

## Strategy

# A clear strategy for growth

Three key objectives form our clear strategy for growth.



### Organic growth

Consistently grow profits and cash generation organically through our subsidiaries.

#### Delivered through:

- ▶ A focus on developing long-term customer partnerships.
- ▶ Encouraging innovation and responsiveness.
- ▶ Identifying and pursuing growth opportunities in new and existing markets.
- ▶ Developing high-quality leadership teams and a high-performance culture.

#### What we did in 2020/21

- ▶ Record closing order book and improved visibility at Chess and SEA. Some orders now have delivery dates into the early 2030s.
- ▶ Selected an appointed new leadership at SEA and EID.

#### Our priorities for 2021/22

- ▶ Continue to improve long-term order book, especially at EID and ELAC, and improve long-term pipeline at MCL.
- ▶ Improved cash performance at Chess.



### Acquisition

Increase the profitability of the Group and access new markets through selective acquisitions.

#### Delivered through:

- ▶ Proactive engagement with businesses that can add value to the Group.
- ▶ Maintaining a strong acquisition team.
- ▶ Demonstrating a structure and culture that are attractive to potential sellers.

#### What we did in 2020/21

- ▶ Completed acquisition of ELAC.
- ▶ Reviewed numerous acquisition opportunities.

#### Our priorities for 2021/22

- ▶ Complete acquisition of minority of Chess.
- ▶ Continue to seek value-adding acquisitions with strong market positions in relevant sectors.



### Maintaining confidence

Ensure good corporate governance, sound management of subsidiaries and effective communications to shareholders.

#### Delivered through:

- ▶ A light-touch management of subsidiaries backed by a framework of financial control, strategy review, performance management and leadership development.
- ▶ An effective operational strategy providing support and guidance when circumstances change.
- ▶ Providing clear and consistent investor communications through all channels.

#### What we did in 2020/21

- ▶ Established a Nominations Committee.
- ▶ Completed Chess project control process.

#### Our priorities for 2021/22

- ▶ Appoint a new independent Non-executive Director to the Board.
- ▶ Implement a project advisory committee to oversee ELAC's Italy sonar project.
- ▶ Improve operational control at Chess.