, our China operations have performed ahead of management's expectations in both sales and margin delivery, whilst India has experienced below-forecast sales performance due to lower demand from a key customer. We have secured significant new business in India which should enable the shortfall to be recovered in the second half.

CTP Design and Engineering (D&E)

Overall CTP D&E revenue in the first half was below both management expectations and prior year run-rate due to lower customer activity in the US. EMEA D&E customer project activity was ahead of both management expectations and prior year performance. The D&E team continues to maintain its focus on asset revitalisation and driving efficiency improvements in our global manufacturing platform which remains critical to delivering our medium-term financial goals.

Speciality

The Speciality division continues to grow strongly, with robust demand from the aerospace sector coupled with market share gains in specialist machining delivering double digit revenue growth. The focus on operational performance and delivery, coupled with specialist, niche offerings enabled the business to maintain strong margins. We have invested in additional capacity to support this growth trajectory, with our first new CNC machine now operational at our French facility.

Strategy and Markets

Carclo is a global precision engineering group that designs, industrialises and manufactures regulated, high-reliability solutions at scale. We operate in structurally growing, non-commoditised, and highly regulated markets.

The business has a global platform with end-to-end capability providing customer solutions from design & tooling through automated manufacturing and validated assembly. The global delivery means we can manufacture and supply in-region across EMEA, APAC, USA.

Carclo is the chosen partner for its customers due to validated precision production at scale. The Group's ability to be agile in productivity, provides the advantage of lowering total cost through on time and in region delivery.

In the last year we have made excellent progress, particularly in improving the efficiency of our US operations, where uEBIT increased to 11.3% in the period (HY 25: 5.0%), and sustaining operational improvements in Europe. Additionally, our disciplined approach to cash management has resulted in strong cash generation, enabling restructuring of the Group's debt. The business continues to move from being a volume player to one providing precision engineered solutions.

The Life Sciences market where we supply components into the in vitro diagnostics ('IVD') and drug delivery market segments is expected to remain stable in the near term, with growth anticipated to outpace GDP over the medium term. The aerospace market is also expected to remain robust. The accelerated and cost-effective closure of the Tucson site during HY25, the full benefit of which is seen in the HY26 performance, combined with steady progress in our US restructuring efforts, further bolsters our operational foundation in our CTP Division.

In the Speciality division, we have strengthened our position in aerospace, particularly in precision machined components, providing opportunities for future market share growth.

Financial Review

The key financial performance measures for the period are as follows:

	HY26 £000	HY25 £000
Revenue	57,233	60,957
Underlying operating profit ¹	5,480	3,400
Non underlying items	(330)	(973)
Operating profit	5,150	2,427
Underlying return on sales	9.6%	5.6%
Underlying earnings per share – basic ¹	0.9p	0.6p
Basic earnings/(loss) per share	0.5p	(0.9p)
Cash generated from operations	3,939	7,255
Net debt excluding lease liabilities	18,901	16,844
Net debt	24,463	25,249
IAS 19 retirement benefit liability	44,654	37,878

The key divisional performance measures are detailed below:

	HY26	HY25
	£000	£000
Revenue		
CTP	49,257	53,968
Speciality	7,976	6,989
Total	57,233	60,957
Underlying operating profit¹		
CTP	6,799	4,402
Speciality	1,719	1,386
Segment total	8,518	5,788
Central	(3,038)	(2,388)
Total	5,480	3,400

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

Revenue & Margin

Group Revenue saw solid underlying like for like growth in manufacturing solutions being offset by foreign exchange headwinds and the effect of portfolio optimisation in HY25.

Total CTP revenues decreased by 8.7% to £49.3m (HY25: £54.0m), negatively impacted by currency translation of £1.5m. CTP Manufacturing solutions (MS) increased 4.5%, on a like for like basis allowing for £2.2m revenue in HY25 from site closures in the US related to non-core activities.

CTP Design & Engineering (D&E) revenue reduced by 43.6% to £4.0m (HY25 £7.2m). Lower customer activity, primarily in the US has been the key driver to this under performance. EMEA projects are strong with revenue up 21.9% up compared to the previous period; this is expected to result in a small increase in the second half.

Speciality revenue grew 14.1% to £8.0m (HY25: £7.0m), reflecting robust demand in aerospace and a return to growth for light & motion.

Total Manufacturing Solutions revenue across both CTP and Speciality was 5.8% ahead of last year on a like-for like constant currency basis, allowing for £2.2m related to sales in US from closed sites in early FY25. This strong performance was driven by aerospace in the Speciality division, along with CTP growth in China and Czechia.

Carclo's operational performance continued to improve in HY26, driven by enhanced machine utilisation and rigorous cost control measures. These initiatives have steadily improved margins, a trend which has continued throughout HY26. Underlying operating profit return on sales has increased to 9.6%, up from 5.6% in HY25. On a trailing twelve-month basis return on sales is now 10.1%, achieving the medium-term business goal of 10%.

CTP RoS improved strongly to 13.8% (HY25: 8.2%) having further increased since 31 March 2025 (11.5%) reflecting operational improvements and overhead expense reductions. The continued focus on efficiency improvements and cost discipline is driving the continued margin improvement across the business.

The Speciality division also increased operating profit margin, to 21.6% (HY25: 19.8%), which is testament to the operational focus and discipline in the business.

The business also achieved a significant milestone, delivering a ROCE of 28.8% on a trailing twelve-month ('TTM') basis (TTM HY25: 17.5%), demonstrating the increased returns and more efficient capital usage in the business.

Central costs

Underlying central costs increased in HY26 to £3.0m (HY25: £2.4m) largely driven by non-repeatable costs related to the delayed announcement of the FY25 annual results in August 2025. The Group has invested in a small number of key roles, to support strategic priorities and the delivery of operational and financial improvements, while continuing to focus on cost discipline and efficiency in the underlying spend.

Operating Profit

Underlying operating profit rose 61.2% to £5.5m (HY25: £3.4m), reflecting an increase of £2.2m on a constant currency basis.

Non-underlying costs in the period reduced to £0.3m (HY25: £1.0m) for HY26. This is largely non-underlying pension administration costs and the release of the remaining capitalised HSBC costs when the previous bank loans were repaid. Previous period costs relate to refinancing of the Group's bank debt facilities, completed in April FY26, together with restructuring costs related to the closure of the manufacturing plant in Tucson, US.

Net finance costs increased half-on-half to £3.7m (HY25: £2.6m). This included £1.4m (HY25: £0.9m) of imputed net interest on the defined benefit pension liability.

The Group reported a pre-tax profit of £1.5m (HY25: £0.1m loss). The income tax expense was £1.1m (HY25: £0.5m), the increased tax charge is driven by increased taxable profits in the US and India.

Underlying earnings per share recorded a profit of 0.9p (HY25: 0.6p profit), while statutory earnings per share also improved to 0.5p (HY25: 0.9p loss). Diluted earnings per share increased to a profit of 0.5p (HY25: 0.9p loss).

Financial Position

Cash

Net cash inflow from operating activities during the first half was £0.4m (HY25: £3.4m). This is driven by strong EBITDA generation of £8.6m (HY25: £7.1m), with offset coming from expected net working capital outflows of £4.5m (HY25: inflow £2.0m), committed net pension contributions of £1.3m (HY25: £1.2m), interest costs of £1.7m (HY25: £2.1m), and taxes of £0.5m (HY25: £0.6m).

As anticipated, working capital increased in the 6 months to 30 September 2025, from the unusually low level at the prior year end due to a reduction in provisions and accruals, primarily related to the incentive bonus provision held at 31 March 2025 along with an increase in receivables in the US. As a result of the new financing agreement, previous payment arrangements for a significant US customer have been changed resulting in later cash receipts.

Net cash inflow from financing was £5.0m from which a one-off pension contribution was made in April 2025 of £5.1m in agreement with the Pension Scheme Trustees and in line with the completion of the new financing arrangements.

Additionally, a foreign exchange loss on cash of £0.1m (HY25: £0.4m loss), resulted in an overall £2.2m decrease in cash during the first half (HY25: increase of £1.8m).

Debt

Net Debt at 30 September 2025 was £24.5m, an increase since 31 March 2025 of £5.3m. This was largely driven by the one-off contribution to the pension scheme of £5.1m.

Net debt comprised gross debt, from borrowings and leases, of £32.2m (HY25: £40.0m) less cash and cash equivalents of £7.8m (HY25: £14.7m).

Refinancing

On 24 April 2025, the Group completed refinancing of its primary external borrowing facility with the announcement of a three-year multi-currency borrowing facility agreement with BZ Commercial Finance DAC ("BZ") comprising a term loan of £27.0m and a revolving credit facility of up to £9.0m.

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

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

Securing the BZ facility is an important step for the Group enabling it to continue to invest in the business and allow the Group to deliver on its strategy.

Defined benefit pension scheme

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

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

Since the completion of the 2024 triennial valuation, the estimated technical provisions deficit has fallen further to £61.2m at 31 March 2025 and is estimated to be £52.7m at 30 September 2025, following the £5.1m lump sum contribution.

The IAS 19 valuation of the Scheme liabilities at 30 September 2025 resulted in a net liability of £44.7m, a £7.0m decrease from the net liability at 31 March 2025 (FY24: £51.7m). The principal driver of the decrease in the IAS19 net liability was a gain on plan assets and financial assumption gains of £2.0m, together with the one-off contribution of £5.1m.

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

Forward-looking statements

Certain statements made in these reports & accounts are forward-looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause outcomes to differ materially from those expected.

Alternative performance measures

Alternative performance measures are defined in the financial review of the Annual Report and Accounts (ARA) for the year ended 31 March 2025. The Directors believe that alternative performance measures provide a more useful comparison of business trends and performance. The term 'underlying' is not defined under IFRS and may not be comparable with similarly titled measures used by other companies. The nature of the items classified as non-underlying in the period is consistent with reporting in prior periods.

Dividend

The Board regularly reviews capital allocation and believes that prioritising investment to enable profitable growth for the business is currently the most appropriate use of capital, therefore, no interim dividend has been declared for the period ending 30 September 2025.

Principal Risks and Uncertainties

In the Annual Report for the year ended 31 March 2025 Carclo provided a detailed review of the principal risks faced by the Group and how these risks were being managed. The Group continues to face and proactively manage the risks and uncertainties in our business and, whilst the Board considers that these principal risks and uncertainties have not materially changed since the publication of the 2025 Annual Report. In line with best practice, it is worth noting that the following risks remain particularly relevant for the remainder of the financial year:

•	Given the current global geopolitical environment, supply chain and political disruption risk remains high putting pressure on both material and utility supply and also demand for products.
•	Whilst customer concentration continues to be a principal risk, there continues to be a close partnership between Carclo and its blue-chip customers.
•	Global interest rates remain high which continues to demand a significant cash outflow.

Mitigating actions being taken include:

•	Strengthening procurement management to improve supply chain logistics and lower input costs;
•	Pursuing operating efficiencies to lower the cost of production;
•	Increasing asset utilisation to create additional capacity for customers who demand higher volumes of existing products;
•	Increasing flexibility to transfer products between manufacturing sites;
•	Marketing to win new customers; and
•	Focus on debt reduction to mitigate the interest burden that faces the Group.

The Audit and Risk Committee continues to monitor risks and uncertainties, including emerging risks. The process is supported by the management's risk register and mitigation mapping process, ensuring comprehensive oversight and tracking of risk exposures.

The full description of principal risks, uncertainties and detailed mitigation can be found on page 49 of the 2025 Annual Report and Accounts available at <https://www.carclo.co.uk/ARA25>.

Board changes

As previously announced on 13 February 2025, Ian Tichias joined as Chief Financial Officer on 1 April 2025. Ian succeeds Eric Hutchinson, who retired on 31 March 2025.

Going Concern

These interim financial statements have been prepared on a going concern basis as detailed in Note 1. The Board's forecasts, as well as a range of sensitised scenarios, show that the Group can operate within its available facilities and meet its covenants as they fall due.

Responsibility Statement

We confirm to the best of our knowledge:

- (a) the condensed consolidated set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting.
- (b) the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- (c) the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related party transactions and changes therein).

By order of the Board,

Frank Doorenbosch

Chief Executive Officer

Ian Tichias

Chief Financial Officer

20 November 2025

Glossary of Terms

Term	Definition
Capital employed	Working capital and property, plant and equipment.
Cash conversion rate	Cash generated from operations divided by EBITDA.
Constant currency	Prior year income statement items translated at the average exchange rate of the current year.
EBIT and operating profit	Earnings, whether profit or loss, before interest and tax.
EBITDA	Earnings, whether profit or loss, before interest, tax, depreciation and amortisation.
Effective tax rate	Income tax (expense)/credit divided by the profit/(loss) before tax.
Fixed asset utilisation ratio	Trailing twelve-month revenue divided by tangible fixed assets at the period end.
Group capital expenditure	Additions to intangible assets and property, plant and equipment.
Net debt	Cash and cash deposits less loans and borrowings.
Net debt to underlying EBITDA ratio	Net debt divided by underlying EBITDA.
Non-underlying	Transactions which fall within the ordinary activities of the Group that, by virtue of their size or incidence, are considered to be non-underlying in nature.
ROCE	Return on Capital Employed being trailing twelve month underlying operating profit as a percentage of capital employed at the period end.
ROS	Return on Sales being underlying operating profit as a percentage of revenue.
Trailing twelve months	The sum of income statement items over the preceding twelve-month period
Underlying	Financial performance adjusted to exclude all non-underlying items. Underlying profit after tax is profit after tax adjusted to exclude all non-underlying items and attributable tax on such items.
Working capital	Current and non-current inventory, contract assets and trade and other receivables less current and non-current trade payables, other payables and provisions.

Condensed consolidated income statement

		Six months ended 30 September 2025 Unaudited £000	Restated ¹ Six months ended 30 September 2024 Unaudited £000	Year ended 31 March 2025 Audited £000
	Notes			
Continuing operations:				
Revenue	4	57,233	60,957	121,219
Underlying operating profit		5,480	3,400	9,838
Non-underlying items	5	(330)	(973)	(2,258)
Operating profit	4	5,150	2,427	7,580
Finance revenue	6	48	279	571
Finance expense	6	(3,726)	(2,842)	(5,499)
Profit/(loss) before tax		1,472	(136)	2,652
Income tax expense	7	(1,105)	(516)	(1,780)
Profit/(loss) for the period		367	(652)	872
Attributable to:				
Equity holders of the parent company		367	(652)	872
Non-controlling interests		-	-	-
		367	(652)	872
Profit/(loss) per ordinary share	8			
Basic		0.5 p	(0.9) p	1.2 p
Diluted		0.5 p	(0.9) p	1.2 p

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

Condensed consolidated statement of comprehensive income

		Six months ended 30 September 2025 Unaudited £000	Restated ¹ Six months ended 30 September 2024 Unaudited £000	Year ended 31 March 2025 Audited £000
	Notes			
Profit/(loss) for the period		367	(652)	872
Other comprehensive income/(expense)-				
Items that will not be reclassified to the income statement				
Remeasurement gains/(losses) on defined benefit scheme	12	2,012	(905)	(15,253)
Total items that will not be reclassified to the income statement		<u>2,012</u>	<u>(905)</u>	<u>(15,253)</u>
Items that are or may in the future be classified to the income statement				
Foreign exchange translation differences		(242)	(2,018)	(955)
Net investment hedge		251	728	371
Deferred tax arising		(41)	(48)	13
Total items that are or may in future be classified to the income statement		<u>(32)</u>	<u>(1,338)</u>	<u>(571)</u>
Other comprehensive income/(expenses) net of income tax		1,980	(2,243)	(15,824)
Total comprehensive income/(expense) for the period		<u><u>2,347</u></u>	<u><u>(2,895)</u></u>	<u><u>(14,952)</u></u>
Attributable to:				
Equity holders of the parent		2,347	(2,895)	(14,952)
Non-controlling interests		-	-	-
Total comprehensive income/(expense) for the period		<u><u>2,347</u></u>	<u><u>(2,895)</u></u>	<u><u>(14,952)</u></u>

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

Condensed consolidated statement of financial position

		30 September 2025 Unaudited £000	Restated ¹ 30 September 2024 Unaudited £000	31 March 2025 Audited £000
	Notes			
Non-current assets				
Intangible assets	10	21,929	21,476	21,801
Property, plant and equipment	11	32,599	35,985	35,842
Deferred tax assets		565	1,084	641
Trade and other receivables		-	-	594
Contract assets		118	-	170
Total non-current assets		55,211	58,545	59,048
Current assets				
Inventories		10,646	11,678	9,928
Contract assets		2,212	1,531	1,551
Trade and other receivables		18,104	18,465	15,659
Cash and cash deposits	14	7,769	14,725	10,745
Current tax assets		-	-	104
Total current assets		38,731	46,399	37,987
Total assets		93,942	104,944	97,035
Current liabilities				
Loans and borrowings	15	7,283	14,952	24,844
Trade payables		10,127	9,298	9,697
Other payables		8,384	10,371	11,094
Current tax liabilities		1,189	410	752
Contract liabilities		2,449	2,565	1,624
Provisions		-	111	-
Total current liabilities		29,432	37,707	48,011
Non-current liabilities				
Loans and borrowings	15	24,949	25,022	5,105
Deferred tax liabilities		3,077	3,113	3,041
Contract liabilities		244	-	-
Provisions		974	900	975
Trade and other payables		97	102	-
Retirement benefit obligations	12	44,654	37,878	51,743
Total non-current liabilities		73,995	67,015	60,864
Total liabilities		103,427	104,722	108,875
Net (liabilities)/assets		(9,485)	222	(11,840)
Equity				
Ordinary share capital issued	17	3,671	3,671	3,671
Share premium		7,359	7,359	7,359
Translation reserve		6,618	5,883	6,650
Retained earnings		(27,107)	(16,665)	(29,494)
Total equity attributable to equity holders of the Company		(9,459)	248	(11,814)
Non-controlling interests		(26)	(26)	(26)
Total equity		(9,485)	222	(11,840)

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

Condensed consolidated statement of changes in equity

	Attributable to equity holders of the Company						
	Share capital £000	Share premium £000	Translation reserve £000	Retained earnings £000	Total £000	Non-controlling interests £000	Total equity £000
Current half year period - unaudited							
Balance at 31 March and 1 April 2025	3,671	7,359	6,650	(29,494)	(11,814)	(26)	(11,840)
Profit for the period	-	-	-	367	367	-	367
Other comprehensive (expense)/income -							
Foreign exchange translation differences	-	-	(242)	-	(242)	-	(242)
Net investment hedge	-	-	251	-	251	-	251
Remeasurement gain on defined benefit scheme	-	-	-	2,012	2,012	-	2,012
Taxation on items above	-	-	(41)	-	(41)	-	(41)
Total comprehensive (expense)/income for the period	-	-	(32)	2,379	2,347	-	2,347
Transactions with owners recorded directly in equity -							
Share based payments	-	-	-	8	8	-	8
Balance at 30 September 2025	3,671	7,359	6,618	(27,107)	(9,459)	(26)	(9,485)
Prior half year period - unaudited							
Balance at 31 March and 1 April 2024	3,671	7,359	7,221	(14,565)	3,686	(26)	3,660
Prior year restatement ¹	-	-	-	(570)	(570)	-	(570)
Balance at 1 April 2024 restated ¹	3,671	7,359	7,221	(15,135)	3,116	(26)	3,090
Loss for the period	-	-	-	(652)	(652)	-	(652)
Other comprehensive (expense)/income -							
Foreign exchange translation differences	-	-	(2,018)	-	(2,018)	-	(2,018)
Net investment hedge	-	-	728	-	728	-	728
Remeasurement losses on defined benefit scheme	-	-	-	(905)	(905)	-	(905)
Taxation on items above	-	-	(48)	-	(48)	-	(48)
Total comprehensive expense for the period	-	-	(1,338)	(1,557)	(2,895)	-	(2,895)
Transactions with owners recorded directly in equity -							
Share based payments	-	-	-	27	27	-	27
Balance at 30 September 2024	3,671	7,359	5,883	(16,665)	248	(26)	222

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

	Attributable to equity holders of the Company					Non-controlling interests £000	Total equity £000
	Share capital £000	Share premium £000	Translation reserve £000	Retained earnings £000	Total £000		
Prior year - audited							
Balance at 1 April 2024	3,671	7,359	7,221	(14,565)	3,686	(26)	3,660
Prior year restatement ¹	-	-	-	(570)	(570)	-	(570)
Balance at 1 April 2024 restated	3,671	7,359	7,221	(15,135)	3,116	(26)	3,090
Profit for the year	-	-	-	872	872	-	872
Other comprehensive (expense)/income -							
Foreign exchange translation differences	-	-	(955)	-	(955)	-	(955)
Net investment hedge	-	-	371	-	371	-	371
Remeasurement losses on defined benefit scheme	-	-	-	(15,253)	(15,253)	-	(15,253)
Taxation on items above	-	-	13	-	13	-	13
Total comprehensive expense for the year	-	-	(571)	(14,381)	(14,952)	-	(14,952)
Transactions with owners recorded directly in equity -							
Share based payments	-	-	-	22	22	-	22
Balance at 31 March 2025	3,671	7,359	6,650	(29,494)	(11,814)	(26)	(11,840)

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

Condensed consolidated statement of cash flows

		30 September 2025 Unaudited £000	Restated ¹ 30 September 2024 Unaudited £000	31 March 2025 Audited £000
	Notes			
Cash generated from operations	13	3,939	7,255	19,066
Interest paid		(1,722)	(2,051)	(3,694)
Tax paid		(493)	(633)	(1,259)
Pension scheme contributions net of Company settled administration costs		(1,329)	(1,187)	(2,633)
Net cash from operating activities		395	3,384	11,480
Cash flows from/(used in) investing activities				
Proceeds from sale of property, plant and equipment		-	65	85
Interest received		48	279	571
Purchase of property, plant and equipment		(715)	(270)	(1,054)
Purchase of intangible assets		(59)	(49)	(49)
Net cash (used in)/from investing activities		(726)	25	(447)
Cash flows from/(used in) financing activities				
Drawings on existing and new facilities		29,911	1,700	-
Refinancing costs associated with the new facility		(2,544)	-	-
Additional defined benefit pension scheme contributions paid to release security for new financing facility		(5,100)	-	-
Refinancing costs associated with the existing facility		-	(150)	(150)
Repayment of borrowings excluding lease liabilities		(22,394)	(975)	(2,525)
Repayment of other loan facilities		(44)	(48)	(95)
Repayment of lease liabilities		(1,652)	(2,149)	(4,228)
Net cash used in financing activities		(1,823)	(1,622)	(6,998)
Net (decrease)/increase in cash and cash equivalents		(2,154)	1,787	4,035
Cash and cash equivalents at beginning of period		9,980	5,974	5,974
Effect of exchange rate fluctuations on cash held		(57)	(417)	(29)
Cash and cash equivalents at end of period		7,769	7,344	9,980
Cash and cash equivalents comprise:				
Cash and cash deposits	14	7,769	14,725	10,745
Bank overdrafts	15	-	(7,381)	(765)
		7,769	7,344	9,980

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

Notes to the accounts

1. Basis of preparation

The condensed consolidated half year report for Carclo plc ("Carclo" or "the Group") for the six months ended 30 September 2025 has been prepared on the basis of the accounting policies set out in the audited accounts for the year ended 31 March 2025 and in accordance with the Disclosure and Transparency Rules of the UK Financial Conduct Authority and the requirements of UK adopted International Accounting Standard 34, 'Interim Financial Reporting'.

The financial information is unaudited.

The half year report does not constitute financial statements and does not include all the information and disclosures required for full annual statements. It should be read in conjunction with the annual report and financial statements for the year ended 31 March 2025 which is available either on request from the Company's registered office, 47 Wates Way, Mitcham, Surrey, CR4 4HR, or can be downloaded from the corporate website www.carclo-plc.com.

The comparative figures for the financial year ended 31 March 2025 are not the Carclo plc Group's complete statutory accounts for that financial year. Those accounts have been reported on by the Carclo plc auditors and delivered to the Registrar of Companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain statements under Section 498 (2) of the Companies Act 2006.

The half year report was approved by the Board of Directors on 20 November 2025. Copies are available from the corporate website.

The Group financial statements for the year ended 31 March 2025 have been prepared and approved by the Directors in accordance with UK-adopted international accounting standards.

Prior period restatement

In this interim statement there have been two corrections made to the prior period comparatives for the period ended 30 September 2024:

a) During the year ended 31 March 2025, the FRC conducted a Corporate Reporting Review of the Carclo plc Annual Report and Accounts for the year ended 31 March 2024. At the time, the UK Group companies were part of a multi-party, multi-currency net overdraft facility with a £nil net limit and a £12.5 million gross limit. The half year report for the period ended 30 September 2024 recognised Carclo plc's overdraft of £7.4m within cash and cash deposits when consolidated due to a right of set-off within the net overdraft facility. Having considered the points raised by the FRC, we have re-presented the prior period comparatives for the period ended 30 September 2024 for cash and overdrafts on a gross basis, as on reflection, we agree that this more appropriately meets the off-setting requirements of IAS 32. The accounts for the year ending 31 March 2025 were presented gross and therefore these have not been restated in this interim report.

The impact of the restatement on the prior period comparatives is to reclassify the £7.4m overdraft from cash and cash deposits to loans and borrowings due within 1 year. Total current assets, total assets, total current liabilities and total liabilities are therefore all £7.4m greater than previously presented. There is no change to total net assets or to the loss for the period. A reconciliation of the gross cash balance to the amount of cash and cash equivalents shown in the statement of cash flows at the end of the financial period has been presented in note 14, Cash and cash deposits. The notes to the financial statements impacted by this restatement have also been re-presented and have been referenced back to this note.

The amount of the correction at the beginning of the earliest period presented, 1 April 2023, is an adjustment of £6.5m to gross up cash and cash deposits with a corresponding adjustment to loans and borrowings due within 1 year. Total current assets, total assets, total current liabilities and total liabilities are therefore all £6.5m greater at 1 April 2023 than previously presented. There is no change to total net assets or to the loss for the period to 31 March 2023.

b) The second correction is to recognise that a £0.9m provision for dilapidation at our CTP UK facility, Mitcham, should have been recorded on the consolidated statement of financial position on transition to IFRS 16 in the Annual Report and Accounts for the year ended 31 March 2020. The impact of the restatement on the prior period comparatives is to recognise a brought forward £0.9m provision for dilapidation as a non-current liability, recognise an increase in property, plant and equipment - right-of-use assets of £0.4m which is the original cost of £0.9m less accumulated depreciation to 30 September 2024 of £0.5m and an increase in retained losses of £0.5m. The condensed consolidated income statement for the period ending 30 September 2024 has been restated for an additional £0.05m depreciation charge.

The amount of the correction at the beginning of the earliest period presented, 1 April 2023, is an increase to property, plant and equipment - right of use assets, total non-current assets and total assets of £0.4m, an increase to non-current provisions, total non-current liabilities and total liabilities of £0.9m which in total result in a net decrease to net assets and brought forward retained losses at 1 April 2023 of £0.5m.

Going concern

These interim financial statements have been prepared on the going concern basis.

The £36.0m borrowing facility with BZ announced on 24 April 2025 provides available borrowings for a three-year term out to April 2028. The facility includes an element of asset-based lending, and the level of borrowings are contingent upon the value of certain classes of non-current and current assets held by the Group's UK and US trading subsidiaries.

The Group continues to comply with all financial covenants under the BZ facility agreement. The covenant definitions and thresholds are unchanged from those disclosed in the Annual Report and Accounts for the year ended 31 March 2025 on pages 110-111.

The deficit recovery plan agreed with the Trustees of the UK defined benefit pension scheme as part of the triennial valuation to 31 March 2024 includes an annual schedule of contributions of £3.5m through to 31 March 2029 and thereafter annual contributions of £5.8m indexed at 3.5% through to 31 March 2037. Contributions are funded from cash generated by operations and have been reflected in the cash flow and covenant forecasts reviewed by the Directors.

The Group is subject to a number of key risks and uncertainties, as detailed in the principal risks and uncertainties section on pages 49 to 55 of the Annual Report. Mitigation actions to address these risks are also set out in that section. The Directors have reviewed and reassessed these

risks as part of the interim going concern evaluation and confirm that they remain unchanged from those identified at the year end. These risks and uncertainties have been considered in the base case and downside sensitivities and have been modelled accordingly.

The Group has prepared a forecast of financial projections for the three-year period to 31 March 2028. The forecast underpins the going concern assessment, which has been made for the period through to December 2026, being 13 months from when the financial statements are authorised for issue. The Directors have reviewed cash flow and covenant forecasts over this period considering the Group's available borrowing facilities and the terms of the arrangements with the Group's lender and the UK defined benefit pension scheme. The forecast shows adequate headroom and supports the position that the Group can operate within its available borrowing facilities and covenants throughout this period.

The Group has relied on the same financial model, sensitivity and reverse stress testing as described in the Annual Report and Accounts for the year ended 31 March 2025. The assumptions used in the going concern assessment have been reviewed and remain appropriate.

Current trading and performance have been compared to the base case forecasts and downside sensitivities used at the year end and are broadly in line with those assumptions. The Group remains ahead of covenant headroom levels projected in the year-end analysis and continues to comply with all financial covenants under the BZ facility.

Accordingly, the Directors have re-evaluated the Group's going concern position in light of current trading and forecast performance and are satisfied that the Group continues to have adequate liquidity and covenant headroom for the assessment period.

At 30 September 2025, the Group reports a reduction in net liabilities of £9.5m (31 March 2025: net liabilities £11.8m) and a net current asset position of £9.3m (31 March 2025: net current liability £10.0m). The movement from a net current liability to a net current asset position primarily reflects the classification at 31 March 2025 of the full £21.2m HSBC term loan as a current liability as it was repaid in April 2025.

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

2. Accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements for the year ended 31 March 2025. Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting period beginning on 1 April 2025 but they are not expected to have a material effect on the Group's financial statements.

3. Accounting estimates and judgements

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. In preparing these half year financial statements, the significant judgements made by management in applying the Group's accounting policies and the key source of estimation uncertainty were the same as those applied to the audited consolidated financial statements for the year ended, 31 March 2025.

4. Segment reporting

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

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

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

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

	CTP £000	Speciality £000	Central £000	Total £000
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The segment results for the six months ended 30 September 2025 were as follows:

Consolidated income statement

Continuing operations:

External revenue	49,257	7,976	-	57,233
External expenses	(42,458)	(6,257)	(3,038)	(51,753)
Underlying operating profit/(loss)	6,799	1,719	(3,038)	5,480
Non-underlying operating items	(12)	-	(318)	(330)
Operating profit/(loss)	6,787	1,719	(3,356)	5,150
Net finance expense				(3,678)
Income tax expense				(1,105)
Profit for the period				367

Consolidated statement of financial position

Segment assets	83,097	9,329	1,516	93,942
Segment liabilities	(27,620)	(3,199)	(72,608)	(103,427)
Net assets/(liabilities)	55,477	6,130	(71,092)	(9,485)

Other segmental information

Capital expenditure on property, plant and equipment	602	138	-	740
Capital expenditure on computer software	-	-	59	59
Depreciation	2,875	195	33	3,103
Amortisation of intangibles	1	6	29	36

Disaggregation of revenue

Major products/service lines

Manufacturing Solutions	45,212	7,976	-	53,188
Design & Engineering	4,045	-	-	4,045
	49,257	7,976	-	57,233

Timing of revenue recognition

Products transferred at a point in time	45,212	7,976	-	53,188
Products and services transferred over time	4,045	-	-	4,045
	49,257	7,976	-	57,233

	Restated ¹ CTP £000	Speciality £000	Central £000	Total £000
The segment results for the six months ended 30 September 2024 were as follows:				
Consolidated income statement				
Continuing operations:				
External revenue	53,968	6,989	-	60,957
External expenses	(49,566)	(5,603)	(2,388)	(57,557)
Underlying operating profit/(loss)	4,402	1,386	(2,388)	3,400
Non-underlying operating items	378	-	(1,351)	(973)
Operating profit/(loss)	4,780	1,386	(3,739)	2,427
Net finance expense				(2,563)
Income tax credit				(516)
Loss for the period				(652)
Consolidated statement of financial position				
Segment assets	87,705	8,739	8,500	104,944
Segment liabilities	(30,145)	(2,738)	(71,839)	(104,722)
Net assets/(liabilities)	57,560	6,001	(63,339)	222
Other segmental information				
Capital expenditure on property, plant and equipment	249	34	-	283
Capital expenditure on computer software	-	-	49	49
Depreciation	3,349	206	51	3,606
Net reversal of impairment	143	-	-	143
Amortisation of intangible assets	5	6	33	44
Disaggregation of revenue				
<i>Major products/service lines</i>				
Manufacturing Solutions	46,795	6,989	-	53,784
Design & Engineering	7,173	-	-	7,173
	53,968	6,989	-	60,957
<i>Timing of revenue recognition</i>				
Products transferred at a point in time	46,795	6,989	-	53,784
Products and services transferred over time	7,173	-	-	7,173
	53,968	6,989	-	60,957

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

	CTP £000	Speciality £000	Central £000	Total £000
The segment results for the year ended 31 March 2025 were as follows:				
Consolidated income statement				
Continuing operations:				
External revenue	106,998	14,221	-	121,219
External expenses	(94,670)	(11,420)	(5,291)	(111,381)
Underlying operating profit/(loss)	12,328	2,801	(5,291)	9,838
Non-underlying operating items	45	-	(2,303)	(2,258)
Operating profit/(loss)	12,373	2,801	(7,594)	7,580
Net finance expense				(4,928)
Income tax expense				(1,780)
Profit for the year				872
Consolidated statement of financial position				
Segment assets	83,295	9,691	4,049	97,035
Segment liabilities	(27,393)	(3,311)	(78,171)	(108,875)
Net assets/(liabilities)	55,902	6,380	(74,122)	(11,840)
Other segmental information				
Capital expenditure on property, plant and equipment	1,899	547	2	2,448
Capital expenditure on computer software	-	-	49	49
Depreciation	5,961	411	84	6,456
Reversal of impairment	209	-	-	209
Amortisation of intangible assets	8	12	67	87
Disaggregation of revenue				
<i>Major products/service lines</i>				
Manufacturing Solutions	93,443	14,221	-	107,664
Design & Engineering	13,555	-	-	13,555
	106,998	14,221	-	121,219
<i>Timing of revenue recognition</i>				
Products transferred at a point in time	93,552	14,221	-	107,773
Products and services transferred over time	13,446	-	-	13,446
	106,998	14,221	-	121,219

5. Non-underlying items

	Six months ended 30 September 2025 £000	Six months ended 30 September 2024 £000	Year ended 31 March 2025 £000
Continuing operations			
Rationalisation (costs)/credit	(138)	310	(122)
Refinancing costs	(192)	(1,284)	(2,137)
Settlement of legacy claims	-	1	1
Non-underlying items recognised in operating profit	<u>(330)</u>	<u>(973)</u>	<u>(2,258)</u>

The cash element of non-underlying items is a net outflow of £0.2m (HY25: £1.9m, FY25 £3.3m).

£0.2m refinancing costs incurred in the 6 months to 30 September 2025, are costs arising as a result of the Group having refinanced with BZ Commercial Finance DAC ("BZ"), which are not deemed by the Group as directly attributable to the refinancing arrangement and have not therefore been capitalised against the BZ loan balance. These are mostly costs incurred as a result of the accelerated charge of the remaining HSBC costs which were expensed when the loans were repaid.

Current period rationalisation costs are non-underlying pension administration costs (30 September 2024: £0.1m).

Refinancing costs in the prior periods were legal and professional costs incurred by the Group up until 14 February 2025, on which date the Carclo plc Board of Directors agreed BZ as the preferred lender with whom the Group subsequently completed its refinancing on 24 April 2025.

The rationalisation credit of £0.3m from continuing operations during the 6 month comparative period related to the restructuring of the Group. This was primarily costs and credits arising from the USA facility closures as part of the turnaround plan which included employee related and other closure costs less the release of balance sheet credits for provisions booked in the year ended 31 March 2024 which were no longer required.

6. Net finance expense

	Six months ended 30 September 2025 £000	Six months ended 30 September 2024 £000	Year ended 31 March 2025 £000
Continuing operations:			
The net expense recognised in the condensed consolidated income statement comprises:			
Interest receivable on cash and cash deposits	37	242	535
Other interest receivable	11	37	36
Finance revenue	<u>48</u>	<u>279</u>	<u>571</u>
Interest payable on bank loans and overdrafts	(139)	(1,577)	(3,064)
Interest payable on other debt servicing	(2,006)	(8)	(11)
Lease interest	(228)	(379)	(679)
Net interest on the net defined benefit liability	(1,353)	(878)	(1,745)
Finance expense	<u>(3,726)</u>	<u>(2,842)</u>	<u>(5,499)</u>
Net finance expense	<u>(3,678)</u>	<u>(2,563)</u>	<u>(4,928)</u>

7. Income tax expense

	Six months ended 30 September 2025 £000	Six months ended 30 September 2024 £000	Year ended 31 March 2025 £000
Continuing operations:			
The expense recognised in the condensed consolidated income statement comprises:			
Current tax expense on ordinary activities	(1,083)	(426)	(1,403)
Deferred tax (expense)/credit on ordinary activities	(25)	50	(387)
Current tax credit/(expense) on non-underlying items	3	(140)	10
Total income tax expense recognised in the condensed consolidated income statement	<u>(1,105)</u>	<u>(516)</u>	<u>(1,780)</u>

The half year tax expense represents 75.1% of statutory profit before tax (6 months to 30 September 2024: tax expense 379.4% (restated) of statutory loss before tax) based on the estimated average effective tax rate "ETR" on ordinary activities for the full year. The half year effective tax rate is greater than the UK underlying tax rate of 25% because losses are not recognised in the UK for deferred tax purposes, withholding tax is payable on dividends and royalties from certain tax jurisdictions and because of the proportion of taxable profits achieved in the six months to 30 September 2025 compared to full year forecast (on which the ETR is based).

The half year underlying effective tax rate amounts to 61.5% of underlying profit before tax and non-underlying items (six months to 30 September 2024: 45.0% of underlying loss before tax and non-underlying items).

The Group's underlying effective tax rate is higher than the underlying UK tax rate of 25.0% because of the reasons given above.

No deferred tax assets have been recognised against tax losses at 30 September 2025 totalling £6.1m (31 March 2025: £6.8m). Deferred tax assets are not recognised to the extent that the underlying timing differences are not expected to reverse. The nature of tax regimes in certain regions in which the Group operates are such that tax losses may arise even though the business is profitable. This situation is expected to continue in the medium term.

Deferred tax assets and liabilities at 30 September 2025 have been calculated on the rates substantively enacted at the balance sheet date. The main rate of corporation tax became 25% from 1 April 2023. Overseas taxes are calculated at the rates prevailing in the respective jurisdictions.

8. Earnings/(loss) per share

Continuing operations:

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

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

The following details the result and average number of shares used in calculating the basic and diluted earnings per share:

	Six months ended 30 September 2025 £000	Restated ¹ Six months ended 30 September 2024 £000	Year ended 31 March 2025 £000
Profit/(loss) after tax	367	(652)	872
Profit/(loss) attributable to non-controlling interests	-	-	-
Profit/(loss) after tax, attributable to equity holders of the parent	<u>367</u>	<u>(652)</u>	<u>872</u>
	Six months ended 30 September 2025 Shares	Six months ended 30 September 2024 Shares	Year ended 31 March 2025 Shares
Weighted average number of ordinary shares (basic) in the period	73,419,193	73,419,193	73,419,193
Effect of dilutive share options in issue ²	638,144	15,974	546,306
Weighted average number of ordinary shares (diluted) in the period for loss per share calculation	<u>74,057,337</u>	<u>73,435,167</u>	<u>73,965,499</u>
Effect of dilutive share options in issue	-	1,557,500	-
Weighted average number of ordinary shares (diluted) in the period for underlying earnings per share calculation	<u>74,057,337</u>	<u>74,992,667</u>	<u>73,965,499</u>

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

2. There are 121,702 vested share options outstanding that are not yet issued. 509,257 share options granted on 21 September 2023 and 7,185 share options granted on 9 September 2025 have been included in the calculation of the weighted average number of dilutive shares for earnings per share in the current period. The prior period to 30 September 2024 excluded 1,557,500 share options granted on 21 September 2023 as they were antidilutive, however they were included in the calculation of underlying earnings per share.

In addition to the above, the Company also calculates an earnings per share based on underlying profit as the Board believe this provides a more useful comparison of business trends and performance. Underlying profit is defined as profit before impairments, rationalisation costs, one-off retirement benefit effects, exceptional bad debts, business closure costs, litigation costs, other one-off costs and the impact of property and business disposals, net of attributable taxes.

The following table reconciles the Group's profit/(loss) to underlying profit used in the numerator in calculating underlying earnings per share:

	Six months ended 30 September 2025 £000	Restated ¹ Six months ended 30 September 2024 £000	Year ended 31 March 2025 £000
Profit/(loss) after tax, attributable to equity holders of the parent	367	(652)	872
Non-underlying - rationalisation costs/(credit), net of tax	135	(118)	173
Non-underlying - refinancing costs, net of tax	192	1,232	2,096
Non-underlying - settlement credit in respect to legacy claims, net of tax	-	(1)	(1)
Profit after tax but before non-underlying items, attributable to equity holders of the parent	694	461	3,140
Underlying operating profit	5,480	3,400	9,838
Finance revenue	48	279	571
Finance expense	(3,726)	(2,842)	(5,499)
Income tax expense	(1,108)	(376)	(1,770)
Profit after tax but before non-underlying items - continuing operations	694	461	3,140

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

	Six months ended 30 September 2025 Pence	Restated ¹ Six months ended 30 September 2024 Pence	Year ended 31 March 2025 Pence
The following table summarises the earnings/(loss) per share figures based on the above data:			
Basic earnings/(loss) per share	0.5	(0.9)	1.2
Diluted earnings/(loss) per share	0.5	(0.9)	1.2
Underlying earnings per share - basic	0.9	0.6	4.3
Underlying earnings per share - diluted	0.9	0.6	4.2

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

9. Dividends paid and proposed

Under the terms of the previous HSBC borrowing facility agreement, in place up to the BZ refinancing completed in April 2025, the Company was not permitted to make a dividend payment to shareholders up to the period ending 31 December 2025. Under the BZ borrowing facility agreement, dividend payments are permitted, but they require prior approval of the lender.

The current focus is on cash flow generation to support strategic growth and with the Company currently having insufficient distributable reserves, no dividend is currently permitted. The Board will continue to review the Group financial performance, capital allocation and reserves regularly to determine the appropriate time for dividend payments.

10. Intangible assets

The movements in the carrying value of intangible assets are summarised as follows:

	30 September 2025 £000	30 September 2024 £000	31 March 2025 £000
Net book value at the start of the period	21,801	22,197	22,197
Additions	59	49	49
Disposals	-	-	-
Amortisation	(36)	(44)	(87)
Effect of movements in foreign exchange	105	(726)	(358)
Net book value at the end of the period	21,929	21,476	21,801

Included within intangible assets is goodwill of £21.8m (31 March 2025 - £21.7m). The carrying value of goodwill is subject to annual impairment tests by reviewing detailed projections of the recoverable amounts from the underlying cash generating units. At 31 March 2025, the carrying value of goodwill was supported by value-in-use calculations. There has been no indication of impairment in the current financial period.

11. Property, plant and equipment

The movements in the carrying value of property, plant and equipment are summarised as follows:

	30 September 2025 £000	Restated ¹ 30 September 2024 £000	31 March 2025 £000
Net book value at the start of the period	35,842	40,401	40,401
Additions	740	283	2,448
Depreciation	(3,103)	(3,606)	(6,456)
Disposals	-	(143)	(153)
Reversal of impairment	-	209	209
Modification of property leases	(530)	-	-
Effect of movements in foreign exchange	(350)	(1,159)	(607)
Net book value at the end of the period	32,599	35,985	35,842

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

Of the net book value at 30 September 2025, £18.5m is land and buildings and £14.1m is plant and equipment (31 March 2025: £21.3m and £14.5m respectively). Additions to 30 September 2025 were £0.1m to land and buildings and £0.6m to plant and equipment.

On 3 July 2025 the Group signed reversionary leases for the Mitcham, CTP UK properties. On signing the reversionary leases, a deed of variation to the current property leases was agreed, which reduces the rent payable for the next 18 months by 50%. The Group has recalculated the lease liability on this basis, resulting in a decrease of the liability and to the carrying value of the right of use assets of £0.5m in the period.

In a prior period, the Group closed its Tucson, Arizona, USA facility which led to impairment of certain assets at that site in the year to 31 March 2024. The impairment previously recognised against certain assets which were either sold or transferred was reversed in the six months to 30 September 2024 where the selling price or the value in use exceeded the impaired value. This was recognised as a credit within exceptional rationalisation costs in the income statement in the period to 30 September 2024 and the year ending 31 March 2025.

Right-of-use assets

Right-of-use assets related to lease agreements are presented within property, plant and equipment above. The movements are summarised as follows:

	30 September 2025 £000	Restated ¹ 30 September 2024 £000	31 March 2025 £000
Net book value at the start of the period	10,085	11,450	11,450
Additions	163	24	1,424
Depreciation	(1,280)	(1,551)	(2,497)
Assets transferred to owned assets from right-of-use assets	(1,058)	-	-
Assets transferred from right-of-use assets to owned property, plant and equipment	-	-	(81)
Modification of property leases	(530)	-	-
Derecognition of right-of-use assets	-	(66)	(66)
Effect of movements in foreign exchange	(75)	(312)	(145)
Net book value at the end of the period	7,305	9,545	10,085

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

Of the net book value at 30 September 2025, £3.5m is land and buildings and £3.8m is plant and equipment (31 March 2025: £4.7m and £5.4m respectively). Additions during the period to 30 September 2025 were to land and buildings £0.1m and plant and equipment £0.1m.

Refer to property, plant and equipment above, for explanation of £0.5m modification of property leases.

The Group has a commitment to future cash flows of £6.8m on the reversionary leases which have not yet commenced.

12. Retirement benefit obligations

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

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

	30 September 2025 £000	30 September 2024 £000	31 March 2025 £000
Present value of funded obligations	(130,456)	(126,688)	(133,155)
Fair value of scheme assets	85,802	88,810	81,412
Recognised liability for defined benefit obligations	(44,654)	(37,878)	(51,743)

	30 September 2025 £000	30 September 2024 £000	31 March 2025 £000
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Movement in the net liability for defined benefit obligations recognised in the condensed consolidated statement of financial position:

Net liability for defined benefit obligations at the start of the period	(51,743)	(37,186)	(37,186)
Contributions paid	6,850	1,458	3,208
Net expense recognised in the condensed consolidated income statement	(1,773)	(1,245)	(2,512)
Remeasurement gains/(losses) recognised in other comprehensive income	2,012	(905)	(15,253)
Net liability for defined benefit obligations at the end of the period	(44,654)	(37,878)	(51,743)

	30 September 2025 £000	30 September 2024 £000	31 March 2025 £000
Movements in the fair value of Scheme assets:			
Fair value of Scheme assets at the start of the period	81,412	93,234	93,234
Interest income	2,282	2,189	4,344
Return/(loss) on Scheme assets excluding interest income	1,141	(2,854)	(8,725)
Contributions by employer	6,850	1,458	3,208
Benefit payments	(5,462)	(4,850)	(9,882)
Expenses paid	(421)	(367)	(767)
Fair value of Scheme assets at the end of the period	85,802	88,810	81,412
Actual gain/(loss) on Scheme assets	3,423	(665)	(4,381)

	30 September 2025 £000	30 September 2024 £000	31 March 2025 £000
Movements in the present value of defined benefit obligations:			
Defined benefit obligation at the start of the period	133,155	130,420	130,420
Interest expense	3,634	3,067	6,089
Actuarial loss due to scheme experience	-	-	5,809
Actuarial gain due to changes in demographic assumptions	-	-	11,051
Actuarial gains due to changes in financial assumptions	(871)	(1,949)	(10,332)
Benefits paid	(5,462)	(4,850)	(9,882)
Defined benefit obligation at the end of the period	130,456	126,688	133,155

	30 September 2025 %	30 September 2024 %	31 March 2025 %
The principal actuarial assumptions at the balance sheet date (expressed as weighted averages) were:			
Discount rate at period end	5.65	4.95	5.65
Inflation (RPI) (non-pensioner)	2.95	3.15	3.2
Inflation (CPI) (non-pensioner)	2.45	2.65	2.7
Allowance for revaluation of deferred pensions of RPI or 5% p.a. if less	2.95	3.15	3.3
Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less	2.45	2.65	2.8
Allowance for pension in payment increases of RPI or 5% p.a. if less	2.80	2.95	3.0
Allowance for pension in payment increases of CPI or 3% p.a. if less	2.00	2.05	2.1
Allowance for pension in payment increases of RPI or 5% p.a. if less, minimum 3% p.a.	3.65	3.70	3.75
Allowance for pension in payment increases of RPI or 5% p.a. if less, minimum 4% p.a.	4.25	4.30	4.30
Life expectancy	years	years	years
Male (current age 45)	20.2	18.3	20.2
Male (current age 65)	19.3	17.4	19.3
Female (current age 45)	22.5	21.2	22.5
Female (current age 65)	21.3	20.1	21.3

13. Cash generated from operations

	Notes	Six months ended 30 September 2025 £000	Restated ¹ Six months ended 30 September 2024 £000	Year ended 31 March 2025 £000
Continuing operations:				
Profit/(loss) for the period		367	(652)	872
Adjustments for -				
Pension scheme administration costs settled by the Scheme		-	96	192
Depreciation charge	11	3,103	3,606	6,456
Amortisation charge	10	36	44	87
Non-underlying rationalisation (credit)/costs - net		-	(973)	(1,041)
Non-underlying refinancing costs		173	-	-
Non-underlying settlement of legacy claims	5	-	(1)	(1)
Loss on disposal of property, plant and equipment		-	12	2
Share based payment charge		8	27	32
Financial income	6	(48)	(279)	(571)
Financial expense	6	3,726	2,842	5,499
Taxation expense	7	1,105	516	1,780
Operating cash flow before changes in working capital		8,470	5,238	13,307
Changes in working capital				
(Increase)/decrease in inventories		(769)	(570)	1,310
(Increase)/decrease in contract assets		(634)	52	(93)
(Increase)/decrease in trade and other receivables		(1,983)	(192)	2,269
(Decrease)/increase in trade and other payables		(2,230)	3,150	3,862
Increase/(decrease) in contract liabilities		1,085	(303)	(1,317)
Decrease in provisions		-	(120)	(272)
Cash generated from operations		3,939	7,255	19,066

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

14. Cash and cash deposits

	30 September 2025 £000	Restated ¹ 30 September 2024 £000	31 March 2025 £000
Cash and cash deposits	7,769	14,725	10,745

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

At 30 September 2025: 1.4m sterling, 0.8m euro and 0.3m USD cash was held on deposit. A total in GBP of £2.3m (31 March 2025: £1.4m). The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial period as follows:

	30 September 2025 £000	Restated ¹ 30 September 2024 £000	31 March 2025 £000
Cash and cash deposits	7,769	14,725	10,745
Bank overdrafts	-	(7,381)	(765)
Balance per statement of cash flows	7,769	7,344	9,980

Until 26 March 2025, the Group had a net UK multi-party, multi-currency overdraft facility with a £nil net limit and a £12.5m gross limit per party. Since that date, the Group does not have an overdraft facility available. At 31 March 2025, Carclo plc was briefly overdrawn due to timing of cash flows, however, the balance was immediately repaid on 1 April 2025, with no adverse consequence. Overdrafts are presented within note 15. At 30 September 2024, Carclo plc, a company party to the multi-currency facility at the time, had an overdraft of £7.4m which was presented within loans and borrowings, see note 15. As the UK overdraft facility had a £nil net limit, the equivalent value of cash, £7.4m, was not available for general use by the other entities within the Group at the prior period reporting date.

15. Loans and borrowings

	30 September 2025 £000	Restated ¹ 30 September 2024 £000	31 March 2025 £000
Current:			
Bank overdrafts		7,381	765
Other debt - Term loans	3,856	-	-
Other debt - Revolving credit facility	1,410	-	-
Bank loan - Term loan	-	1,474	21,233
Bank loan - Revolving credit facility	-	2,000	-
Lease liabilities	1,935	4,044	2,758
Other loans	82	53	88
Total current	<u>7,283</u>	<u>14,952</u>	<u>24,844</u>
Non-current:			
Other debt - Term loans	21,256	-	-
Bank loan - Term loan	-	20,486	-
Lease liabilities	3,627	4,361	5,008
Other loans	66	175	97
Total non-current	<u>24,949</u>	<u>25,022</u>	<u>5,105</u>
Total loans and borrowings	<u>32,232</u>	<u>39,974</u>	<u>29,949</u>

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

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

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

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

Repayments on the term loan commenced in November 2025 and by 31 March 2026, £1.9m will have been amortised.

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

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

	Restated ¹ Bank Overdraft £000	Term Loan £000	Revolving credit facility £000	Lease liabilities £000	Other loans £000	Restated ¹ Total £000
Balance at 31 March 2024	4,479	23,682	300	11,167	282	39,910
Changes from financing cash flows						
Drawings on existing facilities	-	-	1,700	-	-	1,700
Transaction costs associated with the issue of debt	-	(150)	-	-	-	(150)
Repayment of borrowings	-	(975)	-	(2,149)	(48)	(3,172)
Changes in bank overdraft	2,700	-	-	-	-	2,700
Interest paid	202	-	-	-	-	202
	<u>2,902</u>	<u>(1,125)</u>	<u>1,700</u>	<u>(2,149)</u>	<u>(48)</u>	<u>1,280</u>
Effect of changes in foreign exchange rates	-	(728)	-	(346)	(6)	(1,080)
Liability-related other changes						
Drawing on new facilities	-	-	-	24	-	24
Termination of facilities	-	-	-	(291)	-	(291)
Amortisation of transaction costs	-	131	-	-	-	131
	<u>-</u>	<u>131</u>	<u>-</u>	<u>(267)</u>	<u>-</u>	<u>(136)</u>
Equity-related other changes	-	-	-	-	-	-
Balance at 30 September 2024	<u>7,381</u>	<u>21,960</u>	<u>2,000</u>	<u>8,405</u>	<u>228</u>	<u>39,974</u>
Changes from financing cash flows						
Repayment of borrowings	-	(1,250)	(2,000)	(2,758)	(47)	(6,055)
Changes in bank overdraft	(6,884)	-	-	-	-	(6,884)
Interest paid	268	-	-	-	-	268
	<u>(6,616)</u>	<u>(1,250)</u>	<u>(2,000)</u>	<u>(2,758)</u>	<u>(47)</u>	<u>(12,671)</u>
Effect of changes in foreign exchange rates	-	357	-	185	4	546
Liability-related other changes						
Drawings on new facilities	-	-	-	1,303	-	1,303
Termination of facilities	-	-	-	(48)	-	(48)
Amortisation of transaction costs	-	166	-	679	-	845
	<u>-</u>	<u>166</u>	<u>-</u>	<u>1,934</u>	<u>-</u>	<u>2,100</u>
Equity-related other changes	-	-	-	-	-	-
Balance at 31 March 2025 and 1 April 2025	<u><u>765</u></u>	<u><u>21,233</u></u>	<u><u>-</u></u>	<u><u>7,766</u></u>	<u><u>185</u></u>	<u><u>29,949</u></u>
Changes from financing cash flows						
Drawings on new BZ borrowing facilities	-	26,812	3,099	-	-	29,911
Transaction costs associated with the issue of debt	-	(1,908)	(636)	-	-	(2,544)
Termination of bank borrowings	-	(21,255)	-	-	-	(21,255)
Repayment of BZ facility borrowings	-	-	(1,139)	-	-	(1,139)
Repayment of other borrowings	-	-	-	(1,735)	(44)	(1,779)
Changes in bank overdraft	(778)	-	-	-	-	(778)
Interest expense	13	-	-	-	-	13
	<u>(765)</u>	<u>3,649</u>	<u>1,324</u>	<u>(1,735)</u>	<u>(44)</u>	<u>2,429</u>

Effect of changes in foreign exchange rates	-	(204)	(6)	(102)	7	(305)
Liability-related other changes						
Drawings on new facilities	-	-	-	163	-	163
Modification of property leases	-	-	-	(530)	-	(530)
Amortisation of transaction costs - presented within finance expense	-	319	92	-	-	411
Amortisation of transaction costs - presented within non-underlying items	-	115	-	-	-	115
	-	434	92	(367)	-	159
Equity-related other changes	-	-	-	-	-	-
Balance at 30 September 2025	-	25,112	1,410	5,562	148	32,232

1. See note 1 Basis of preparation: prior period restatement, for the nature of the restatements.

16. Financial instruments

The fair value of financial assets and liabilities are not materially different from their carrying value.

17. Ordinary share capital

	Number of shares	£000
Ordinary shares of 5 pence each		
Issued and fully paid at 30 September 2024, 31 March 2025 and 30 September 2025	73,419,193	3,671

18. Related parties

Identity of related parties

The Company has a related party relationship with its subsidiaries, its directors and executive officers and the Group pension scheme. There are no transactions that are required to be disclosed in relation to the Group's subsidiaries.

Transactions with key management personnel

On 13 February 2025, the Board announced the appointment of Ian Tichias as Chief Financial Officer and Executive Director of Carclo plc with effect from 1 April 2025. Ian succeeds Eric Hutchinson following his retirement on 31 March 2025.

During the period to 30 September 2025, the Group was billed £0.3m (30 September 2024: £0.4m) by Thingtrax, a company that offers intelligent manufacturing infrastructure as a service. Frank Doorenbosch, a Carclo plc Executive Director, is also a Non-Executive Director of Thingtrax and, as such, the company is identified as a related party. In the six months to 30 September 2025, £0.2m (30 September 2024: £0.3m) has been recognised as a cost in the condensed consolidated income statement; a balance of £0.1m remains on balance sheet as prepaid at 30 September 2025 and will be recognised as an expense in the second half of the year to 31 March 2026.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. This includes all Executive and Non-Executive Directors and other members of the senior management team who meet the above criteria. Full details of Directors' remuneration are disclosed in the Group's Annual Report. In the six months ended 30 September 2025, remuneration to current and former Directors amounted to £0.8m (six months ended 30 September 2024 as restated: £0.7m). The comparative figure for the six months ended 30 September 2024 has been restated on a like-for-like basis to reflect the inclusion of two additional members of the senior management team identified as key management personnel.

On 30 September 2025, the Company, Carclo plc settled a liability on behalf of Executive Director, Frank Doorenbosch, for an amount of £29,500 to purchase Carclo plc shares on market, in his name. Due to a banking error, Carclo did not receive the funds from Mr. Doorenbosch until 2 October 2025 resulting in a balance due from him at 30 September 2025. The liability was subsequently settled in full, plus interest and costs at no loss to the Company.

Group pension scheme

A third-party professional firm is engaged to administer the Group pension scheme (the Carclo Group Pension Scheme). The associated investment costs are borne by the scheme in full. It has been agreed with the trustees of the pension scheme that, under the terms of the recovery plan, the scheme would bear its own administration costs.

Core contributions of £0.3m per month have been made during the period to 30 September 2025, incorporating both deficit recovery contributions and scheme expenses including PPF levy where relevant.

Carclo incurred administration costs of £0.4m during the period which has been charged to the consolidated income statement, including £0.1m presented as exceptional costs, (30 September 2024: £0.4m, of which £0.1m was presented as exceptional). Of the administration costs, £nil

was paid directly by the scheme (30 September 2024: £0.1m). The total deficit reduction contributions and administration costs paid during the period was £6.9m (30 September 2024: £1.5m), which included £5.1m additional contributions allowing securitised assets marked in favour of the Group pension Scheme to be reassigned to BZ, the new lender.

19. Post balance sheet events

As at the date of this interim report, the Directors confirm that there have been no material post balance sheet events that would require adjustment to, or disclosure in, these financial statements.

20. Seasonality

There are no specific seasonal factors which impact on the demand for products and services supplied by the Group, other than for the timing of holidays and customer shutdowns. These tend to fall predominantly in the first half of Carclo's financial year and, as a result, revenues and profits are usually higher in the second half of the financial year compared to the first half.

Independent Auditor's Review Report on Interim Financial Information

Conclusion

We have reviewed the accompanying balance sheet of Carclo Plc as of 30 September 2025 and the related statements of income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of (or "does not present fairly, in all material respects,") the financial position of the entity as at 30 September 2025, and of its financial performance and its cash flows for the six-month period then ended in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

Basis For Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK), "Review of Interim Financial Information Performed by the Independent Auditor of the Entity."

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions Related to going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of Directors

Management is responsible for the preparation and fair presentation of this interim financial information in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting". In preparing the half-yearly financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

HaysMac LLP

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20 November 2025