

INVESTMENT CASE

UNIQUE CAPABILITIES CRITICAL TO NATIONAL SOVEREIGNTY...

- Key partner to UK defence
- Leading expertise and facilities

Over 3,000
scientists and
engineers
globally

34
sites across
the UK

...WITH INCREASING EXPOSURE TO ATTRACTIVE INTERNATIONAL MARKETS...

- High growth home markets in the US and Australia
- Growing presence in the Middle East and Europe
- Addressable market of >£8bn

27%
international
revenue

Record
orders in
Australia

2
recent
international
acquisitions

...AND A CLEAR STRATEGY FOR GROWTH...

- Lead and modernise UK test and evaluation
- Become a more international business
- Drive innovation

Facilities
benefitting from
investment

Larger
more strategic
contract wins

Pioneering
business models

...SUPPORTED BY A STRONG FINANCIAL PROFILE...

- Long-term contracts
- Cash generative model
- Strong balance sheet
- Ability to self-fund organic and inorganic investment
- Clear capital allocation policy

69%
of revenue
under contract

103%
cash
conversion

£267m
of net cash

...RESULTING IN INCREASING RETURNS TO OUR SHAREHOLDERS

- Sustainable increase in key financial metrics
- Progressive dividend policy

Return
to growth after
five years

6%
revenue
growth

7%
underlying EPS*
growth

5%
increase
in full year
dividend

 **Page 8**
Strategic progress

 **Page 12**
Business model

 **Page 14**
Market themes

 **Page 36**
CFO review

* Definitions of the Group's 'alternative performance measures' can be found in the glossary on page 139.