



COHORT PLC

THE INDEPENDENT TECHNOLOGY GROUP

Empowering innovation for defence advantage

Interim results ended 31 October 2025

Robust performance with strong order book sustained



Andrew Thomis

Chief Executive



Simon Walther

Finance Director

Financial highlights



H1 revenue & profits in line with expectations; EM Solutions maiden contribution offset by expected drop at MCL

REVENUE

£128.8m

(2024: £118.2m)

ADJUSTED OPERATING PROFIT

£9.7m

(2024: £10.1m)

ADJUSTED EPS

16.16p

(2024: 20.00p)



Strong closing order book covers 94% of expected full year revenue and multi-year in duration

ORDER INTAKE

£122.3m

(2024: £139.2m)

ORDER BOOK

£604.5m

(31 Oct 24: £541.1m)

REVENUE COVER

94%

(2024: 99%)



Cash flow and net debt as expected; reflecting significant working capital build for H2 and capex

OPERATING CASH OUTFLOW

£27.9m

(2024 : £34.7m inflow)

NET DEBT

£32.5m

(30 Apr 25: £5.3m net funds)

INTERIM DIVIDEND

+10%

5.80p

Financial Review

Simon Walther, Finance Director



Income statement

	Six months ended 31 Oct 2025 £m	Six months ended 31 Oct 2024 £m	Variance %
Revenue	128.8	118.2	+9%
Gross profit	41.9	38.2	
Overhead	(32.2)	(28.1)	
Adjusted operating profit	9.7	10.1	-4%

- Maiden revenue contribution from EM Solutions limited by expected drop at MCL
- Non-UK defence revenue now over half of Group revenue
- Following a record performance in the prior period, expected decline in adjusted operating profit due to mix in Sensors and Effectors and expected drop at MCL
- Our expectations for the second half are a much stronger performance, with 96% of our revenue now on order or delivered and producing a full year net margin of around 12%

Sensors and Effectors

	Six months ended 31 Oct 2025 £m	Six months ended 31 Oct 2024 £m
Revenue (£m)	66.6	64.2
Adjusted operating profit (£m)	3.2	5.3
Operating margin	4.8%	8.4%
Order book	400.9	406.8

- Good order intake at CHESS and SEA
- CHESS has now returned to profit – new management in place and further work to do
- Pipeline of opportunities for this division remains strong
- More activity but lower margin projects reported for ELAC and SEA
- Completed sale of SEA's Transport business on 30 June 2025
- Order cover for the division was 98% and we expect a strong second half, delivering a FY margin of around 10%



Communications and Intelligence

	Six months ended 31 Oct 2025 £m	Six months ended 31 Oct 2024 £m
Revenue (£m)	62.5	55.2
Adjusted operating profit (£m)	10.4	8.5
Operating margin	16.8%	15.5%
Order book	203.6	134.3

- Strong order intake at MASS and EM Solutions
- Significant maiden H1 profit contribution from EM Solutions
- As expected, MCL performance below record level of prior year
- Notable performance improvements at both EID and MASS
- Order cover is 87%. FY net margin for the division is expected to be over 17%

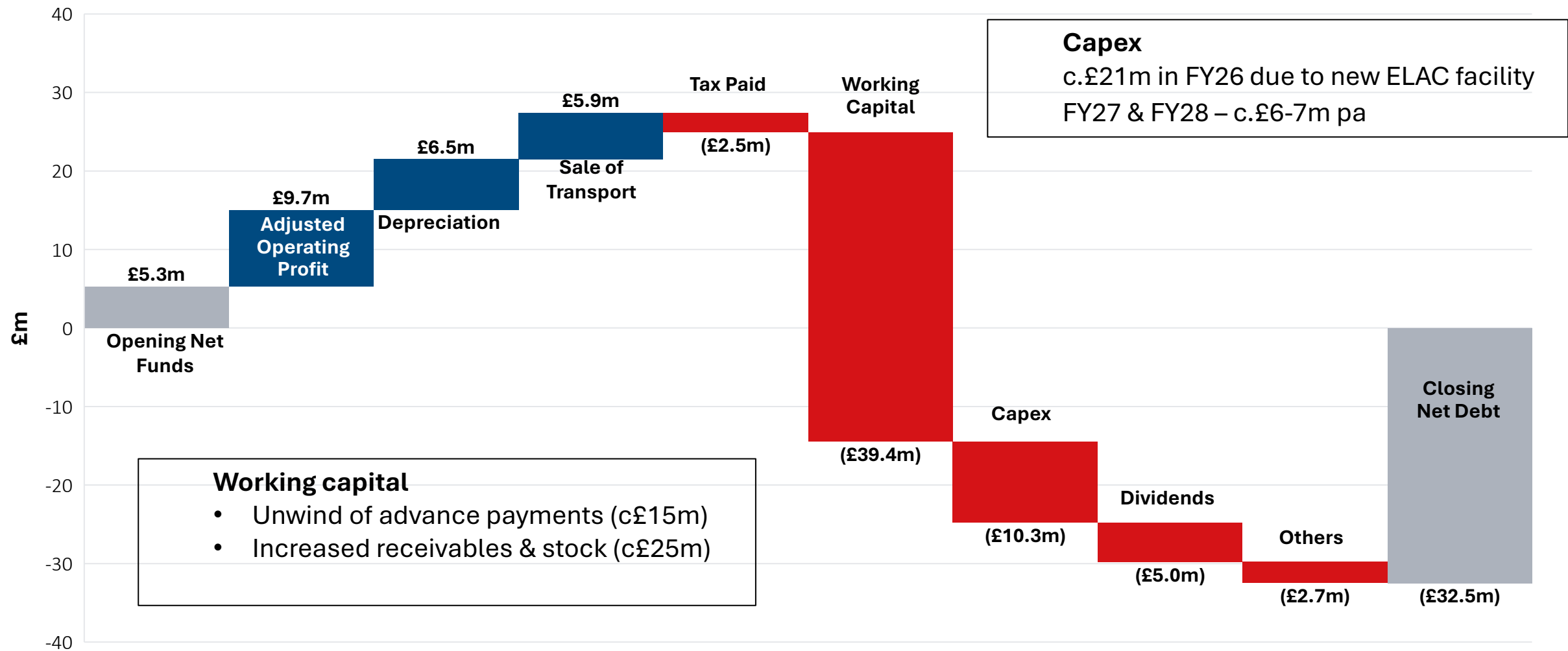
MASS 

MCL 

EID 

EM
SOLUTIONS 

Net Funds Bridge H1 2025/26



Unchanged expectation of closing net funds of around £10m-15m at year end

Outlook – FY26 and beyond

Andrew Thomis, Chief Executive



Geopolitical tensions driving demand



CATALYSTS

- Continued conflict in Central/Eastern Europe and Ukraine
- Rising tensions between China and neighbouring states
- Massive expenditure in Russia and China
- Defence strategies becoming multi-dimensional integrating AI and unmanned tech



DRIVING DEFENCE SPENDING

- NATO commitment to 5% of national income on security
- NATO Europe and Canada up 19.4% last year
- UK commitment to 5% on defence and security by 2035, 2.6% on defence by 2027
- Publication of Defence Investment Plan expected imminently



INCREASED DEMAND FOR...

- Underwater infrastructure protection (SEA/ELAC)
- Missile and Drone protection (MASS/CHESS/SEA)
- Autonomous maritime systems (SEA/ELAC/EMS/EID)
- Cyber security protection and secure communications (MASS/EID)
- Specialist equipment for UK (MCL)

Strong opportunity pipeline

COMMUNICATIONS AND INTELLIGENCE



Communication and network systems for new Portuguese navy vessels. Vehicle upgrades for Portuguese Army. Multiple communication systems opportunities from NATO countries and Asia/Pacific



Future Portuguese and New Zealand navies fleetwide installations, Australian Mogami Class frigates, Japanese Maritime Self Defence Force trials installation ongoing, UK Royal Navy to renew SATCOM



Cyber, EW, Training and Exercise services growth for UK and Coalition defence customers



Progressing multiple EW and Uncrewed System requirements with UK MOD, alongside product development initiatives with UKR partners

SENSORS AND EFFECTORS



Growing demand for ground-based drone defence. Follow-on opportunities in export naval gun fire control



Italy follow-on for Frigate Programme, submarine and surface ship programs for both NATO and Asia, seabed warfare sensor stations



Significant growth for KraitArray and KraitSense anticipated. Asia and South America markets strengthening

Expanding our global footprint



Completion of ELAC's new facility in Kiel, Germany

Signalling our commitment to innovation, the new site will accelerate development of next generation sonar technology and increase production capacity.



ELAC Italy opening in La Spezia

The regional hub will help provide closer support and assistance to the Italian Navy's near-future submarine Programme and other opportunities with that customer.



Launch of SEA Canada

The state-of-the-art manufacturing site will be the cornerstone for SEA's torpedo launch system and the Ancilia trainable decoy launcher in Canada.

Group wide collaboration with Hanwha Ocean



- Cohort signed a MoU with major Korean shipbuilder Hanwha Ocean*
- The agreement signals our partnership to deliver defence technologies on the 2nd phase of the Royal Thai Navy's frigate acquisition programme
- The MoU covers defence capabilities from across our subsidiaries including sonar systems, torpedo launcher systems, surveillance, targeting and fire-control systems and communications management

*Signed after period end

EM Solutions – integrated and delivering for the Group

- Strong performance: largest contributor to Group profit in H1
- A \$28.6m order intake in H1 with significant near-term further opportunities
- Joined major Group presence at DSEI
- Great long-term prospects in Australia, Europe and Japan
- Agreement with EID to support satellite terminals in Portugal
- Working with Group colleagues on UK opportunities and to promote the Cobra product line



Strong visibility of revenue, profit and cash flow

ORDER BOOK	31 October 2025 £m	To be delivered H2 2025/26 £m	31 October 2024 £m	To be delivered H2 2024/25 £m
Communications and Intelligence	203.6	70.8	134.3	52.0
Sensors and Effectors	400.9	74.4	406.8	69.3
	604.5	145.2	541.1	121.3

Outlook

- Full year expectations remain unchanged
- Positive outlook for organic growth in the medium term underpinned by healthy demand in our core defence markets
- Our on-contract revenue stretches out to the mid 2030s

The Cohort investment case

- Strong and proven business model led by experienced and entrepreneurial team
- Active and proven acquisition strategy to accelerate growth
- Financial strength provides customer confidence whilst funding acquisitions and investment
- Access to attractive growth markets in our chosen niches
- Visibility of future earnings provided by strong order book out to mid 2030s
- Consistent dividend track record – increased every year since IPO in 2006



Questions?



Appendix



Net Cash Flow

Half year ended 31 October

	2025	2024
	£m	£m
Adjusted operating profit	9.7	10.1
Working capital	(39.4)	21.7
Depreciation and share based payments	7.8	1.6
Net funds (out)/inflow from operations	(21.9)	33.4
Sale of Transport/(Acquisition of ITS)	5.9	(3.0)
Capital expenditure	(10.3)	(6.7)
Net sale/(purchase) of own shares	2.3	(1.7)
Dividends paid	(5.0)	(4.1)
Other (including tax, interest and FX)	3.0	(3.1)
Net funds (out)/inflow	(37.8)	14.8
Opening net funds	5.3	23.1
Closing net (debt)/funds	(32.5)	37.9

Earnings Per Share

- 19% decrease in adjusted earnings per share from 4% decrease in adjusted operating profit

Reconciled as follows:

	<i>Adjusted operating profit</i> £m	<i>Adjusted earnings per share</i> Pence
2024	10.1	20.00
Sale of Transport business	5.9	11.17
100% owned businesses throughout the year	(7.5)	(14.15)
Impact of businesses with minority holding	1.2	1.79
Tax	-	1.04
Other (incl. dilution and interest)	-	(3.68)
2025	9.7	16.16

Thank you

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