

March 2025 Trading Update

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GOODWIN PLC MARCH 2025 TRADING UPDATE

We are pleased to report that as of the end of February, the Group's forward order book has reached a new record of £300 million. This milestone reflects the strength of our long-term established contracts and the robustness of our business activities. As a result, we remain on track to deliver second-half profits comparable to those of the first half of the year.

One of the recent contributors to this success has been Noreva, our specialised nozzle check valve company based in Germany. Noreva has secured the largest order in its history-a \$15 million contract to supply valves for an LNG project. This contract, to be fulfilled over the next two years, positions us well to benefit from the expected release of further LNG projects, in light of the growing global demand for LNG.

The vertical integration within our Group continues to provide a substantial competitive advantage. A significant proportion of the castings for Noreva's major order will be sourced from Goodwin Steel Castings (GSC), our own foundry. Even though we are now casting at a rate of 10 Self Shielded Boxes (SSBs) per month for the nuclear decommissioning market, as well as continuing to cast components for the military contracts that GSC has won, all with multi-year delivery profiles and high likelihood of repeat orders, the foundry still has capacity to take on additional contracts. This puts us in an excellent position to continue to contribute to national strategic defence procurements in both the UK and USA.

Looking ahead, the Mechanical Division is poised for further success. While the majority of orders received this year will start to deliver financial returns in the next fiscal year, we are confident that this momentum will continue to build. Our significant investment over the past decade has equipped the Mechanical Division with the necessary facilities, size, and capability to handle increasing workloads across all areas. Our investment into the Goodwin Engineering Training Centre has also supported this growth by successfully operating for over 13 years and training over 300 apprentices to date. It is these individuals who now form part of the Group's highly skilled workforce that is required to sustain our expansion.

Meanwhile, our Refractory Division continues to grow and perform well. The investment casting markets, particularly in the jewellery sectors are expanding at an impressive rate, exceeding 10% growth in certain regions. As a global market leader, we are benefiting directly from this trend, with our powder companies in China, India and Thailand achieving record in-month results compared to previous years.

Capital expenditure across the Group has decreased significantly as expected. The primary ongoing project, which is non customer funded, is the construction of a new 1,200 m² building at Noreva. Over the next few months, once the equipment has been delivered and installed, this facility will house a CNC press operation converting Duvelco polyimide resin powder into precision pressed parts. With the reduced capital expenditure and our improved profitability, we have successfully reduced Group net debt by a further £10 million since the half-year mark.

Finally, with respect to dividend payments, we re-confirm that the second and final instalment of 66.5p per share for the year ending 30th April 2024, approved at our last Annual General Meeting on 2nd October 2024, will be paid on 11th April 2025 to shareholders registered on 21st March 2025.

The Board is delighted with the Group's performance and the strategic positioning we have achieved. With our record order book, expanding capabilities, and strong financial foundation, we are well-placed to sustain our success and drive further growth in profitability.

T.J.W. Goodwin
Chairman

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