Chief Executive Officer's statement

"In FY2026 we delivered our five-year plan a year ahead of schedule. This is a significant demonstration of the quality and diversity of our customer relationships and global operations."

Lord Rothschild
Chief Executive Officer

FY2026 was a defining year for Volex. We delivered our five-year plan, set out in June 2022, a full twelve months ahead of schedule.

Group revenue of $1,242.6 million and underlying operating profit of $127.3 million took the underlying operating margin to 10.2%, above our 9% to 10% target range. Return on capital employed improved to 21%, reflecting the strength of the operating model and the returns generated by reinvesting in the business.

Chief Executive Officer's statement
continued

Investment proposition

Category-leading customers

14 of our top 20 customers hold a category-leading position in their sector. These deeply embedded relationships, built through involvement at the design stage and sustained over multi-year programmes, give us structural, long-duration demand and recurring revenue across electrification, AI infrastructure and medical technology.

Built for complexity

Our customers' systems are becoming harder to design, build, certify and deliver. We manufacture highly engineered, application-specific assemblies where the consequences of failure are significant and generic suppliers cannot compete. As complexity increases, the value shifts to the integrator, and Volex becomes more critical.

A scalable operating model

A common platform of operational excellence across 23 manufacturing locations gives us the consistency of a large business and the responsiveness of a local one. Our global footprint gives customers genuine optionality when trade conditions shift or nearshoring requirements emerge, with production transfers executed without disruption.

A proven financial model

A five-year average organic revenue growth of 12.6%, underlying operating margins grown from 2.8% to above 10% over 10 years, and a consistent return on capital employed of approximately 20%. Our medium term plan targets $2 billion of revenue at a 12% underlying operating margin.

Revenue mix demonstrates benefits of diversified end-market exposure

FY2026 demonstrated the breadth and resilience of Volex's five end-market model. Strong growth in Complex Industrial Technology, Off-Highway and EV & Electrification more than offset temporary headwinds in Consumer Electricals and Medical.

Complex Industrial Technology grew organically by 56%, with Data Centre revenues approximately doubling as customers expanded capacity to support AI infrastructure demand. Off-Highway grew 20% organically, while EV & Electrification grew 5% organically. Consumer Electricals declined by high single digits against a strong prior-year comparative, and Medical declined by low double digits due to anticipated customer destocking.

A responsive model

Volex succeeds because it combines the responsiveness of a local manufacturing partner with the discipline, scale and capability of a global platform. Across 23 manufacturing sites, the Group applies common standards in safety, quality, customer service and continuous improvement alongside a consistent approach to talent and capability development. Within that platform, decision-making is local. The manufacturing site general manager is empowered to respond to emerging customer requirements, flexing the production plan and taking ownership for the operating result. This is supported by skilled regional leadership teams, enabling efficient decision-making that aligns with our strategic objectives.

This model has enabled Volex to double revenue over the last four years, without losing the customer responsiveness that differentiates the Group. As Volex targets growth from approximately $1.2 billion revenue to $2 billion, speed of execution, operational consistency and customer proximity remain central to delivery.

Realising our strategy

Volex's medium term growth model is built on four strategic priorities:

i. scaling with category leaders;
ii. moving up the complexity curve;
iii. expanding capability across geographies; and
iv. acquiring complementary capability

These priorities guide how the Group allocates capital, develops capabilities and builds competitive advantage and together they underpin the route to deliver the Group's medium term targets, announced at the April 2026 Capital Markets Day.

The markets we operate in are niche and fragmented, and all display strong structural growth characteristics. Our expertise has allowed us to build market-leading positions, creating a resilient business through the cycle. By moving up the complexity curve in every market, we improve margins and raise the barriers to entry. This is clearly visible in Complex Industrial Technology, where our ongoing certification across successive cable technology generations has seen each product step represent a more technically demanding and higher-value contribution. In Consumer Electricals, relationships that began with the supply of power cords are increasingly expanding into internal appliance harnesses worth five to ten times more per unit.

Scaling capability across new markets and geographies is how we deliver our organic growth ambitions. Our Off-Highway business illustrates this well: having built strong positions in the European market with construction and agricultural equipment manufacturers, we are now replicating those capabilities in North America, with initial customer wins secured and manufacturing capacity enhanced to support further growth.

At the heart of everything is our commitment to our customers. We aim to be a partner our customers can rely on, supporting innovation in product development, maintaining rigorous quality standards and continually looking for ways to add value. It is this approach that underpins the longevity and depth of our customer relationships and that supports both retention and new business wins.

Investing in capability earned by customer demand

Capital expenditure was approximately 2.8% of revenue and was focused on specific customer-backed growth opportunities rather than speculative capacity. The majority of projects are expected to deliver a cash payback within two years.

The largest programmes in FY2026 included the development of Off-Highway manufacturing capability in North America, expansion of EV & Electrification production capacity, further vertical integration in injection moulding and a Consumer Electricals site upgrade. These investments

Chief Executive Officer's statement

continued

strengthen Volex's ability to scale with customers in high-growth markets.

Centres of Excellence have continued to take shape across the manufacturing footprint. Consolidating multiple manufacturing techniques into larger sites improves operating efficiency, scalability and customer responsiveness, and brings the right people, equipment and process knowledge together in one place. Approximately $26 million of the FY2026 investment was targeted at projects that either increase or expand capability in our Centres of Excellence, including a $6 million investment in expanding our site in San Luis Potosí.

Acquisitions: selective approach with a focus on capability

Acquisitions remain an important part of Volex's growth strategy, but the Group's approach is selective and capability-led. Volex focuses on businesses that deepen customer relationships, enhance technical capability and can deliver attractive returns on capital.

The Group targets acquisitions capable of delivering a return on capital of at least 15% within two years and margin profiles consistent with its medium term margin ambition. Integration is tailored to take maximum benefit from the Volex platform. The Group continues to evaluate a number of opportunities across its end markets and remains well placed to act where the strategic fit and return profile are compelling.

In FY2026, we continued to integrate Murat Ticaret and grow the wider Off-Highway business, with further productivity and cross-selling benefits. During the year, we also kept our portfolio of operating businesses under review. In April 2025, the Group contributed the trade and assets of its sub-$10 million revenue Canadian Off-Highway business into a newly incorporated partnership, retaining a 49% interest. Under this structure, the business qualifies as a Canadian indigenous-owned operation, providing a significant competitive advantage in defence and aerospace tenders. The terms of this arrangement allow Volex to benefit from the potential uplift in value as this business grows in the future.

Tariffs, supply chain and geopolitics

The tariff and trade environment remained an active topic for our customers through the year and Volex's footprint, with manufacturing across 23 sites globally, gives customers options. We have supported production relocation and incremental local-for-local content where customers have requested it and where additional cost has arisen from tariff changes, we have passed it through to the customers.

Our specialist teams manage complex supply chains to ensure we deliver on time for our customers and, while the macroeconomic and geopolitical environment are likely to remain volatile, we expect to continue to use our footprint flexibility to successfully navigate wider market uncertainty.

People and culture

The results we have delivered in FY2026 are a reflection of the quality of our people. Volex employs approximately 12,500 colleagues across 25 countries, and the consistency of our culture across different geographies and businesses is what drives the success of the operating model. Having visited a number of our sites during the year, I have been impressed by the commitment and capabilities of our teams at all levels.

Investment in our people continued throughout the year and our kaizen programme of continuous improvement is now embedded across every operating site. FY2026 saw more than 3,000 improvement ideas implemented globally. The Site Excellence Awards and Kaizen Team Excellence Award recognised the contributions that have been made across the firm while demonstrating our ongoing commitment to training, development and employee engagement.

Sustainability as a commercial conversation

Sustainability is now a commercial driver as much as it is a matter of responsible business. Our customers, particularly the global technology leaders we serve, are under significant scrutiny regarding the carbon intensity of their supply chains. For many of them, this is the largest component of their carbon footprint. The investment that Volex has made in reducing carbon intensity, on renewable energy sourcing and on factory-level sustainability data capture, is increasingly an important commercial differentiator. We will continue to invest in this area, because it is the responsible thing to do and because it helps us to win business.

Outlook

The Group has made a solid start to FY2027. Demand across our end-markets is robust, the order book provides good visibility into the months ahead, and the commercial and operational momentum we built through FY2026 has carried into the new year.

The medium term plan we set out at our Capital Markets Day in April targets Group revenue of $2 billion, an underlying operating margin of 12% and return on capital employed of around 20%. It is built from the bottom up to include programmes we have already won, our deep customer relationships and our evolving operating capability. Our conviction in delivery is high, and we have entered FY2027 with significant confidence and extensive opportunities.

Rothschild
Chief Executive Officer

24 June 2026