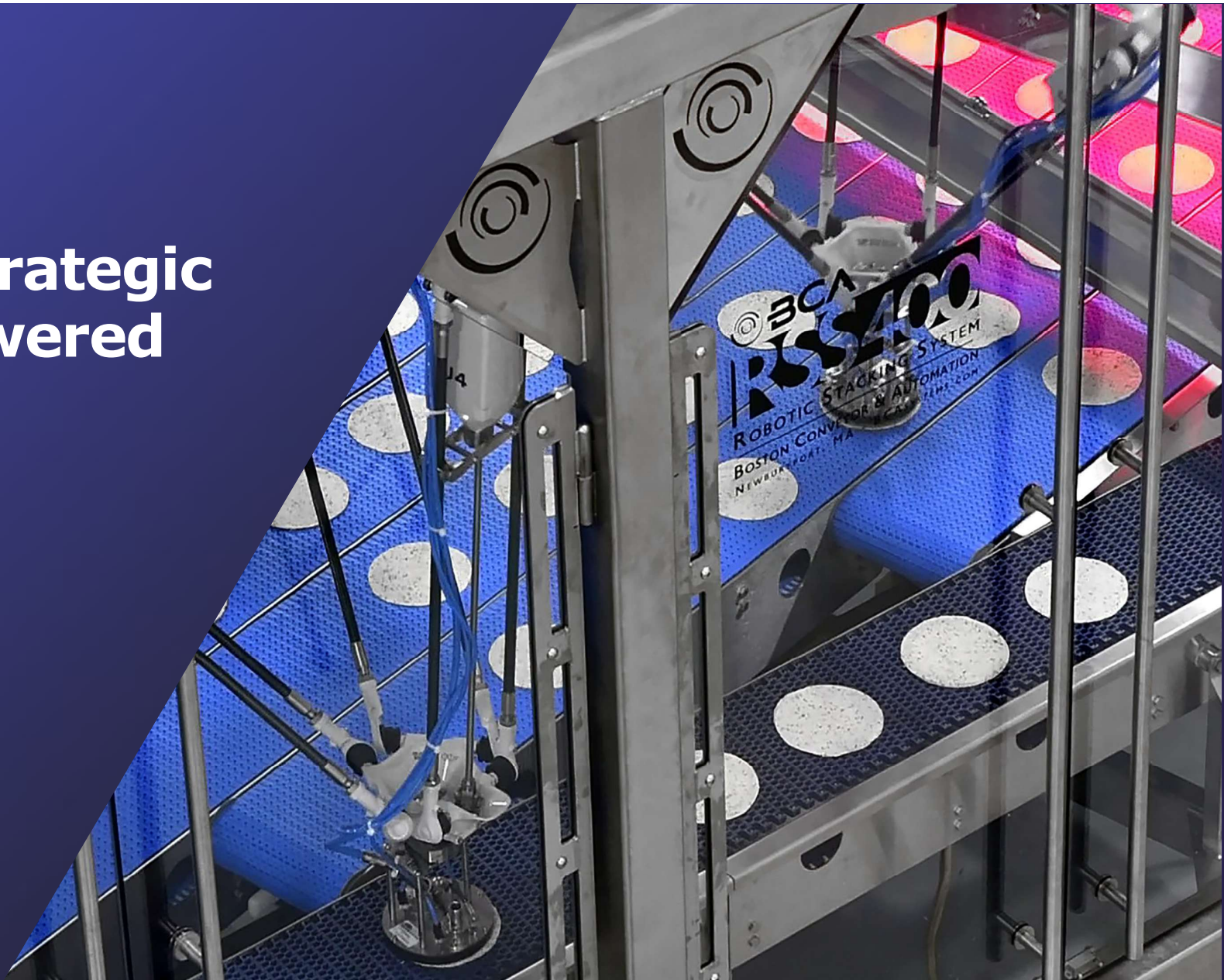


Mpac Group plc
HY25 Investor Presentation

Accelerated strategic growth empowered by people

We create faster, more efficient automation and packaging systems



Agenda

- 3 About Mpac & Market
- 11 2025 Interim Results
- 16 Ambition & Strategy
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About Mpac & Market





Who we are



The proactive actions we announced in July to accelerate the consolidation of operational footprint in the US and to simplify our business in response to challenging conditions sets a direction of travel that will position the Group for future growth when markets fully recover.

ADAM HOLLAND CHIEF EXECUTIVE OFFICER

Adam is a Chartered Engineer and Chartered Physicist, with a Masters degree in Natural Sciences from the University of Cambridge. Adam previously held a number of senior executive and company director positions in global engineering and technology companies including JCB, Siemens and Rolls-Royce plc, and in the Space and Defence sector at AEA Technology plc.



Half year highlights include a 7%pp increase in gross margin, and we remain on track to deliver revised full year guidance.

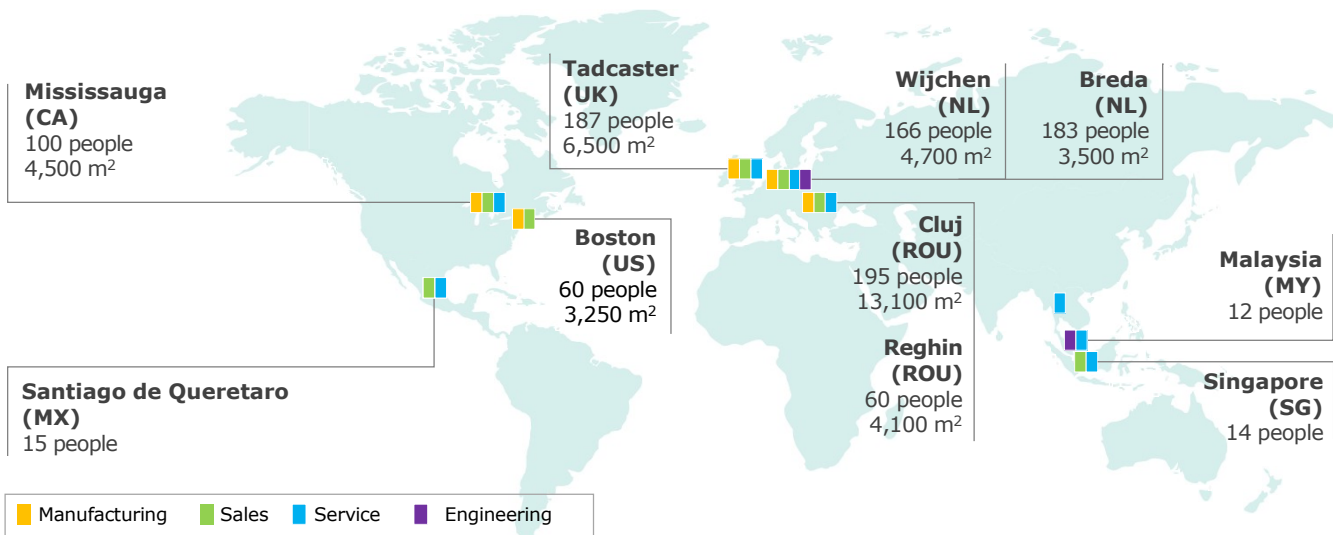
WILL WILKINS CHIEF FINANCIAL OFFICER

Will is a Chartered Certified Accountant and, prior to his appointment, held a variety of senior positions within the Company, including Group Financial Controller, Group Operations Director and Senior Project Director. He previously held a senior financial position at BSH Home Appliances and began his career at Grant Thornton.

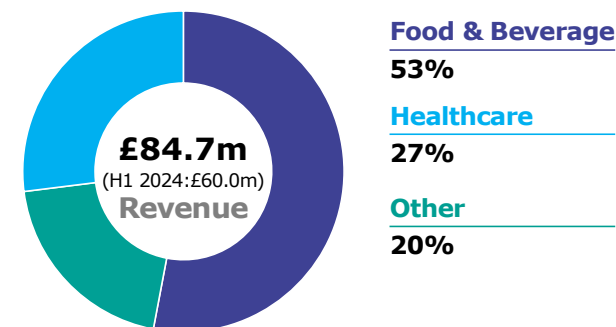


Mpac: creating & servicing superior automation and packaging machines globally

Original Equipment (OE) manufacturing combined with compelling service offerings



Sales by Sector (%)



6,500

Machines in service

5

Innovation centres

6

Global manufacturing facilities

531

Global engineers & designers

80

Countries served

8

Customer service hubs



Mpac: A business model which wins and retains customers

“We channel limitless ingenuity to create and optimise whole line manufacturing ecosystems. Our world-class productivity helps our clients achieve more with less.”

Consult

Early customer engagement and buy-in using Mpac’s extensive know how and knowledge

Design and build

Produce equipment which fulfils the customer’s needs and potential future needs

Install

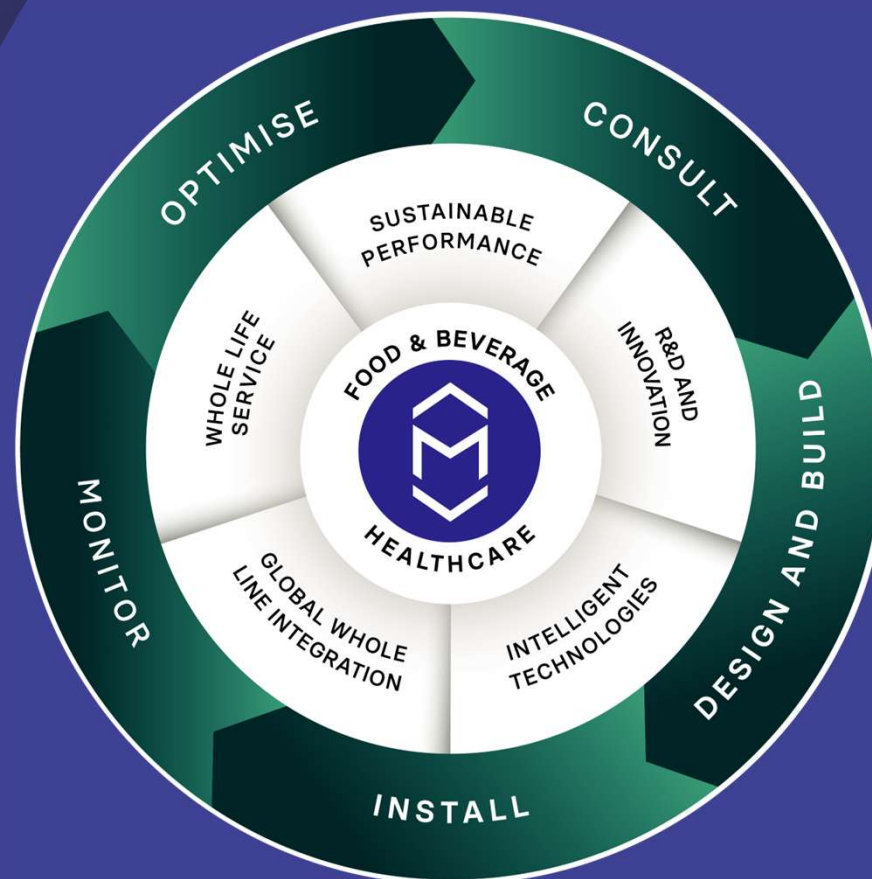
Support rapid ramp up of the new equipment to reach full productivity with effective training reducing start up costs

Monitor

Expertise to connect to control systems to provide a complete review of equipment performance

Optimise

Ensure equipment stays up-to-date with the latest modernisations and automation upgrades





Mpac: operating in highly attractive markets with significant growth opportunities

Attractive Market		Growth Opportunities		
		Product category	Solutions	Market value
Huge addressable market	Significant opportunities for growth	Packaging Machinery	> Personal healthcare > Contact lens	\$49.2bn*
Competition is fragmented	Acquisition and organic opportunities	Cartoning and case handling	> Point of use drug delivery > Beverage > Cereals	\$3.9bn*
Reliability and efficiency is key to customer profitability	Engineering led and superior offering	Palletising	> Frozen foods > Tissues	\$2.8bn*
Barriers to entry	Best in class people and accumulation of know how within the business			

*PMMI – September 2024

The world is becoming more automated



Mpac: has an attractive investment proposition

Growth opportunities

- > F&B and Healthcare markets offer compelling growth opportunities
- > Fuller line selling potential with the 2024 acquisitions of CSi and BCA
- > Market share growth across all verticals

\$49.2bn

Packaging machinery

\$3.9bn

Cartoning and case handling

\$2.8bn

Palletising

High barriers to entry

- > Deep technical engineering embeds customer relationships
- > Post-installation customer support
- > Exciting innovation roadmap opening up new market opportunities

Technical Hours*

198,396

(H1 2024: 148,000)

Technical staff*

531

(H1 2024: 349)

Service revenue %
total revenue

22.3%

(H1 2024: 25.7%)

High quality earnings

- > Expanding project pipeline with increasingly diverse customer base
- > Consolidated recent growth in Service business with a 5 year 12% CAGR
- > Underlying operating margin of 8.9% (HY 2024: 7.5%)

Order book

£91.7m

(H1 2024: £71.4m)

Operating RoS

8.9%

(H1 2024: 7.5%)

Revenue

£84.7m

(H1 2024: £60.0m)

Capital light business and pension surplus

- > Buy in of UK defined benefit pension scheme achieved in H1 2025
- > Working capital light Balance Sheet
- > 2025 FY ROCE based upon EBITDA ~20%

12-month ROCE

14.0%

(H1 2024: 12.0%)

Working capital

£6.9m

(H1 2024: £22.4m)

June 24 Triennial valuation

£21.1m

(2021: £28.4m deficit)



Mpac: Successfully broadening our strategic key accounts

90

OE orders won with
41 different customers

42%

By value, 42% OE orders
won with new customers

£8.6m

New customers included
£8.6m of orders with 4 new
strategic accounts



Responding to Tariffs

Challenging Market Conditions

- Tariff uncertainty causing customers to defer new capital expenditure decisions.
- No impact on existing committed projects. No tariff cancellations.
- Orders for new projects in the US slowed significantly.
- Orders for new projects with large global customers slower worldwide, and in both Food and Beverage, and Healthcare.
- Service business unaffected.

Impact

- Lower order book, impacting H2 revenues and profitability.
- Lower customer deposits, raising net debt.
- FY expectations lower in July 2025

Responding to the Market

- Consolidated US operations, closing the site in Cleveland.
- Capacity reduction, releasing contractors, re-allocating and reducing headcount.
- Capex and discretionary spending restrictions introduced.
- Malaysia engineering hub opened, supporting global engineering.
- First subassembly orders produced in Romania, to support projects in the UK and Europe.
- Increasing focus on further broadening customer base.

Acquisition:



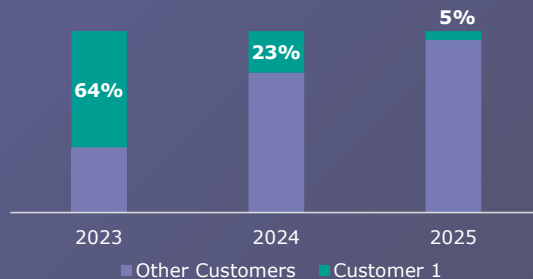
Robotics, conveying and systems integration capabilities within sanitary, food processing and packaging sector.

- CSI offers customers comprehensive end-of-line solutions (from case transport and conveying, to integrated palletising and pallet handling systems)
- The Company specialises in fixed-shape products (cases, bags etc.) with a low to medium capacity range (max 120 cases per minute)
- CSI's proprietary equipment and systems can be offered standalone or as part of an integrated turnkey palletising solution involving multiple vendors
- Newly developed i-Pal palletiser offers flexible, modular solutions

Key highlights

15 years average length of customer relationship	80-90 solutions delivered per year as key elements in systems	Employees 450	Incorporated 1964
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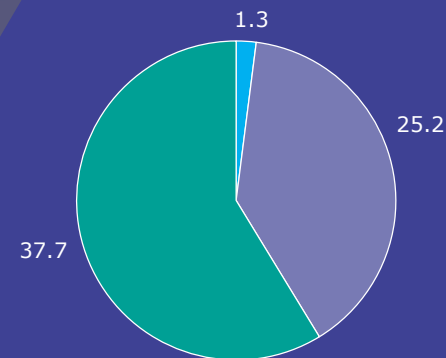
Customer Concentration



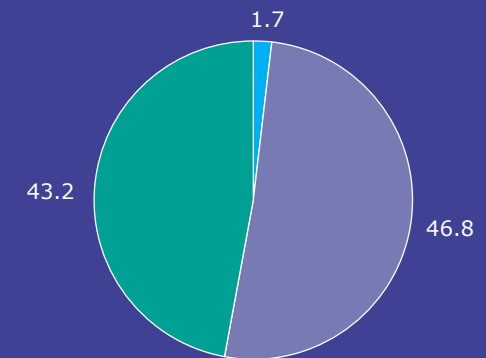
2025 Half Year Segmental KPI's

Mpac BCA CSI

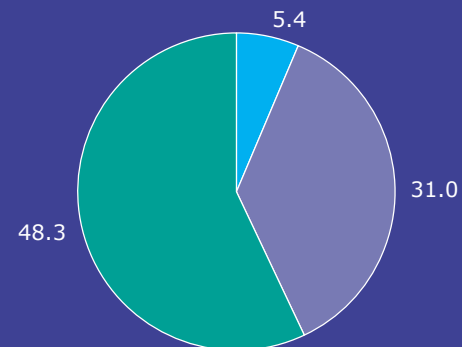
Order Intake (£m)



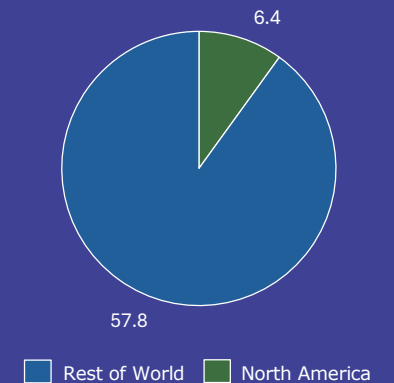
Order Book (£m)



Revenue (£m)



Order Intake by Region (£m)



Case study: Horizon RedDot Award

HORIZON – Next-generation top load cartoning platform, wins a Red Dot Design Award – one of the world's most respected design honours.

Why Horizon stood out:

- Modular & high-speed: Built around Delta robot technology, Horizon delivers fast, precise, and flexible product handling.
- Innovative HMI: With smartphone-like usability and intelligent Root Cause Analysis, it empowers operators to work smarter and faster.
- Streamlined corner light system: A modern, intuitive visual indicator that replaces traditional traffic light beacon stacks, improving both usability and aesthetics.
- Sustainability at its core: With intelligent energy-saving controls and pneumatic-free design, Horizon supports more efficient, environmentally responsible production.



red dot winner 2025

"This is more than just a design win - it's recognition of the collaboration across engineering, design, UX, software and manufacturing that brought Horizon to life"

Mike Lewis – Innovations Director, Mpac Group plc





H1 2025 results



Financial review: 2025 half year highlights

£64.2m

Order intake

+7.5% (H1 2024: £59.7m)

£91.7m

Order book

-22.6% (FY 2024: £118.5m)

£84.7m

Revenue

+41.2% (H1 2024: £60.0m)

36.0%

Gross profit margin

+7.8pp (H1 2024: 28.2%)

£5.0m

Underlying profit before tax

+25.0% (H1 2024: £4.0m)

12.1p

Underlying EPS

-20.4% (H1 2024: 15.2p)

£43.2m

Net Debt

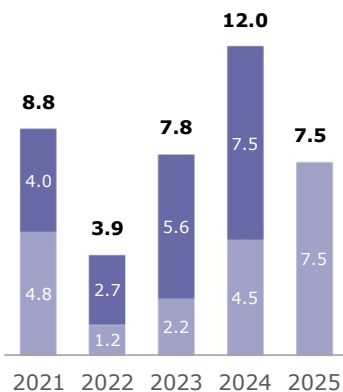
(FY 2024: £37.5m)

£6.9m

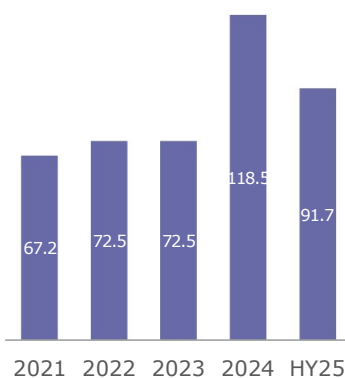
Working Capital

(FY 2024: £0.4m)

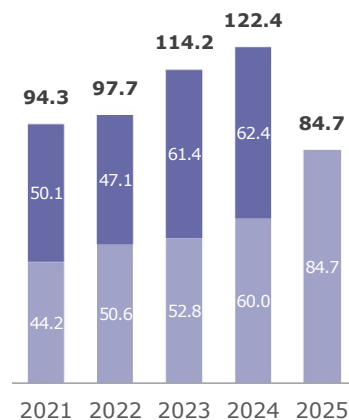
Underlying operating profit (£m)



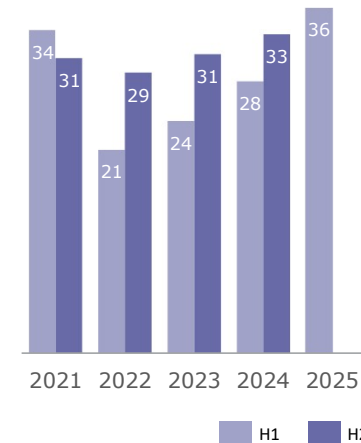
Order book (£m)



Revenue (£m)



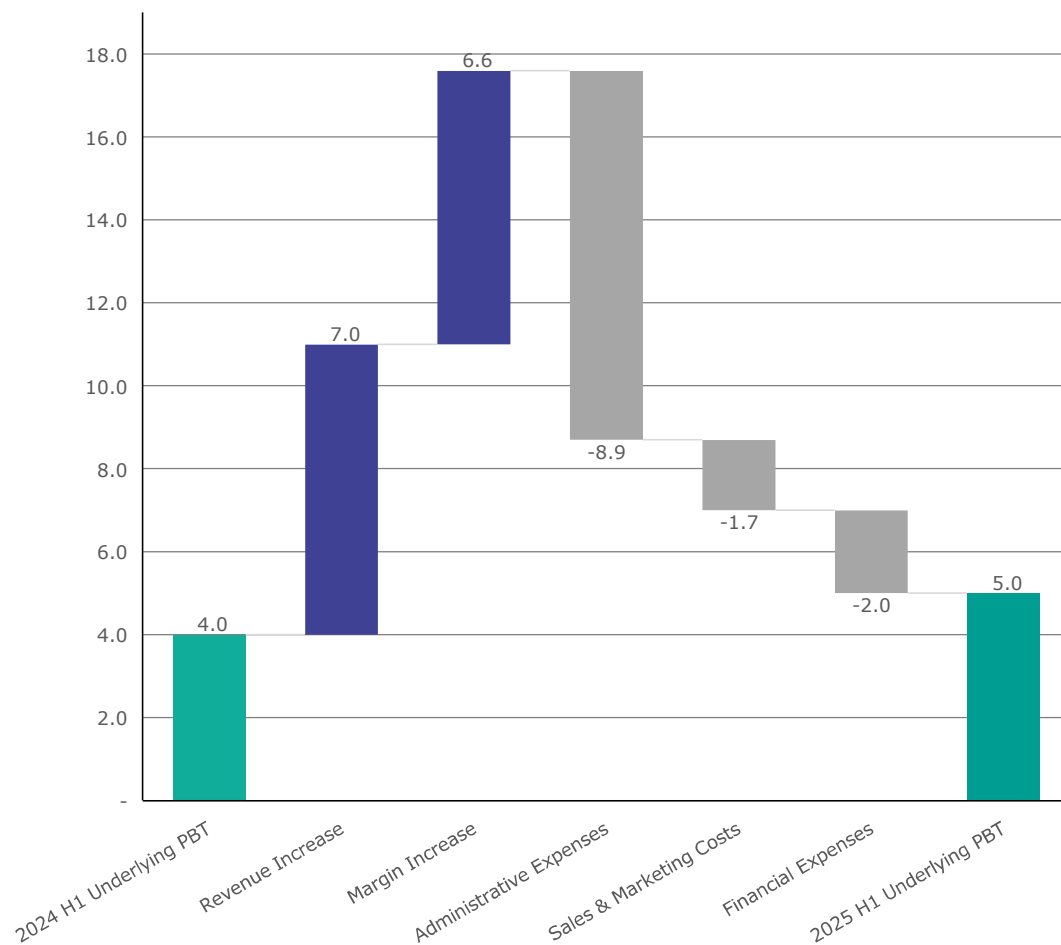
Gross profit margin (%)



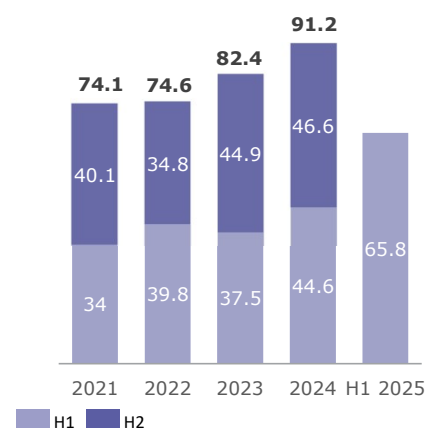


Financial review: Group Income Statement (£m)

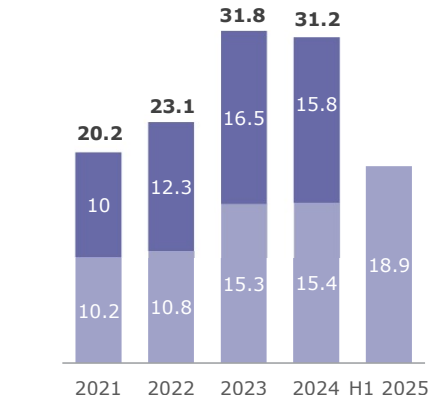
For the period to 30 June 2025



OE revenue (£m)



Service revenue (£m)



	30.06.2025 (£m)	30.06.2024 (£m)
Underlying Profit Before Tax	5.0	4.0
Impairment of Intangible Assets	(8.5)	-
USA Site Consolidation	(3.0)	-
Acquisition Costs	-	(0.1)
Defined Benefit Pension Scheme Administration Costs	(0.9)	(0.5)
Defined Benefit Pension Scheme Interest Income	1.0	0.7
Amortisation of Acquired Intangible Assets	(3.0)	(0.8)
(Loss)/Profit Before Tax	(9.4)	3.3



Financial review: Balance sheet

For the period to 30 June 2025

	30.06.2025 (£m)	31.12.2024 (£m)	Change
Non-current assets	135.9	178.1	-24%
Inventories	16.6	15.9	4%
Trade & other receivables	58.4	60.2	-3%
Cash	8.6	18.2	-53%
Current Assets	83.6	94.3	-11%
Trade & other payables	(71.8)	(79.3)	9%
Current interest bearing loans	(40.6)	(41.2)	1%
Current Liabilities	(112.4)	(120.5)	7%
Net current (liabilities)/assets	(28.8)	(26.2)	-10%
Total assets less current liabilities	107.1	151.9	-29%
Net assets	74.7	108.0	-31%

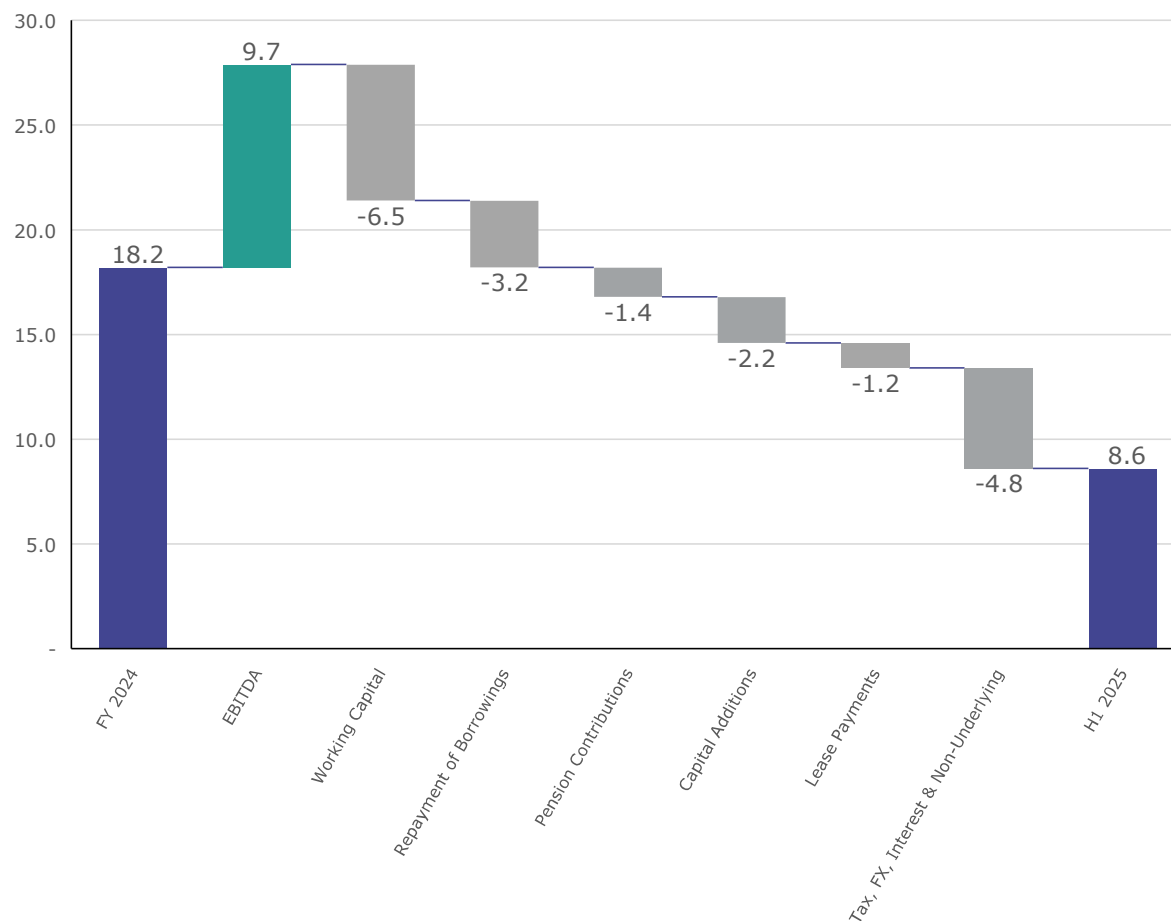
Commentary

- > Non-current assets include £107.7m of Intangible assets, £16.2m of Tangible fixed assets, £9.2m of Pension assets and a £2.8m Deferred tax asset
- > UK pension scheme risks almost entirely eliminated with Aviva buy-in policy. Net pension assets of £7.9m remain.
- > Inventory level reflects increase in revenue from spare parts and the timing of machine builds within CSI.
- > Trade & other receivables of £58.4m includes £20.4m of contract assets (2024: £18.2m) & £21.4m of trade debtors (2024: £28.8m)
- > Trade and other payables of £71.8m includes £24.2m of contract liabilities (2024: £28.2m) and £18.3m of trade creditors (2024: £26.5m)
- > £42.8m of utilisation of the HSBC revolving credit and term loan facilities, committed until 2027 (2024: £47.0m). €1.5m of vendor loans repayable in 2025.
- > Net debt of £43.2m compared to £37.5m at 31 December 2024.



Financial review: 2025 half year cash bridge (£m)

For the period to 30 June 2025



Commentary

- > H1 2025 delivered significant delays to anticipated machine orders and consequent deposits, resulting in a negative impact on working capital movements.
- > Existing HSBC borrowing facilities remain committed until September 2027; Substantial covenant compliance headroom maintained.
- > Tax paid of £0.6m, Acquisition costs paid related to the CSi acquisition completed in 2024 of £1.4m, Interest of £1.4m and FX movements of £1.4m.
- > Strong balance sheet with sufficient liquidity to support the strategic initiatives and to drive growth

Working capital cashflow	H1 2025 £m	H1 2024 £m
Inventories	(0.7)	(0.7)
Trade debtors	6.8	(0.7)
Trade creditors/Contract balances	(11.5)	(8.3)
Provision	(1.1)	(0.1)
Total	(6.5)	(9.8)



2025 Pension scheme

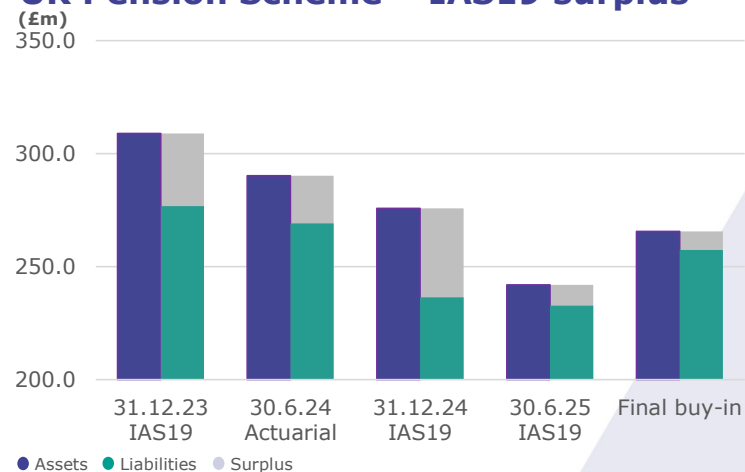
UK scheme

- > July 2025 – the Company and the trustees agreed a buy-in transaction with Aviva who purchased a bulk annuity for £249m covering all known liabilities to meet future pension commitments.
- > Marks the 'beginning of the end' of Mpac's time as a company managing a large pension scheme.
- > Residual liabilities minimal relating to GMP equalisation and the professional costs of the process to wind up. Prudent estimate of costs included.
- > Accounting surplus £9.2m (2024: £39.4m pre buy-in). Contributions to the escrow account of £2m per year continue until buy-out achieved.
- > Return of the residual surplus (less tax) and the escrow funds expected within two years from buy-in date.
- > Data cleanse and GMP equalisation work progressing to plan; no additional liabilities identified to date.

US scheme

- > Two US scheme with annual contributions of £0.4m and £8.0m of liabilities.
- > Deficit c£1.3m and c80% funding level
- > 115 members – almost entirely retired

UK Pension Scheme – IAS19 surplus



Next steps

- > Complete the buy-out and wind-up process as swiftly as possible.
- > Focus on minimising professional fees and maximise cash returned to company.
- > Risk transfer of the US scheme to an annuity provider under review.



Ambition & Strategy



Mpac: progress on Group strategy 2025

Going for growth



- > Prospect pipeline continues to fill at a rate exceeding the prior year despite lower order intake
- > 4 new global blue chip customer relationships in target sectors
- > 42% of OE orders from new customers

Outstanding customer service



- > Consolidation of US Service operation
- > Growth opportunity from enlarged combined install base of 6,500 units
- > Transfer of spares fulfilment to Boston for US customers underway (due to be complete by end of October)

Innovation



- > Launched new Brisa, our frozen pizza mid-range cartoner
- > Mpac Relay launch – linking real-time video to machine data
- > Red dot award for Horizon top load cartoner

People



- > Integration of enlarged employee base which doubled with 2024 acquisitions
- > Workforce skills and competency framework
- > Completion of talent mapping

Operational excellence



- > +7.8pp gross margin increase from revenue in F&B and Healthcare sectors
- > Consolidation of US operational footprint
- > Operating ROS increased to 8.9% from 7.7% by improved project execution



Case study: Board changes

To support the next stage in Mpac journey and to support our growth ambitions, we broadened and strengthened our Board team, bringing in a wealth of public company and sector experience.





Summary & Outlook



Summary 2025 and Outlook



H1 2025 highlights

- > The 2024 acquired businesses are performing well and in line with expectations, integration progressing well.
- > Significant progress made in consolidating US operational footprint
- > Operating margin up to 8.9% from 7.5%
- > H1 opening of new low-cost Malaysian engineering hub and initial assembly orders from pre-acquisition business placed on CSi Romanian facility
- > Red dot award for design and innovation of recently launched top load "Horizon" cartoner

H2 2025 & 2026 outlook

- > Guidance for FY 2025 revised in July following lower than expected OE order intake in H1.
- > As in prior years, trading performance is second half weighted, supported by the June order book
- > Order intake in Q3 has been in-line with revised expectations, and the order book now sits in excess of £93m.
- > Acquired businesses performing well and synergies being achieved.
- > We continue to see an encouraging value and volume of newly qualified opportunities. The pipeline for OE order intake outside of the US remains good.

Order intake

£64.2m

(H1 2024: £59.7m)

Revenue

£84.7m

(H1 2024: £60.0m)

Underlying PBT

£5.0m

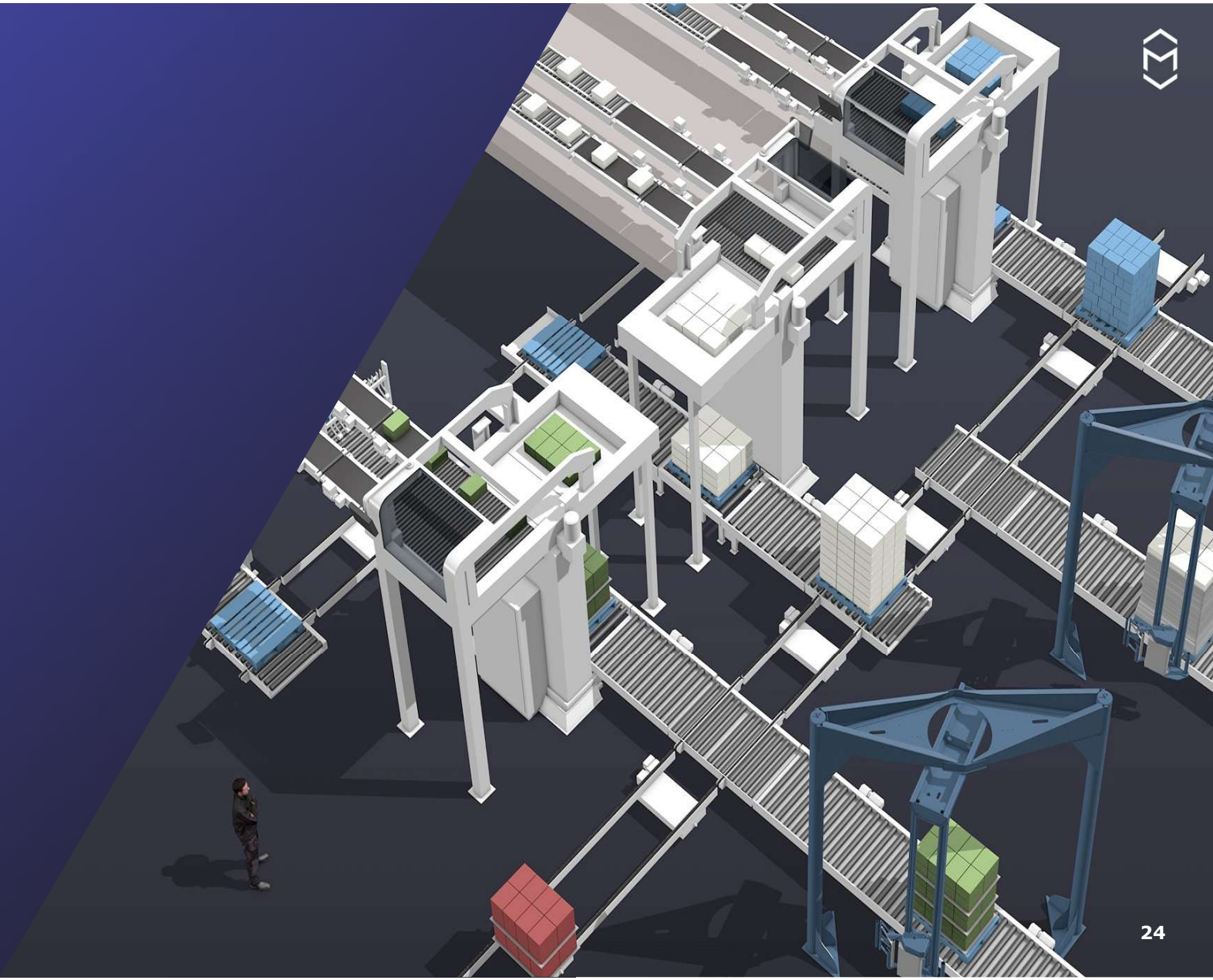
(H1 2024: £4.0m)

Underlying EPS

12.1p

(H1 2024: 15.2p)

Appendices





Financial review: Group income statement

For the year to 30 June 2025

	H1 2025 (£m)	H1 2024 (£m)	Change
Revenue	84.7	60.0	41.2%
– Original Equipment	65.8	44.6	47.5%
– Services	18.9	15.4	22.7%
Gross profit	30.5	16.9	80.5%
Gross profit margin	36.0%	28.2%	
Selling, marketing and distribution costs	(6.8)	(5.1)	
Administration expenses	(16.4)	(7.3)	
Other operating income/expenses	0.2	(-)	
Underlying operating profit	7.5	4.5	66.6%
Underlying operating profit margin	8.9%	7.5%	
Net financing (expense)/income	(2.5)	0.2	
Non-underlying items	(14.4)	(1.4)	
Taxation	(1.4)	(0.2)	
Profit/(loss) after tax for the period	(10.8)	3.1	
Basic earnings/(loss) per share	(36.0)p	15.0p	
Underlying earnings per share	12.1p	15.2p	(20.4%)

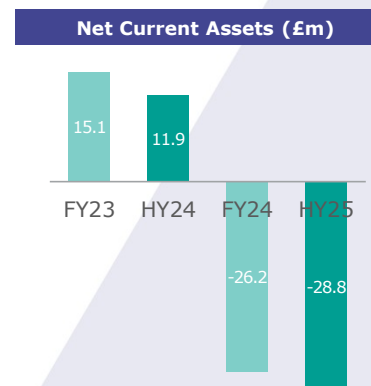
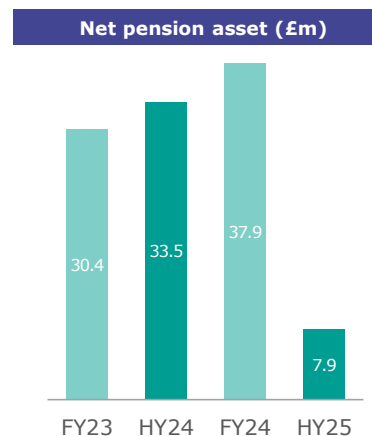
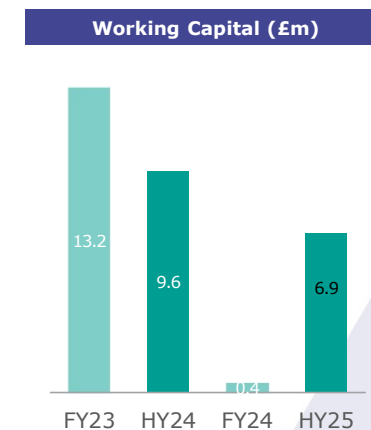
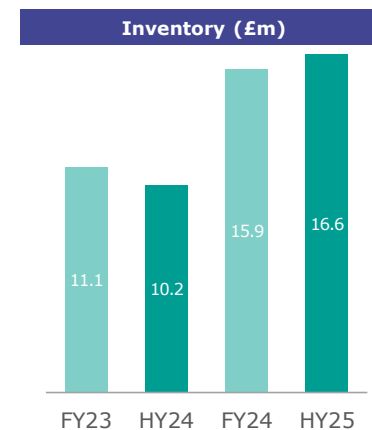
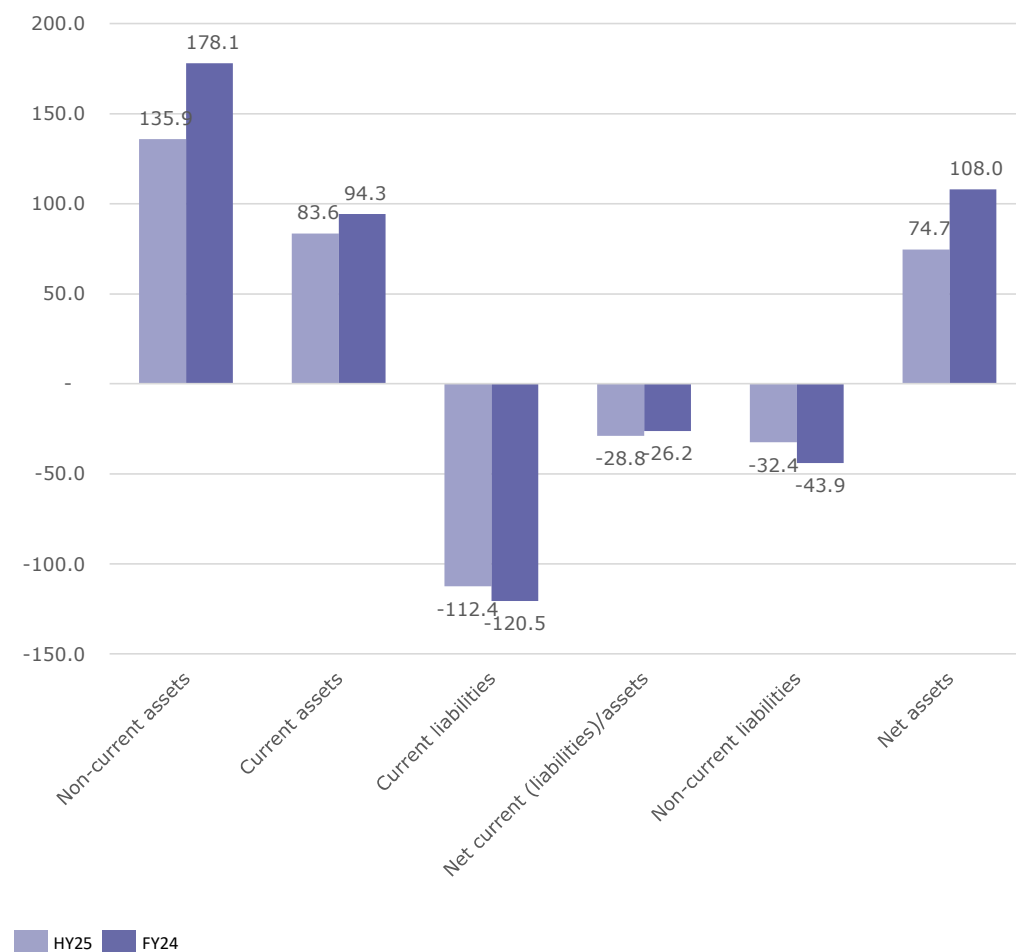
Commentary

- > Growth was driven by the contribution from the newly acquired businesses, with revenue of £26.5m from CSI and BCA in the period.
- > Service revenue grew less strongly as a result of the acquisitions due to the different mix of work in the acquired businesses. This highlights the success of Mpac's 'Outstanding Customer Service' programme and the opportunity to grow this revenue stream in the acquired businesses.
- > Gross profit margins recovered strongly, driven by improved operational performance and a favourable project mix.
- > Underlying operating margin of 8.9% (2024: 7.5%)
- > Non-underlying items include the impairment of the Cleveland goodwill (£8.5m), amortisation of acquired intangible assets (£3.0m), impairment of the Cleveland lease (£1.9m) and Cleveland site closure costs (£1.1m).



Financial review: Group Balance Sheet (£m)

For the year to 30 June 2025



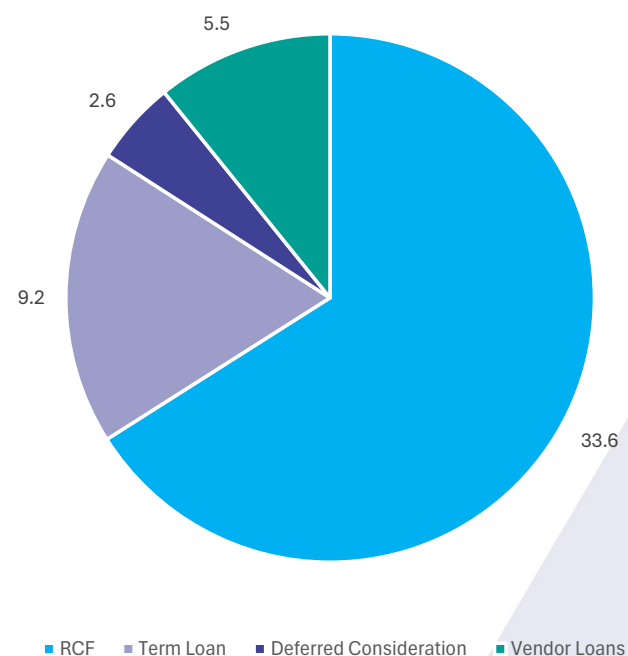
Appendices: Debt Structure

For the period to 30 June 2025

- £33.6m of HSBC Revolving Credit Facility ("facility") utilised (FY2024: £34.1m) - total facility of £35.0m entered in 2024 for a 3 year period;
- £9.2m of term loan remaining (FY 2024: £12.0m) repayable quarterly over a 2 year period;
- Vendor Loans of £5.2m repayable to the former ownership of CSi Group – repayable in two instalments 12 months (£1.3m) and 24 months (£3.9m) after the completion of the acquisition
- Deferred Consideration of £2.9m also repayable to the former ownership of CSi Group – repayable in 2 equal instalments on 1st January 2026 and 1st January 2027.
- Under the terms agreed with HSBC, the Group is subject to quarterly covenant testing whereby adjusted leverage can not be more than 2.5x EBITDA and Interest Cover can not be less than 3.0x EBITDA, as at 30 June and 31 December 2025 (forecasted) the covenants are as follows:

	HY25 Actual
Adjusted leverage	1.90x
Interest cover	5.96x

Debt Structure (excl preference shares) (£m)





Appendices: Summary Share Register

For the period to 30 June 2025

	30 June 2025
Schroder Investment Management	3,780,000
Charles Stanley	2,812,093
Interactive Investor (EO)	2,158,331
Hargreaves Lansdown, stockbrokers (EO)	2,062,086
Fidelity International	1,434,244
Directors & Related Parties	1,396,542
Gresham House Asset Management	1,198,464
Rathbones	1,058,144
Dowgate Capital	1,041,137
CSitsme	831,600
Other	12,300,359

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We create faster, more
efficient automation and
packaging systems

