



Year ended 31 March 2024

ANNUAL RESULTS PRESENTATION

26 JUNE 2024

NAT ROTHSCHILD
Executive Chairman

JON BOADEN
Chief Financial Officer



Agenda

Highlights – Nat Rothschild

Financial review – Jon Boaden

Strategic update – Nat Rothschild

Summary and outlook – Nat Rothschild

Q & A



FY24 highlights

Revenues doubled since FY21, whilst achieving record profits

- Revenue growing organically despite temporary variability in demand dynamics
- Underlying operating margin improved by 50bps to 9.8% (remains in 9-10% target range)

Diversified markets create through-cycle resilience

- Excellent growth in more complex products as component availability improved
- Customer inventory rationalisation impacted Electric Vehicles and Consumer Electricals
- Fifth end-market sector, Off-Highway, launched with immediate scale

Strategic investments driving future growth

- Integration of Murat Ticaret progressing well, with significant Off-Highway cross-selling opportunities
- Targeted investment in additional capacity at key locations to support customer requirements
- Continued significant investment in capabilities to drive growth



\$912.8m

Revenue

+6.9%

Organic
revenue growth

\$89.7m

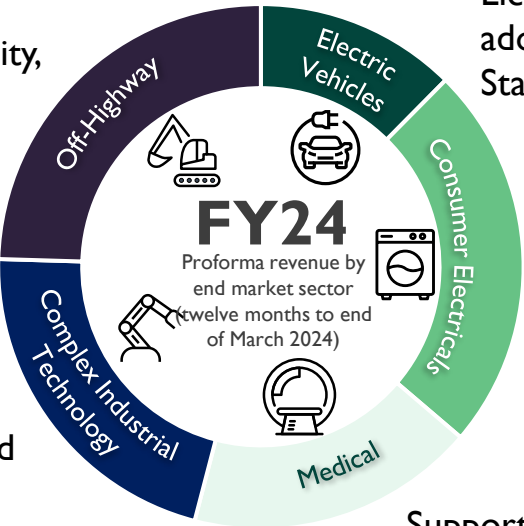
Underlying
operating profit

9.8%

Underlying
operating margin

Critical connectivity solutions for the world's biggest technology companies

Partnering innovators in precision agricultural technology, passenger mobility, construction and material handling

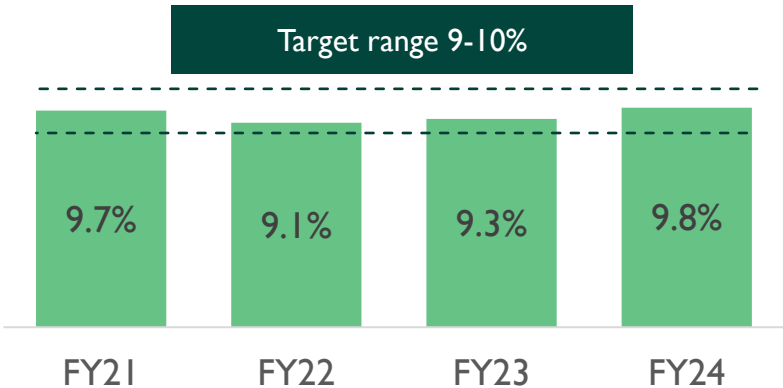
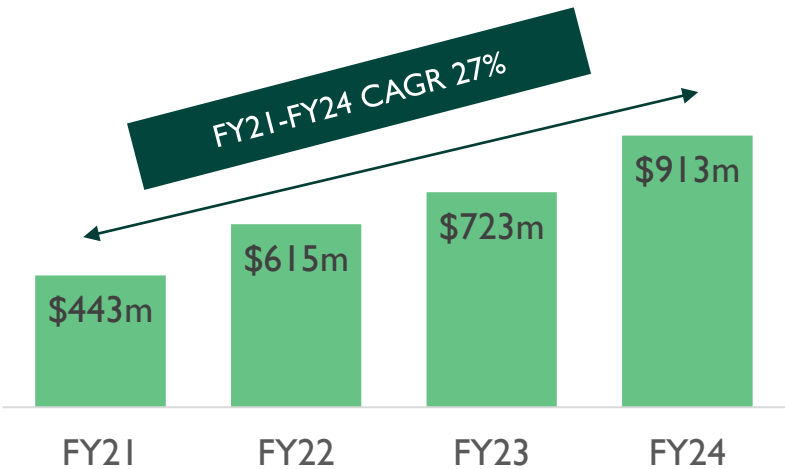


Licensed manufacturer for the widely adopted Tesla North American Charging Standard

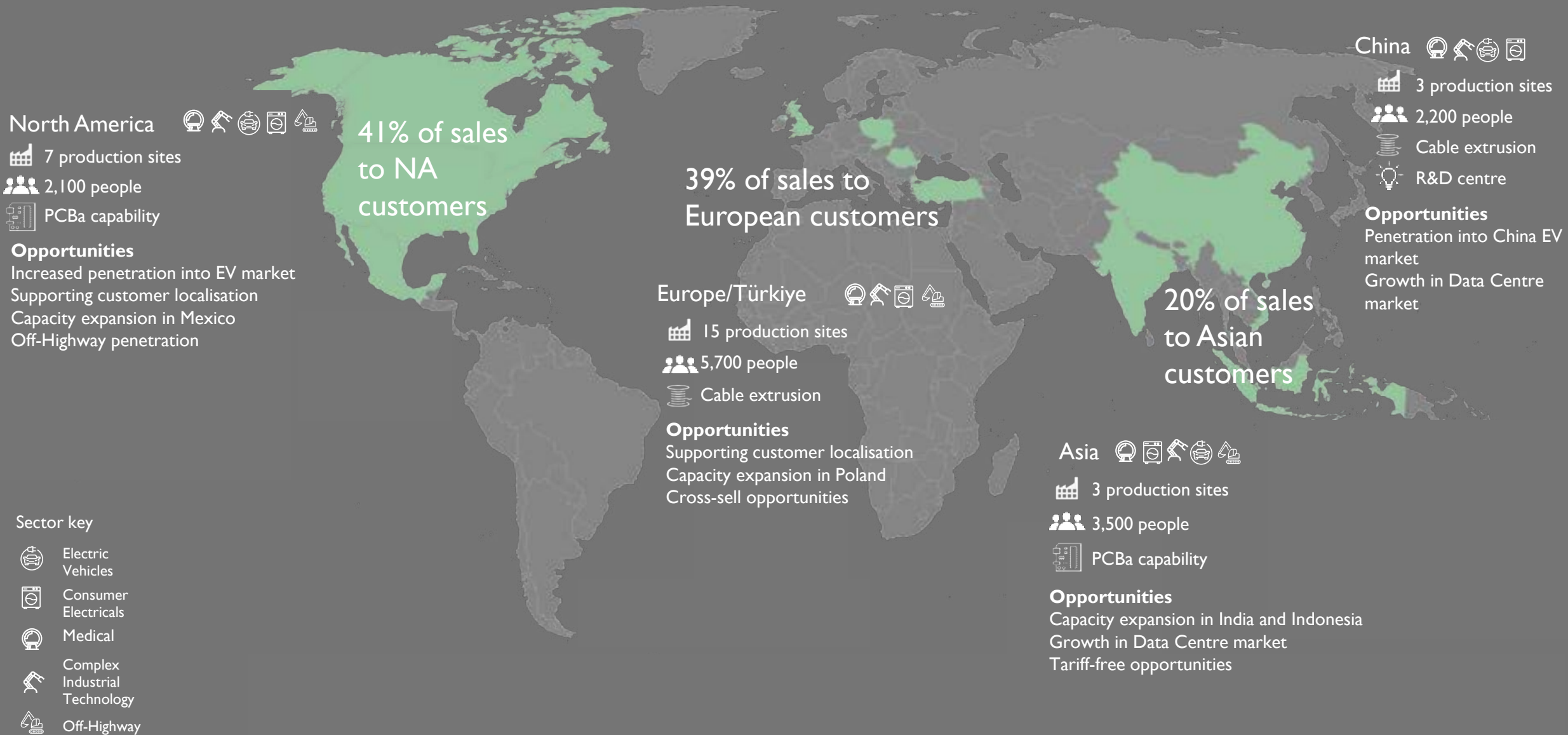
Supplying a wide range of power cords and appliance harnesses for global consumer technology brands

Includes cutting-edge high-speed data centre cables for leading hyperscalers and Artificial Intelligence (AI) providers

Supporting global health technology leaders with complex assemblies



Unrivalled global footprint supporting localisation trends



Providing choice for our customers



Geographic location

Low-cost

Tariff-free

Near-shoring



Capabilities

Centre of excellence

Specialist products

Accreditations

New product
development



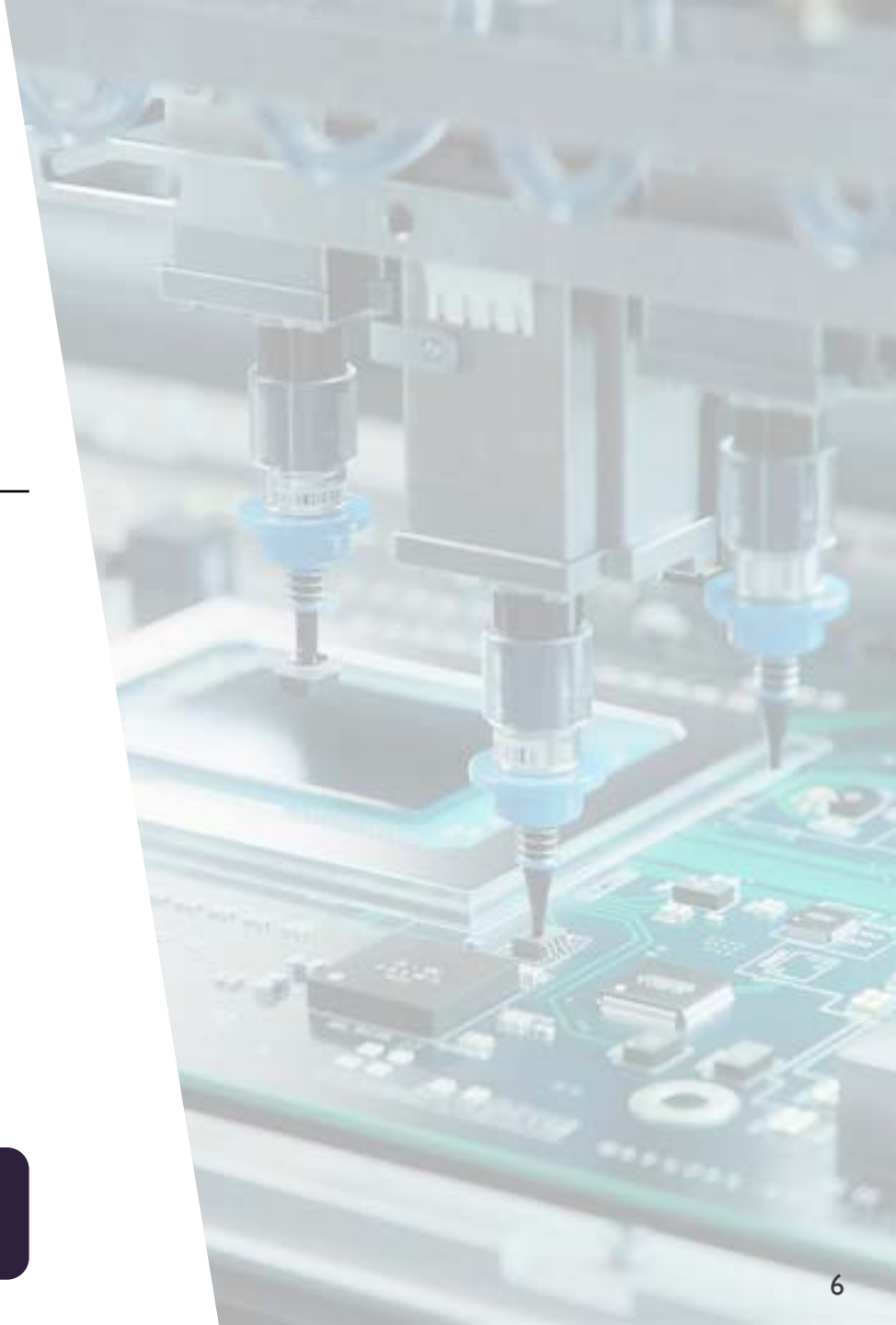
Capacity

High-volume

High-mix

Scale

Small sites tend to be closer to customer, whilst large sites
can be more cost-efficient



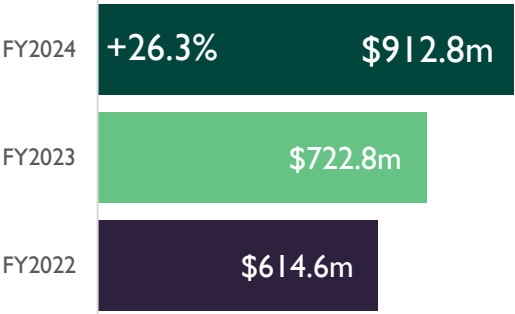
FINANCIAL REVIEW



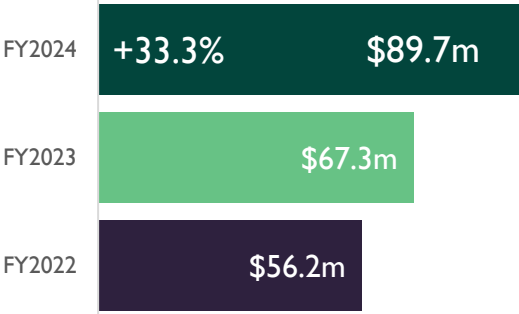
Record financial performance



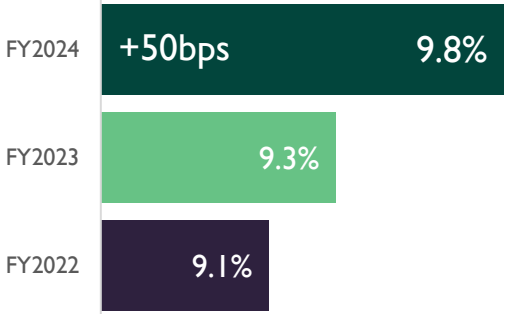
Revenue



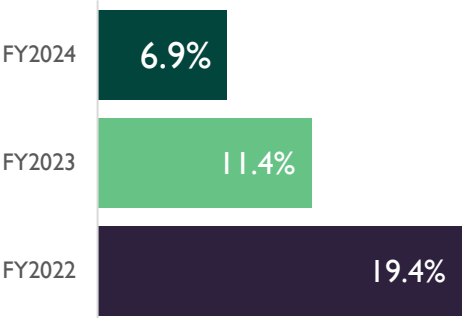
Underlying operating profit



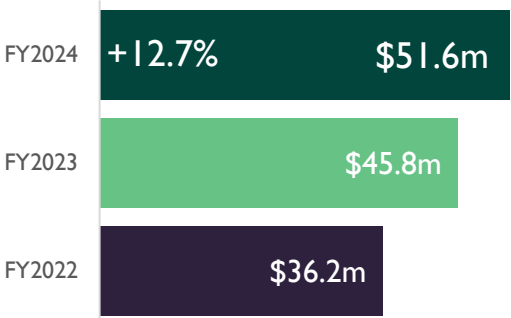
Underlying operating margin



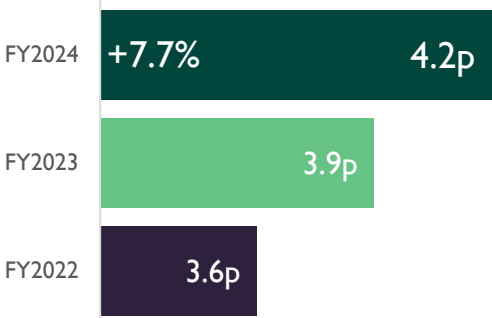
Organic revenue growth



Profit before tax



Total dividend per share



Electric Vehicles

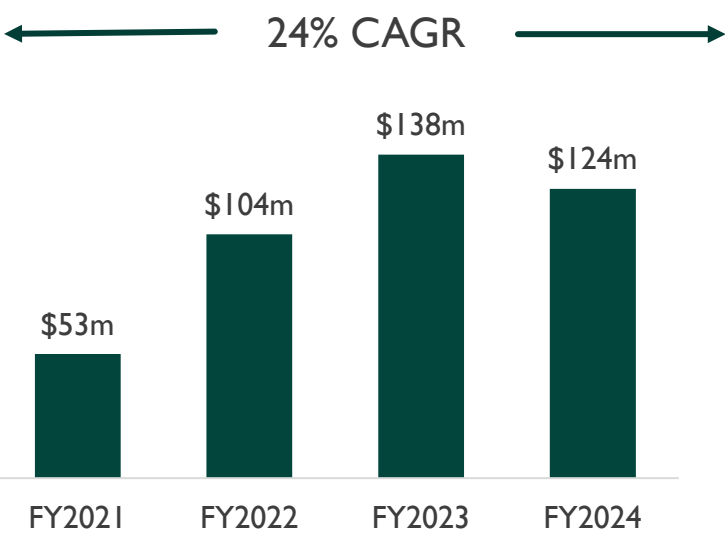
FY2024 highlights

Organic decline of 9.6%, although returned to growth in Q4

Impacted by customers reducing buffer stock levels

New production programmes underway in our Tijuana, Mexico facility

Broadening our customer base and product offering



Market trends

Electric vehicle adoption increasing due to continued focus on sustainability

Transition to EVs backed by many governments and the automotive industry

Necessary expansion of charging infrastructure

Expected market CAGR over five years of 10%*



* Source: Statista research on global electric vehicles 2024-2028

Products

Charging cables

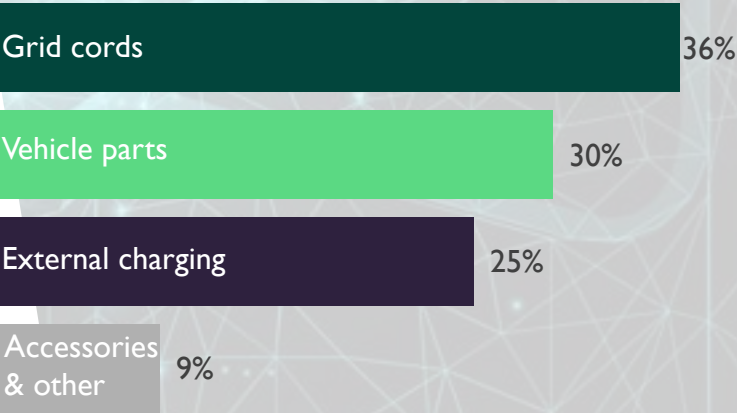
AC and DC charging systems

Energy storage systems

Vertically integrated offering including cable extrusion

Vehicle wire harnesses

Licensed partner of Tesla for the North American Charging Standard



Consumer Electricals

FY2024 highlights

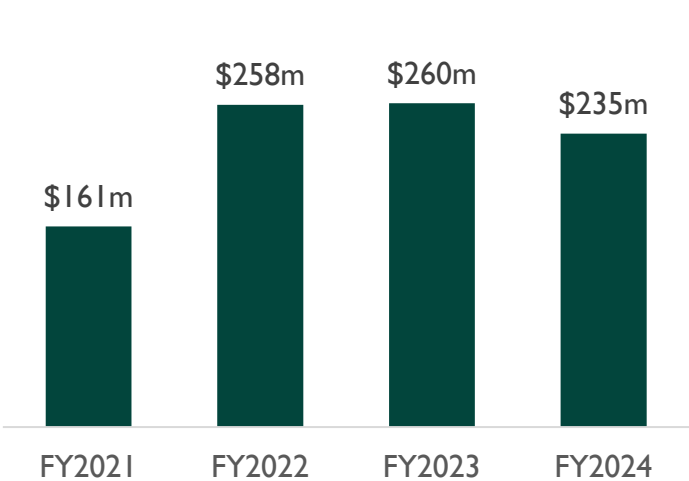
Organic decline of 7.6%

Demand suppressed due to supply chain normalisation and customers reducing excess inventory

Partial recovery in demand in H2 indicating destocking may be complete

New customer wins and new projects commencing

← 10% CAGR →



Market trends

Smart home appliances

Energy efficient products

Enhanced digitalization and connectivity

Urbanisation and smaller households

Opportunity in fragmented wire harness market

Expected market CAGR over five years of 3%*



* Source: Statista research on global consumer electronics 2024-2028

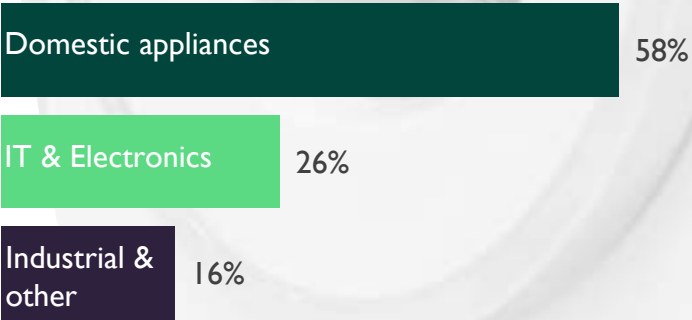
Products

Custom wiring and cable harnesses

Power cords, plugs, connectors and receptacles

Utilised in laptops, PCs, tablets, printers, TVs, games consoles, power tools, HVAC and kitchen appliances

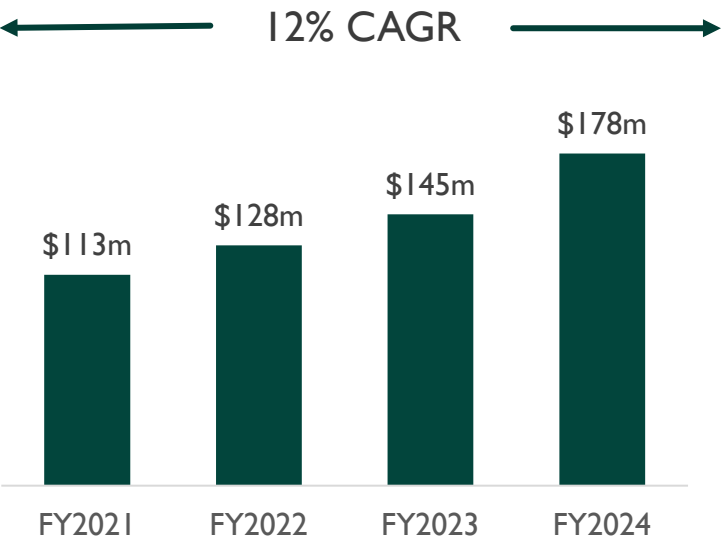
Cost competitive products enhanced by automation and vertical integration



Medical

FY2024 highlights

- Organic growth of 15.3%
- Improved component availability
- Customers fulfilling substantial backlogs
- Robust supply chain enabled rapid response to scaling up production
- Global medical-grade manufacturing footprint supports customer needs



Market trends

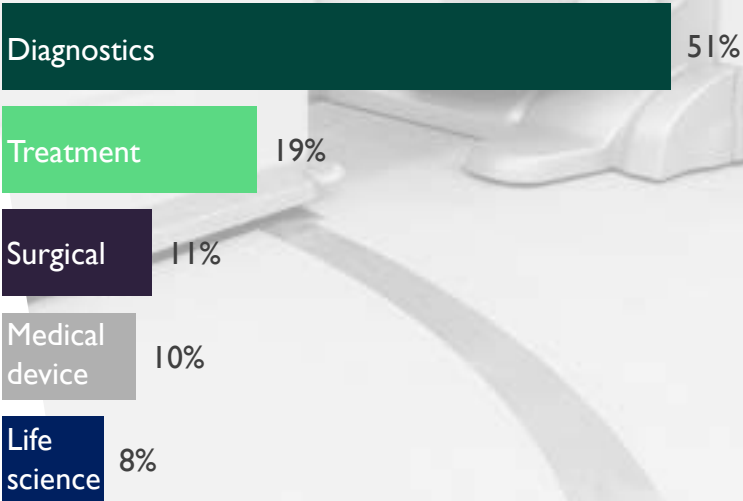
- Technology solutions for quicker diagnosis
- Increase in preventative remote care
- Ageing population
- AI application to medicine
- Expected market CAGR over five years of 6%*



* Source: Statista research on global medical technology 2024-2028

Products

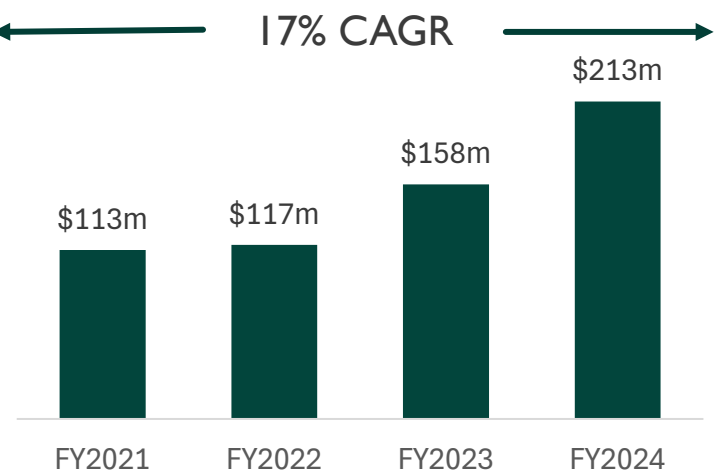
- PCBa, complete system integration and box build
- Medical applications include Dental Devices, Haematology, Imaging Systems, Instruments, Robotics, Single Use Cables, Respiratory Care, Therapeutic
- ISO 13485 – Medical Devices
- MedAccred – Cable & Wire Harness Accreditation



Complex Industrial Technology

FY2024 highlights

- Organic growth of 31.9%
- Strong growth in high-speed data centre cables due to improved availability of semiconductors
- Intensive AI applications increasing need for new and refreshed data centres
- New business wins through HVAC customers for FY25
- High diversification in customers



Market trends

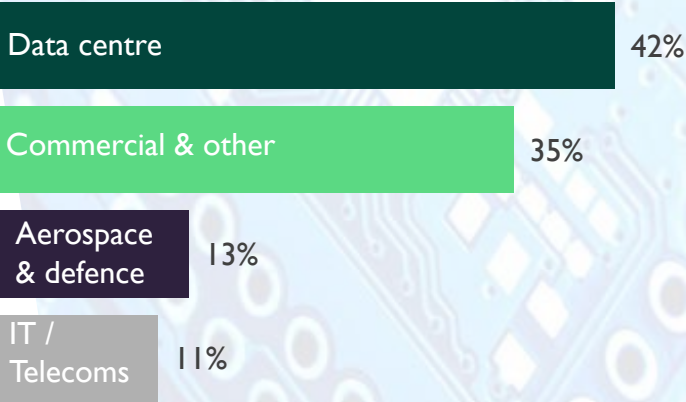
- Development of next generation data centre products
- Growth in Artificial Intelligence
- Increased defence spending in NATO
- Manufacturers on Industry 4.0 journeys
- Re-shoring requires additional investment in technology
- Expected Data Centre market CAGR over five years of 7%*



* Source: Source: Statista research on data centres 2024-2028

Products

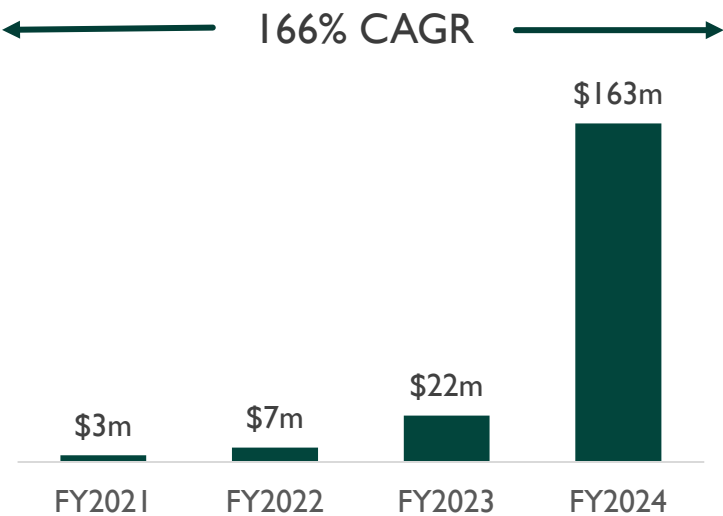
- Custom cable harnesses for advanced fabrication technologies
- Modular or box build solutions for military-grade defence products
- Aerospace devices
- Ethernet, InfiniBand, PCIe and SAS – at speeds of up to 800Gbps



Off-Highway

FY2024 highlights

- Organic growth of 39.9%
- Immediate scale in sector following Murat Ticaret acquisition
- Cross-selling opportunities
- Investment in sales team and production capability in North America



Market trends

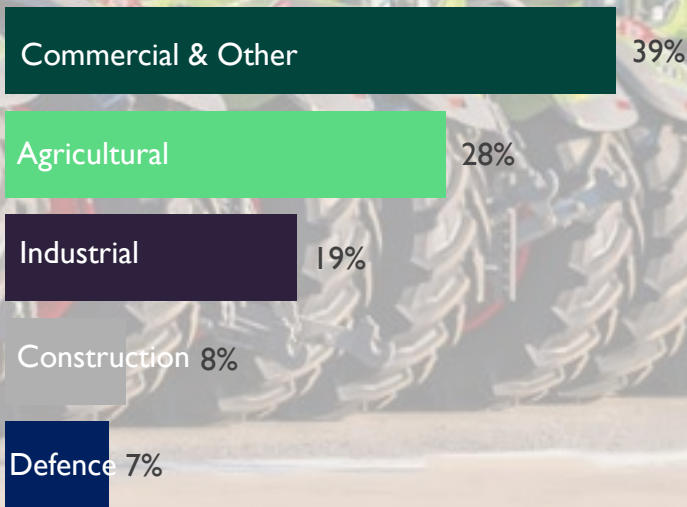
- Growth in population increases need for freight vehicles
- Agricultural technology advances
- Electrification of public transport to promote zero-emissions
- Increased mechanization in construction and agriculture
- Expected commercial vehicle market CAGR over seven years of 7%*



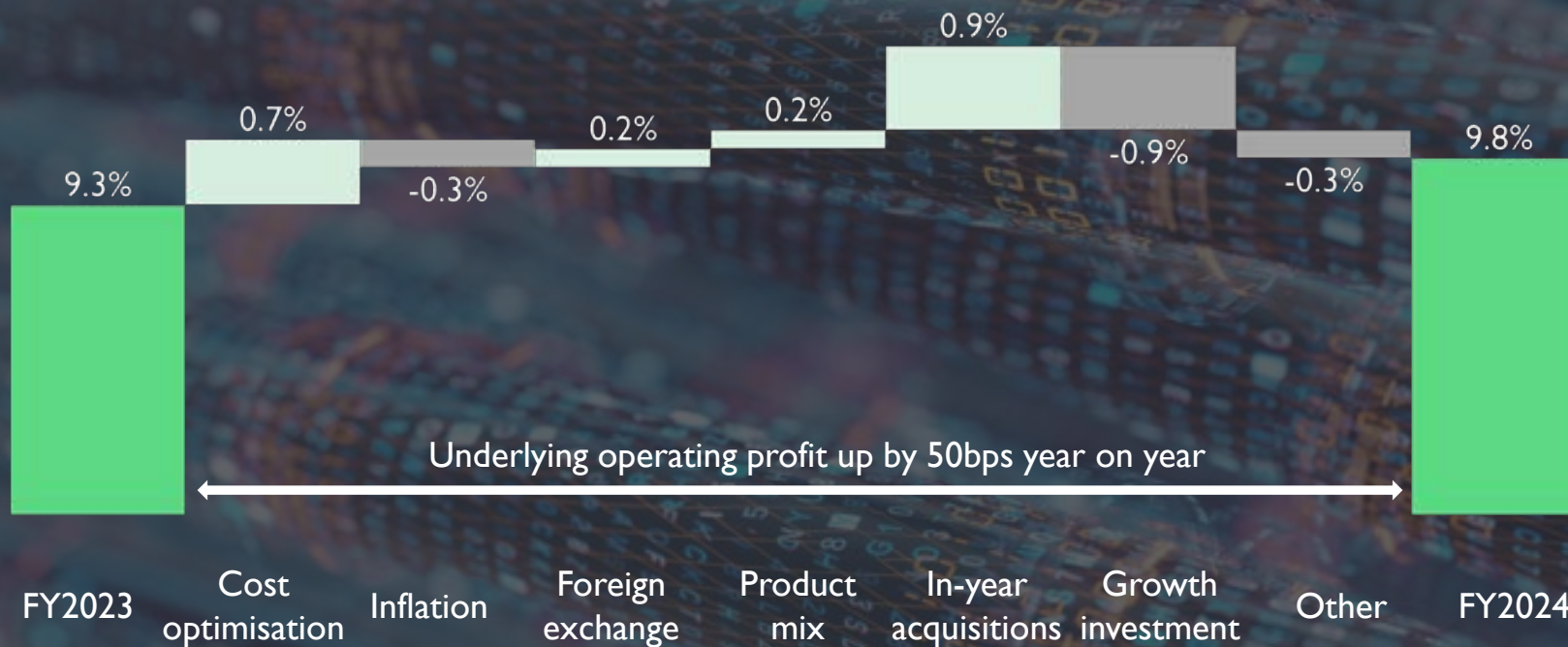
* Fortune Business Insights research on commercial vehicles 2022-2029

Products

- Custom ruggedised wiring harnesses
- Interior electrical components
- Chassis wiring
- Locking brake systems
- Battery cables
- High mix and low volume manufacturing

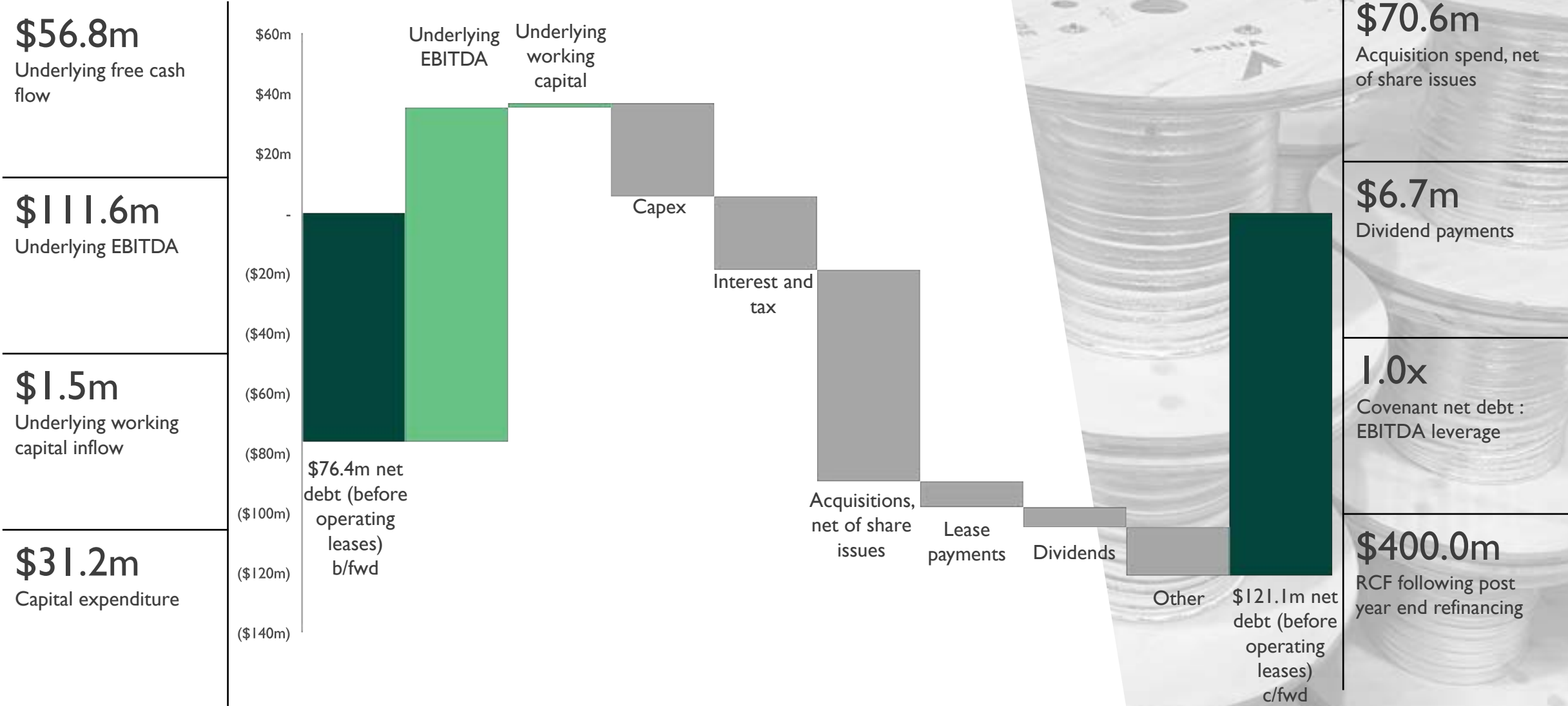


Maintaining underlying operating margins in target range



- Relentless focus on continuous improvement provides efficiency benefits
- Inflation well-managed through combination of cost optimisation, FX gains and product mix
- Acquisitions positively impacted margins in the year
- Targeted investments, enabled by the headroom within our target margin range, are essential for supporting customer-led long-term growth

Cash flow



Capital allocation priorities to deliver sustainable growth



Organic growth

- Capital investments key to strategic growth
- Usually between 3-4% of revenue, ~5% in FY25



Acquisitions

- Enhance capabilities and grow customer base
- Acquire at attractive valuations



Ordinary dividends

- Sustainable through-cycle dividend
- Progressively increased



Capital returns

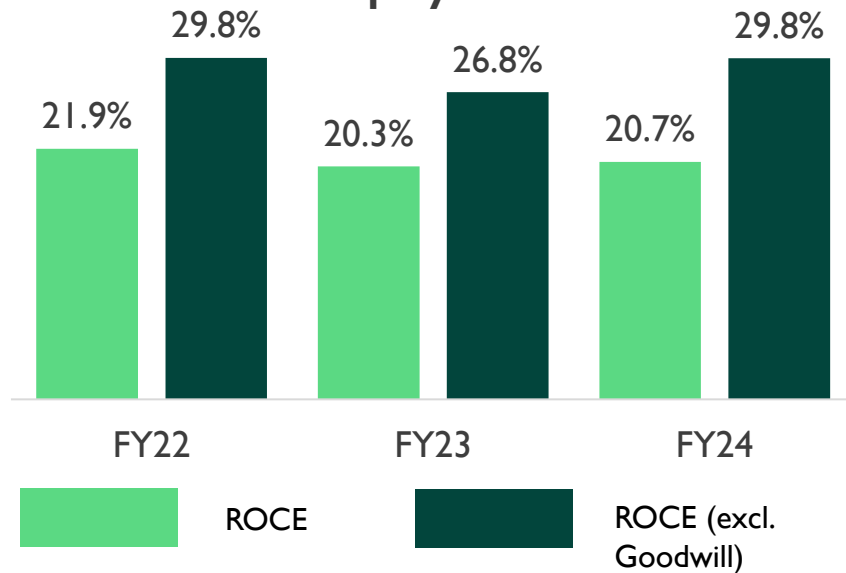
- Only where capital cannot be deployed elsewhere to create greater value



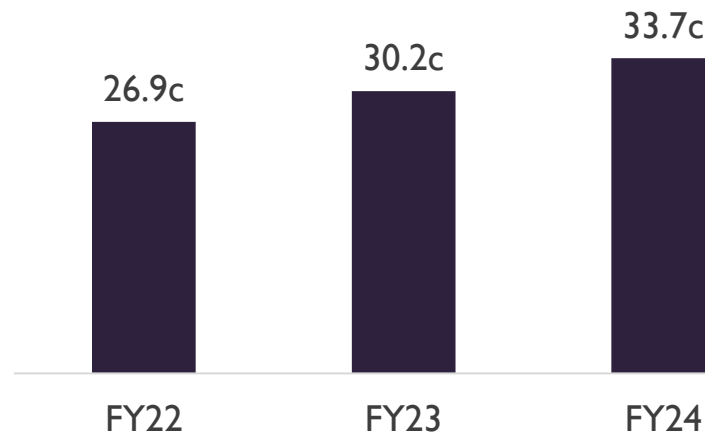
Excellent returns

- Maintained strong returns, despite doubling revenue over last three years
- Backdrop of increased investment into the business:
 - Additional working capital required to fund growth
 - Significant acquisition spend
 - Capex as a % of revenue increased to over 3%, expected to be ~5% in FY25
 - Shares issued to part-fund MT acquisition

Return on capital employed



Underlying basic earnings per share



STRATEGIC UPDATE



Coherent strategy driving our investment proposition

Growing, sustainable markets

Strong position in specialist markets with structural drivers, investing in developing market-leading product set in our high-growth markets

Global presence and scale

Flexibility to manufacture around the world, supporting our customers when and where they need us

Successful acquisition record

Proven track record of identifying acquisition targets at attractive valuations and integrating into our operating model



Vertical integration

Enhancing cost competitiveness, while improving quality and control over supply chain, allowing business to scale up

Remarkable talent

Creating an environment where collaboration can flourish by nurturing talent and encouraging development

Operational excellence

The quality and reliability that our brand is known for is driven by our relentless pursuit of continuous improvement alongside our advanced manufacturing assets

Advancing our ESG agenda

Our planet



- Committed to net zero scope 1 and 2 by 2035
- Improved carbon and water intensity
- Responsible water use policy launched
- Included as 2024 FT Europe's Climate Leader

Our communities



- Tree-planting projects
- Celebrations of important community events
- Charity fund-raising and volunteering

Our value chain

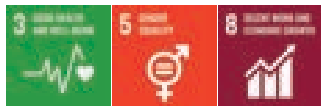


- Decarbonise scope 3 and value chain by 2050
- All sites operate ISO9001 for quality

Our people



UN SDGs:



- Enhancing two-way communication
- Focus on diversity across the organisation
- 10 sites achieved ISO45001 for health & safety

28%

Reduction in carbon intensity from FY19

9%

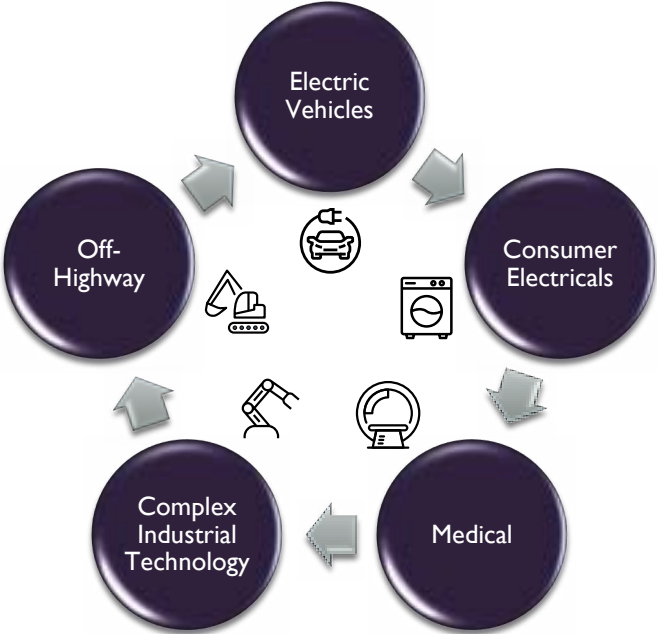
New hires from referrals

ISO9001

Certification at all sites

Recognised as a 2024 European Climate Leader by the FT

Interconnected end-markets



Capabilities

Wire harness

Automotive

Power cords

PCBa

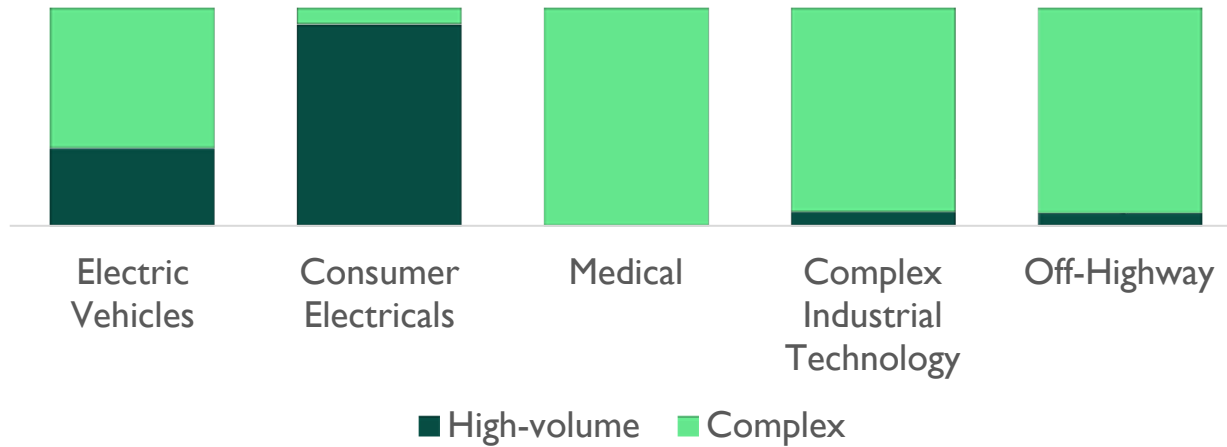
Vertical integration

R&D



A complex manufacturer

Proportion of products



>70%

Of products are complex

Definition

High-volume Manufactured in significant volumes e.g. power cords and high-volume PCBa's

Complex Involving significant technical expertise to manufacture e.g. medical products

Advantages

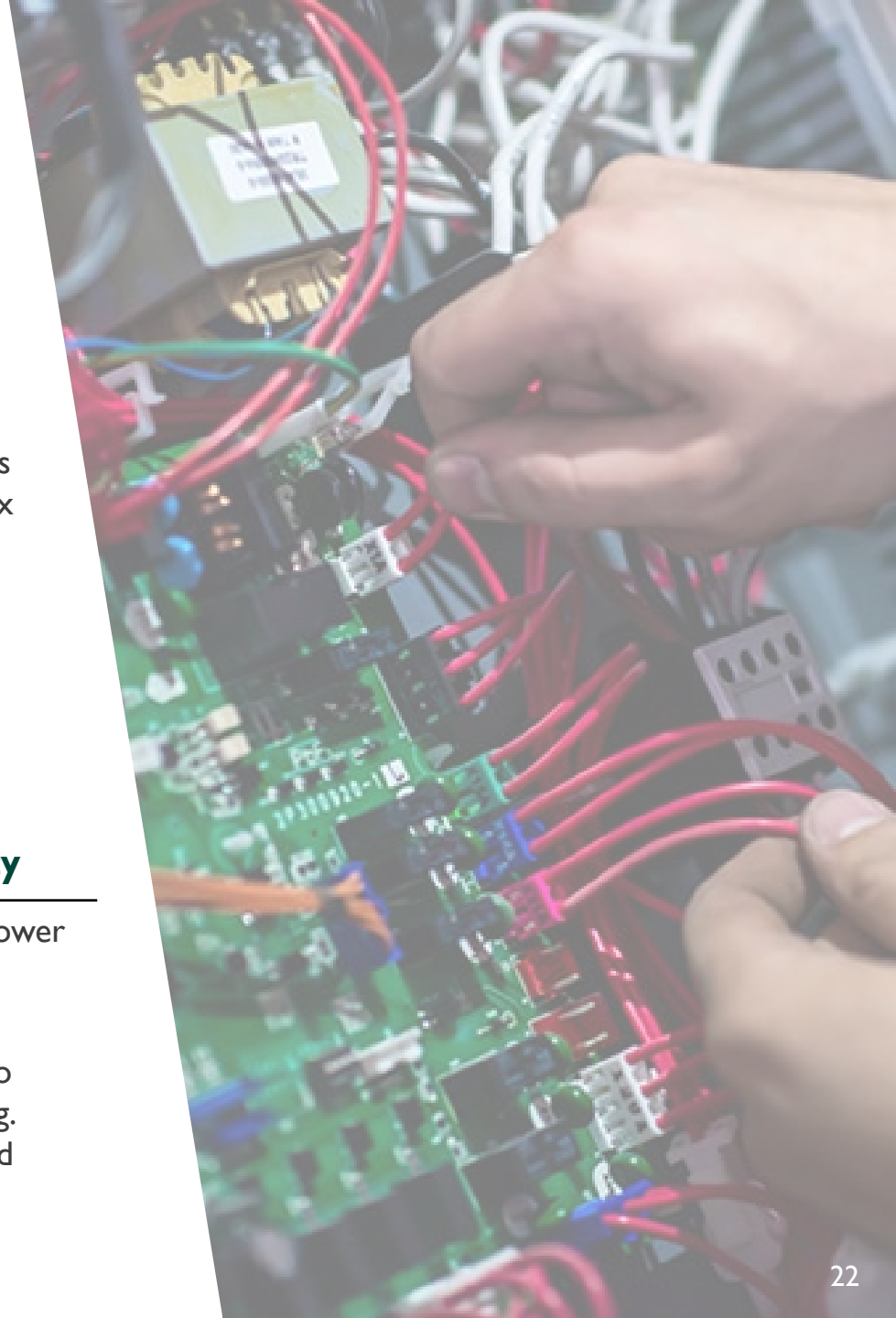
Scale
Vertical integration
Automated processes

Technical drawings
Long product cycles
Specific accreditations

Importance of quality

Safety when dealing with power supply

Products need to be able to withstand wear and tear e.g. tractors operating in rugged fields



Successful acquisition strategy

Over the last 3 years



33% off-market deals

88% Europe and NA



Since FY2019:

12
Businesses acquired

c.\$400m
Invested

Strong returns:

15.3%
FY24 Operating Profit ROI

20.3%
Cumulative free cash payback

Acquisition and integration of Murat Ticaret

\$196m total
consideration

5.3x CY2022
EBITDA
multiple

\$132m FY24
revenue post-
acquisition

Progress since acquisition

Strong post-acquisition results

Excellent customer engagement

Further growth potential

Identification of prospective cross-sales

Significant opportunity in North America

FY25 investment focus

Continued facility modernisation

Further back-office improvements

Expansion of capacity to meet demand

Inflation management



Investment in Growth

Programme of targeted investments, led by customer demand, localisation and capability enhancement

Manufacturing sites

28

Locations allow for specialisation to accommodate higher value-add activities

Floor space

325,000m²

equivalent to the size of 260 Olympic swimming pools

Expansion of 3 locations complete in FY24

Further 80,000m² expansion of 5 sites to be completed in FY25

Supporting customers' localisation requirements

Additional FY25 capacity

x2

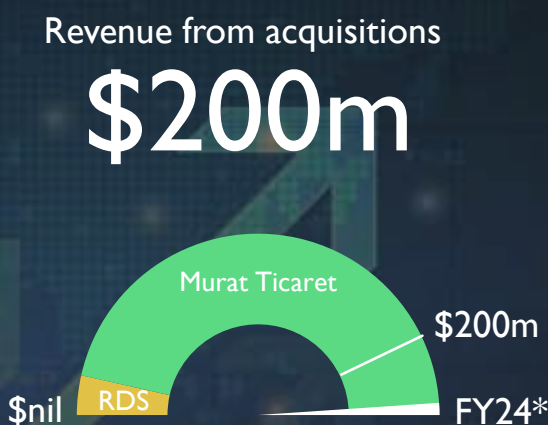
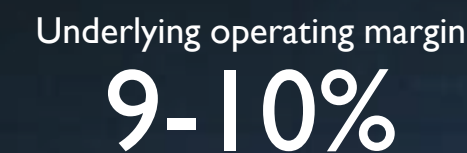
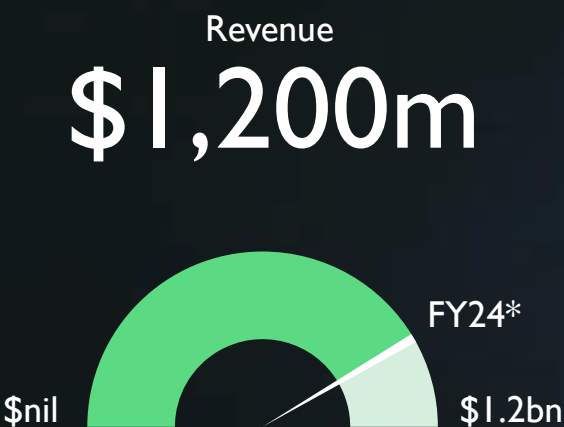
FY25 investment

~5% Capex as a % of revenue

~\$18m operational investment, incl. headcount, depreciation and rent

Confident of delivering in-flight five-year plan

5-year plan to FY2027



Key delivery objectives

Expand EV customer base

Vertical integration and automation in Consumer Electricals

Support customer supply chain simplification

Invest in next generation data centre cables

Increase PCBa capability around the Group

Progress

Broadened customer and product base, which remains a key focus

Investing in increased automation in Türkiye and Mexico

Expanding capacity in strategic locations to facilitate customer localisation

800Gbps cables now in production. Development of 1.6Tbps underway

FY23 included significant investment in Surface Mount Technology

* FY24 includes pro-rated revenue for Murat Ticaret

SUMMARY AND OUTLOOK



Summary and outlook



Excellent results, revenues doubled in 3 years and margin maintained in target range



Indications destocking impact is reducing in Electric Vehicles and Consumer Electricals end-markets



Expanding Off-Highway penetration in North America



Increasing operational and capital investments for long-term growth



Promising start to FY2025



Confident about delivery of the five-year plan

Strongly positioned across diverse end-markets to deliver continued growth



Q&A

APPENDICES



Our value proposition

Our purpose	Strengths	Priorities	Commitments (By FY2027)
Delivering best-in-class critical connections	Manufacturing excellence	Customer service	Revenue of \$1.2bn
	Unique global footprint	Continuous improvement	At least \$200m from acquisitions
	Leading positions in diverse end-markets	People	Operating margins 9-10%
	Deep customer relationships	Safety and quality	By 2035 Net zero for scope 1 and 2 carbon emissions

Management team

Volex is led by a group of highly committed and experienced individuals that shape and drive the direction of the organisation



Nat Rothschild
Executive Chairman

- Nat joined Volex in 2015 and has extensive experience in principal investing and corporate finance
- Nat holds a degree in History from Oxford University and an MSc in Addiction Studies from King's College London



Mark Kray
Chief Operating Officer – North America

- Mark joined Volex in March 2021
- He previously spent over 20 years with TT Electronics where he was the Vice President and General Manager for the North American Global Manufacturing Solutions division



Paul Bullock
Chief Operating Officer – Europe

- Paul joined Volex through the acquisition of Silcotec Europe in 2019, where he was Operations Manager
- Paul holds a degree in Engineering Management and an MBA from Ulster University



John Molloy
Chief Operating Officer

- John joined Volex in 2017
- He has previously worked with Tunstall Group, Baxall, Dage Electronics and TT Electronics
- John holds a postgraduate-level diploma in Management Studies from Huddersfield University



Jessica Yu
Chief Operating Officer – China

- Jessica joined Volex in 2017 from Voith Paper China, having previously worked with John Molloy at TT Electronics
- Jessica holds a degree in Business English and an Executive MBA from Xi'an Jiatong University
- She also acts as Vice President of Procurement



Fatih Köymen
Chief Operating Officer – Türkiye

- Fatih joined Volex in March 2023
- He has over 25 years' experience in the automotive and home appliance market
- Fatih holds a degree in Business Administration from Pforzheim University



Jon Boaden
Chief Financial Officer

- Jon joined Volex in 2019 and was promoted to CFO in November 2020
- Previously worked in senior finance roles in tech companies including Williams F1 and Vodafone
- Jon has a degree in Politics from Manchester University and is a qualified Chartered Accountant



Girish Gopinath
Chief Operating Officer – Asia

- Girish joined Volex in 2009. He previously held roles in Divisional Finance and Operations
- He worked for Motorola and Cognizant Technologies prior to Volex
- Girish also has responsibility over Power Products

Regional operating model

Day-to-day running of the business is done on a regional basis, through five regions, with leadership team in each:



North
America



Europe



Türkiye



China



Asia

Advantages:

More efficient
decision making

Leadership on
same time zone
as sites

Increased
resilience

Proximity to
customers

Enhanced
flexibility

Better resource
allocation

Increased focus

Faster, targeted
acquisition
integration



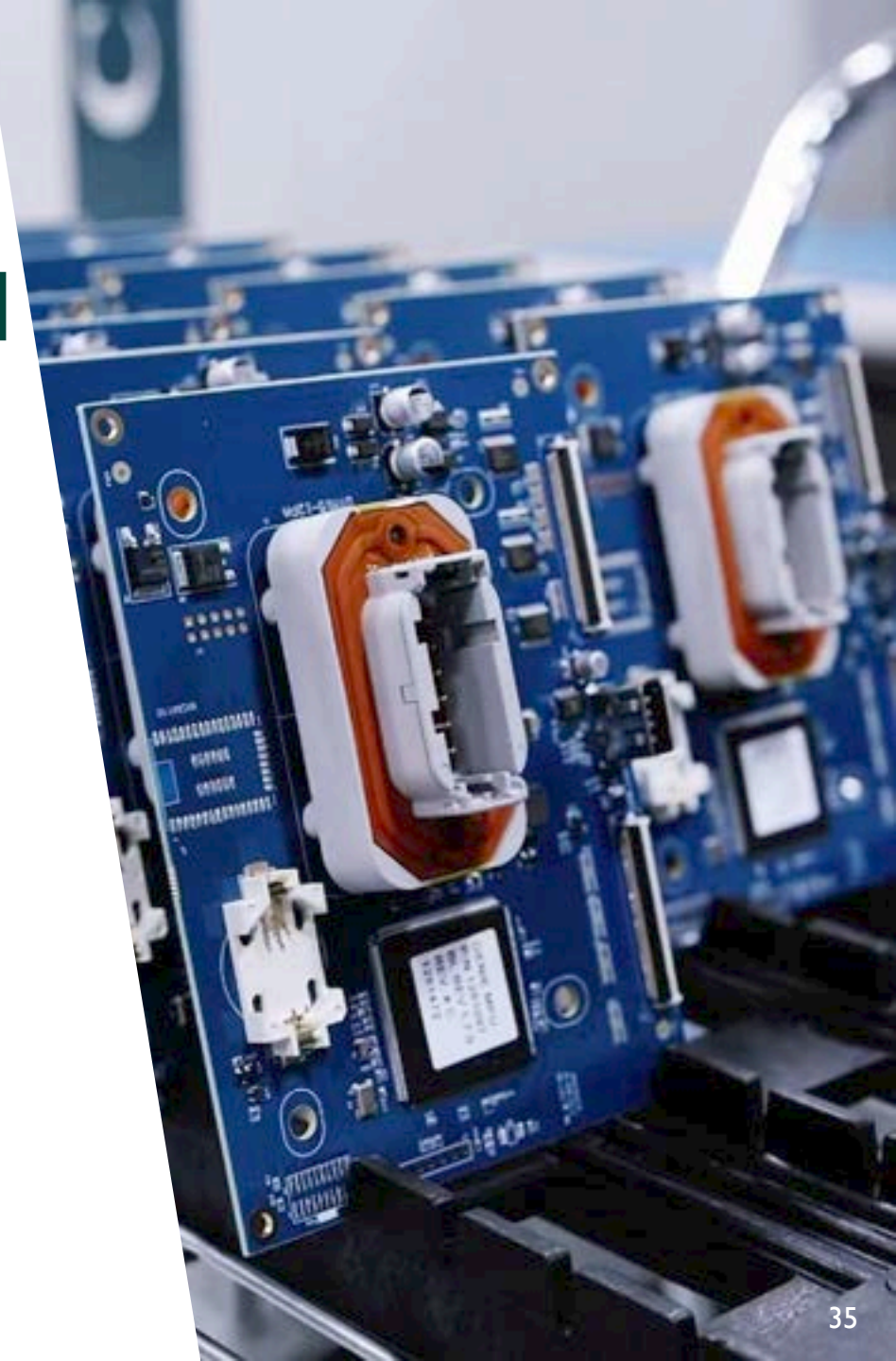
Half-yearly organic performance

	FY2022		FY2023		FY2024	
	HI	H2	HI	H2	HI	H2
Electric Vehicles	210.3%	53.0%	52.5%	17.7%	(15.8%)	(3.5%)
Consumer Electricals *	16.2%	11.8%	4.0%	(8.6%)	(9.0%)	(6.0%)
Medical	11.7%	12.5%	11.9%	19.9%	17.8%	13.1%
Complex Industrial Technology *	(5.7%)	2.3%	9.2%	26.9%	30.1%	33.5%
Off-Highway *	38.9%	14.2%	(17.5%)	(7.4%)	37.6%	41.4%
Group	22.6%	16.5%	14.3%	8.7%	4.2%	7.8%

* Upon acquisition of Murat Ticaret we gained scale in the Off-Highway market, allowing us to launch a new fifth market sector. Previously we reported sales to Off-Highway customers from our sites in North America and Asia within Consumer Electricals and Complex Industrial Technology, this has been restated to ensure comparability going forwards.

Balance sheet

\$m	FY2024	FY2023
Goodwill and intangible assets	253.1	124.1
Property, plant, equipment and right-of-use assets	130.2	84.6
Investments	8.1	2.6
Inventories	174.3	120.5
Trade and other receivables	215.1	155.5
Trade and other payables	(261.4)	(151.0)
Pensions and provisions	(11.0)	(3.9)
Taxation (net)	(18.8)	4.0
Operating lease liabilities	(32.9)	(27.3)
Net debt excl. operating lease liabilities	(121.1)	(76.4)
Net assets	335.6	232.7



FY25 technical guidance

Cash flow		Income statement	
Depreciation	\$25m - \$30m	Net finance costs	~\$20m
Capital expenditure	5% of revenue	Underlying effective tax rate	22.5% of underlying profit before tax
Tax payments	\$15m - \$20m	Number of shares in issue	181.6m
Interest payments	\$15m - \$20m		
Dividend payments (assuming no scrip take-up)	~\$10m		
Earn-out payments	~\$24m		

