

INTERIM RESULTS

HY24/25

March 2025



Disclaimer statement

This presentation contains certain statements that are forward-looking. They appear in a number of places throughout this presentation and include statements regarding the intentions, beliefs and/or current expectations of Ricardo plc (the “Company”)

By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this presentation and, unless otherwise required by applicable law, the Company undertakes no obligation to update or revise these forward-looking statements. Nothing in this presentation should be construed as a profit forecast.

The Company and its Directors accept no liability to third parties.

AGENDA

01 **Opening remarks**
Graham Ritchie, CEO

02 **Financial results**
Judith Cottrell, CFO

03 **Strategic and operational progress**
Graham Ritchie, CEO

SHORT TERM HEADWINDS BUT CONFIDENT IN MEDIUM-TERM GROWTH

Two transactions demonstrate clear execution against our strategy

Solid profit improvement performance in H1 within a challenging macro environment

Resilient solutions and strong order book in Energy and Environment provide confidence in medium-term

Continued variability in Automotive end markets but diversification into Industrial solutions continues

Continued focus on cost to underpin short and medium-term profitability given market uncertainty

DISCONTINUED OPERATIONS

Six months ended 31 December 2024									
£m	Revenue			Underlying operating profit ⁽¹⁾			Underlying operating profit margin ⁽¹⁾		
	2024	2023 at constant currency ⁽²⁾	% change constant currency ⁽²⁾	2024	2023 at constant currency ⁽²⁾	% change constant currency ⁽²⁾	2024	2023 at constant currency ⁽²⁾	% change constant currency ⁽²⁾
Continuing Operations	169.1	166.0	2%	8.3	1.0	730%	4.9%	0.6%	430bp
Discontinued Operations - Defense	41.0	54.9	(25)%	5.3	10.6	(50)%	12.9%	19.3%	(640)bp
Total Group	210.1	220.9	(5)%	13.6	11.6	17%	6.5%	5.3%	120bp

1. Excluding specific adjusting items, which comprise amortisation of acquired intangible assets, acquisition & strategic project related expenditure, earn-outs and deferred consideration, goodwill impairment, reorganisation costs, sale & leaseback and ERP costs.

2. The prior period results have been restated at current period FX rates.

STRATEGIC EXECUTION OF DEFENSE DISPOSAL WAS WELL-TIMED

Ricardo Defense

Strategic rationale

- Accelerates the Group's transition to environment and energy solutions
- Simplifies the Group's market position

Well timed execution

- Value extracted from finite ABS programme ending in 2027
- ABS volumes to decrease year-on-year impacting revenue, profit and cash
- Significant CAPEX required to invest in new programmes

Financial impact

- Dilutive in the near-term partially offset by acquisition of E3 Advisory
- Smaller company but higher quality of earnings growing value over time

E3 Advisory

Portfolio prioritisation

- Increases the strategic advisory mix across the Group to provide high margin growth

Market expansion

- Offers international potential across key growth markets including water, energy and transport infrastructure

Financial impact

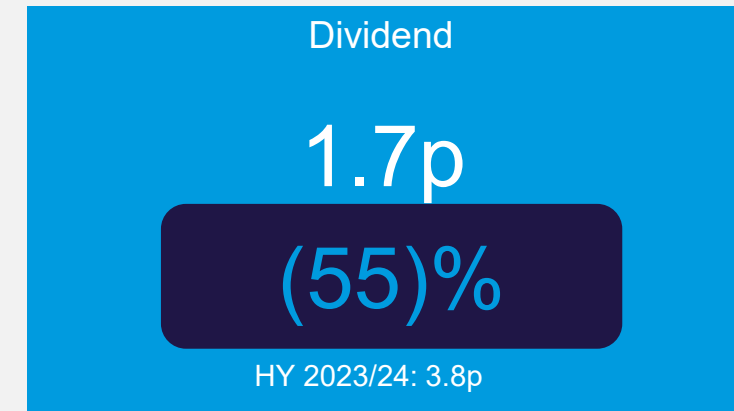
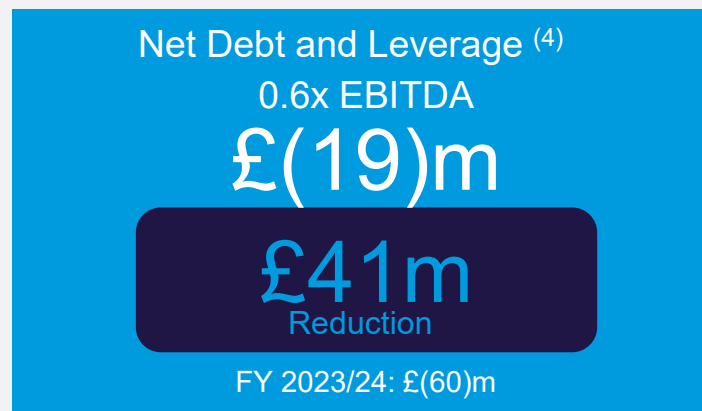
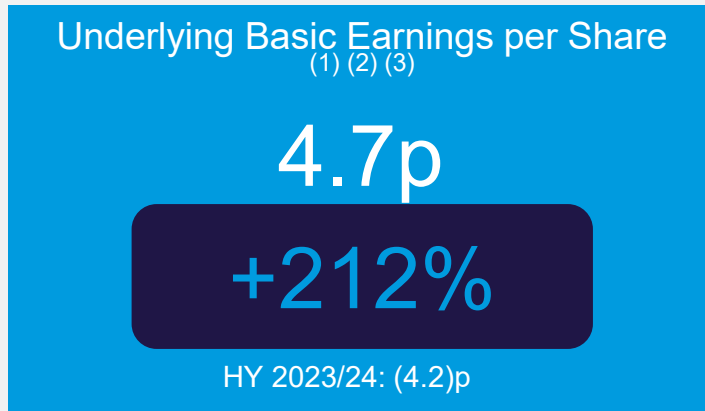
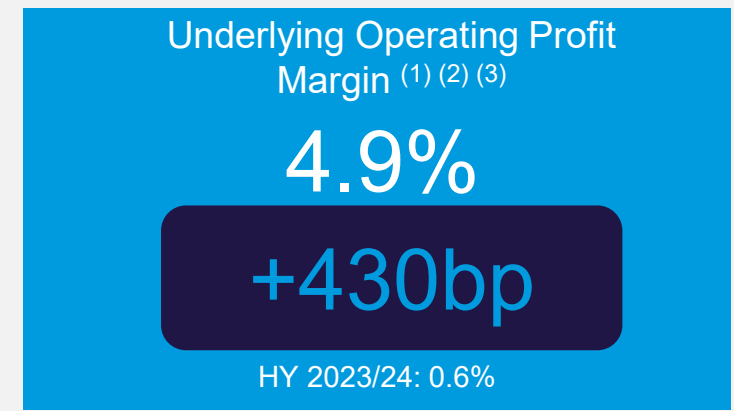
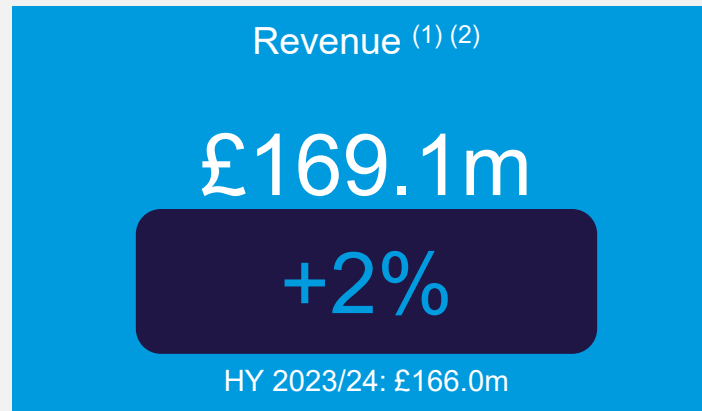
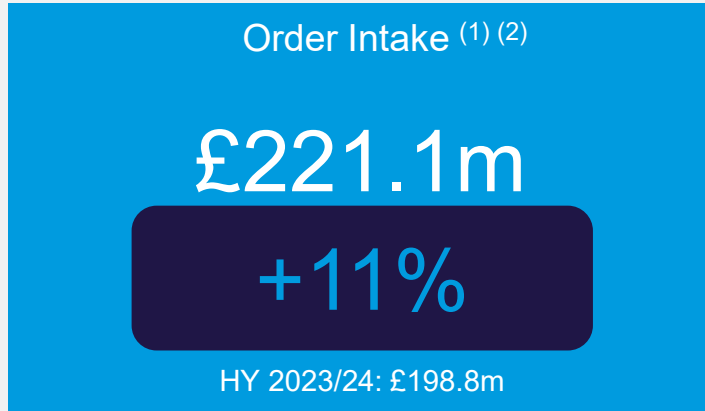
- Immediately margin accretive and provides revenue growth synergy over the medium term



FINANCIAL RESULTS

Judith Cottrell

FURTHER PROGRESS DRIVEN BY MARGIN IMPROVEMENTS



1. Figures presented on a Continuing Operations basis.
 2. The prior period results have been restated at current period FX rates.
 3. Excluding specific adjusting items, which comprise amortisation of acquired intangible assets, acquisition & strategic project related expenditure, earn-outs and deferred consideration, goodwill impairment, reorganisation costs, sale & leaseback and ERP costs.
 4. Net debt excludes the impact of IFRS 16 and restricted cash balances.

OPERATIONAL EFFICIENCY DELIVERING IMPROVED PROFIT MARGINS

Continuing Operations ⁽¹⁾	Six months ended 31 December		Period-on-period movement
	2024 Underlying ⁽²⁾	2023 Underlying ^{(2) (3) (4)}	% change ⁽⁴⁾
£m			
Revenue	169.1	166.0	2%
Gross profit	50.9	46.7	9%
<i>Gross profit margin</i>	<i>30.1%</i>	<i>28.1%</i>	<i>200bp</i>
Indirect costs	(42.6)	(45.7)	(7)%
<i>Indirect costs % of revenue</i>	<i>(25.2)%</i>	<i>(27.5)%</i>	<i>230bp</i>
Operating profit	8.3	1.0	730%
<i>Operating profit margin</i>	<i>4.9%</i>	<i>0.6%</i>	<i>430bp</i>
Net finance costs	(4.2)	(4.1)	2%
Profit/(loss) before tax	4.1	(3.1)	232%
Taxation charge	(1.2)	0.6	(300)%
Profit/(loss) for the period	2.9	(2.5)	216%

1. Figures presented on a Continuing Operations basis. A full income statement, including Discontinued Operations, is included in the Appendix.

2. Excluding specific adjusting items, which comprise amortisation of acquired intangible assets, acquisition & strategic project related expenditure, earn-outs and deferred consideration, goodwill impairment, reorganisation costs, sale & leaseback and ERP costs. A full income statement, including specific adjusting items, is included in the Appendix.

3. To ensure a standardised approach across the Group, the classification of business development and operational costs have been aligned across our operating segments, resulting in the reclassification of £2.2m of salary costs from direct to indirect in the prior period.

4. The prior period results have been restated at current period FX rates.

ENVIRONMENT & ENERGY TRANSITION PORTFOLIO FINANCIAL RESULTS

Continuing Operations ⁽¹⁾			Six months ended 31 December									
£m	Order intake			Revenue			Underlying operating profit ⁽²⁾			Underlying operating profit margin ⁽²⁾		
	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾
Energy & Environment (EE)	80.8	65.1	24%	50.4	52.5	(4)%	6.8	7.9	(14)%	13.5%	15.0%	(150)bp
Rail	57.1	52.0	10%	38.1	37.2	2%	4.6	4.0	15%	12.1%	10.8%	130bp
Emerging Automotive & Industrial (A&I)	21.3	27.8	(23)%	19.1	27.3	(30)%	1.5	(0.6)	350%	7.9%	(2.2)%	1010bp
Total	159.2	144.9	10%	107.6	117.0	(8)%	12.9	11.3	14%	12.0%	9.7%	230bp

1. Figures presented on a Continuing Operations basis.

2. Excluding specific adjusting items, which comprise amortisation of acquired intangible assets, acquisition & strategic project related expenditure, earn-outs and deferred consideration, goodwill impairment, reorganisation costs, sale & leaseback and ERP costs.

3. The prior period results have been restated at current period FX rates.

ESTABLISHED TRANSPORT PORTFOLIO FINANCIAL RESULTS

Continuing Operations ⁽¹⁾			Six months ended 31 December									
£m	Order intake			Revenue			Underlying operating profit ⁽²⁾			Underlying operating profit margin ⁽²⁾		
	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾
Performance Products (PP)	42.2	41.9	1%	40.6	38.2	6%	2.8	2.0	40%	6.9%	5.2%	170bp
Established Automotive & Industrial (A&I)	19.7	12.0	64%	20.9	10.8	94%	(0.4)	(3.5)	89%	(1.9)%	(32.4)%	3050bp
Total	61.9	53.9	15%	61.5	49.0	26%	2.4	(1.5)	260%	3.9%	(3.1)%	700bp

1. Figures presented on a Continuing Operations basis.

2. Excluding specific adjusting items, which comprise amortisation of acquired intangible assets, acquisition & strategic project related expenditure, earn-outs and deferred consideration, goodwill impairment, reorganisation costs, sale & leaseback and ERP costs.

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AUTOMOTIVE & INDUSTRIAL COMBINED FINANCIAL RESULTS

Continuing Operations ⁽¹⁾		Six months ended 31 December										
		Order intake			Revenue			Underlying operating profit ⁽²⁾			Underlying operating profit margin ⁽²⁾	
£m	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾
Emerging Automotive & Industrial (A&I)	21.3	27.8	(23)%	19.1	27.3	(30)%	1.5	(0.6)	350%	7.9%	(2.2)%	1010bp
Established Automotive & Industrial (A&I)	19.7	12.0	64%	20.9	10.8	94%	(0.4)	(3.5)	89%	(1.9)%	(32.4)%	3050bp
Total	41.0	39.8	3%	40.0	38.1	5%	1.1	(4.1)	127%	2.8%	(10.8)%	1360bp

1. Figures presented on a Continuing Operations basis.

2. Excluding specific adjusting items, which comprise amortisation of acquired intangible assets, acquisition & strategic project related expenditure, earn-outs and deferred consideration, goodwill impairment, reorganisation costs, sale & leaseback and ERP costs.

3. The prior period results have been restated at current period FX rates.

CONSOLIDATED GROUP FINANCIAL RESULTS

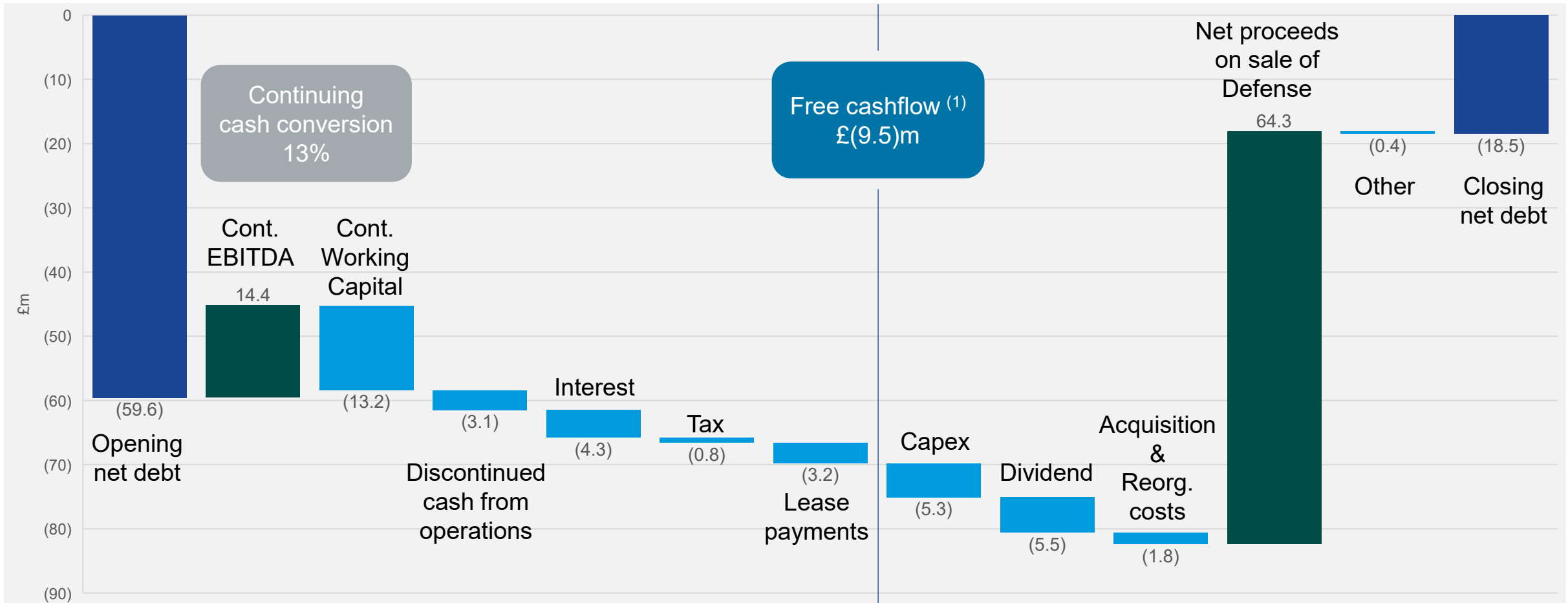
Continuing Operations ⁽¹⁾			Six months ended 31 December									
£m	Order intake			Revenue			Underlying operating profit ⁽²⁾			Underlying operating profit margin ⁽²⁾		
	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾	2024	2023 at constant currency ⁽³⁾	% change constant currency ⁽³⁾
Environment & Energy Transition	159.2	144.9	10%	107.6	117.0	(8)%	12.9	11.3	14%	12.0%	9.7%	230bp
Established Transport	61.9	53.9	15%	61.5	49.0	26%	2.4	(1.5)	260%	3.9%	(3.1)%	700bp
Sub-total	221.1	198.8	11%	169.1	166.0	2%	15.3	9.8	56%	9.0%	5.9%	310bp
Central Costs							(7.0)	(8.8)	(20)%			
Total Group	221.1	198.8	11%	169.1	166.0	2%	8.3	1.0	730%	4.9%	0.6%	430bp

1. Figures presented on a Continuing Operations basis.

2. Excluding specific adjusting items, which comprise amortisation of acquired intangible assets, acquisition & strategic project related expenditure, earn-outs and deferred consideration, goodwill impairment, reorganisation costs, sale & leaseback and ERP costs.

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REDUCED CASH CONVERSION BUT EXPECTED IMPROVEMENTS IN H2

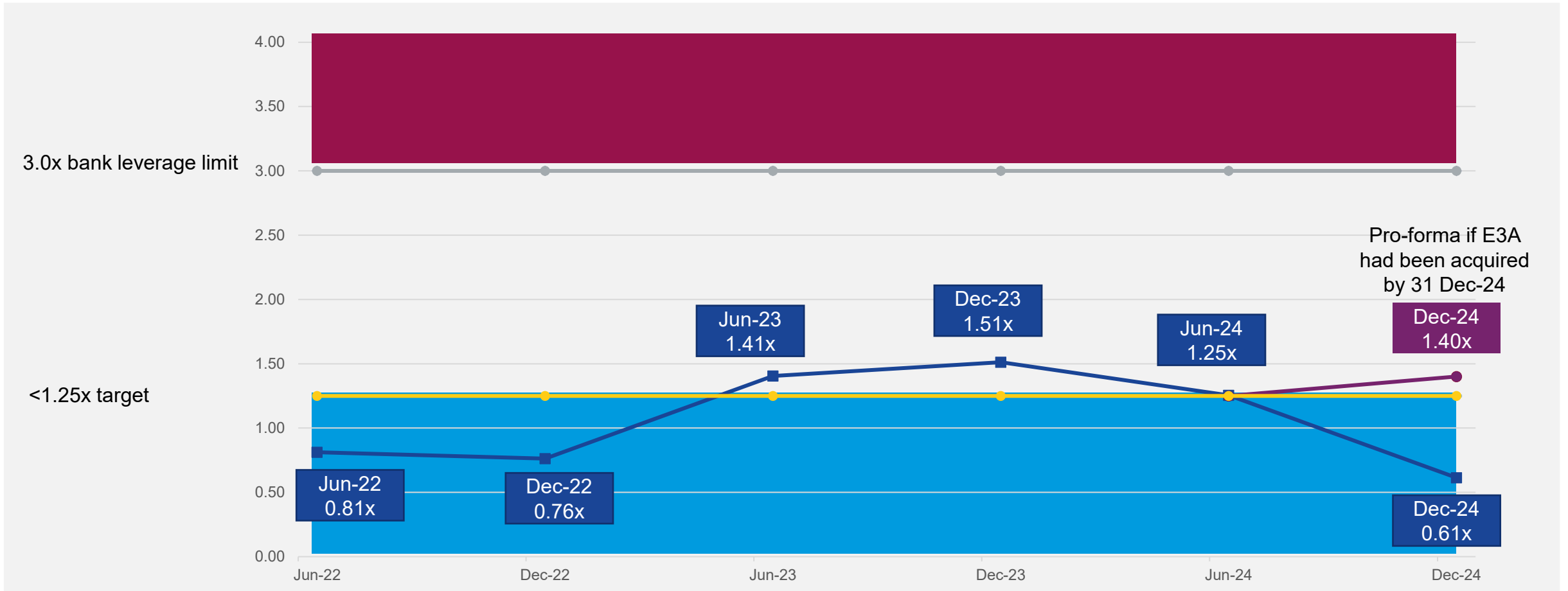


1. Free cashflow defined as underlying cash from operations less net finance costs paid, income tax paid and principal element of lease payments.

At 31 December 2024:
£38m RCF undrawn
£93m cash

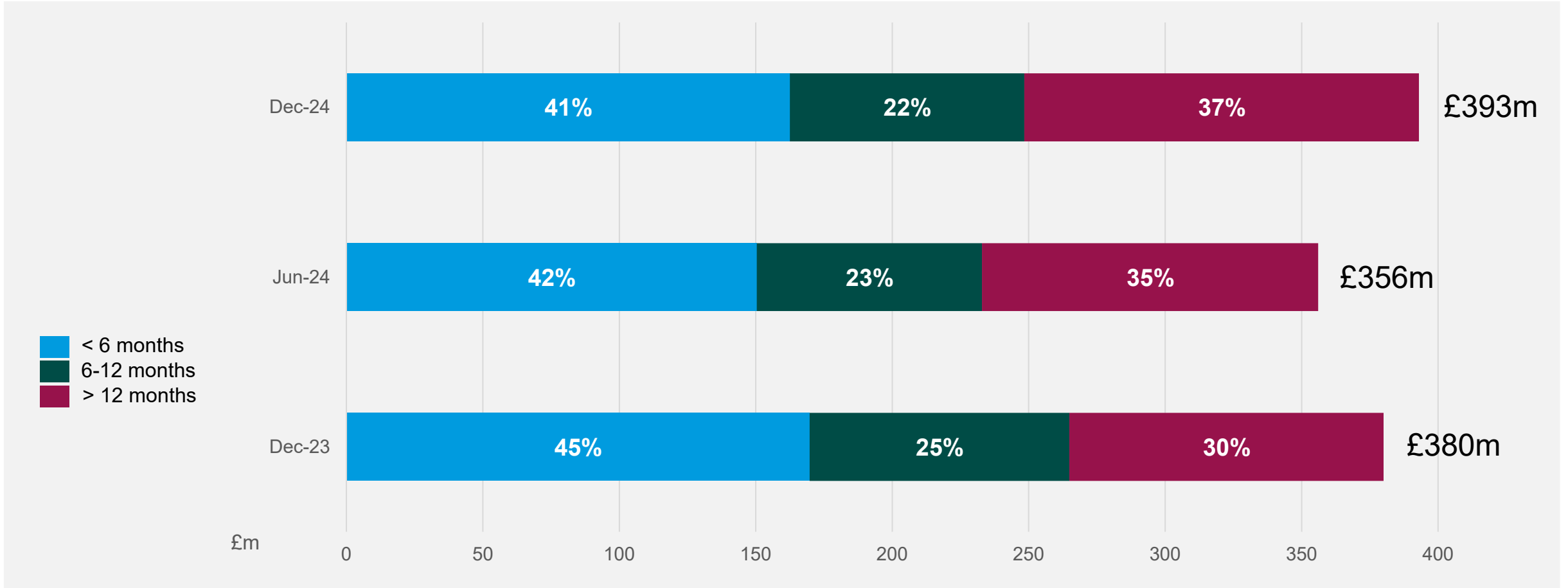
Refinancing this year

CONTINUING GOOD OPERATING LEVERAGE



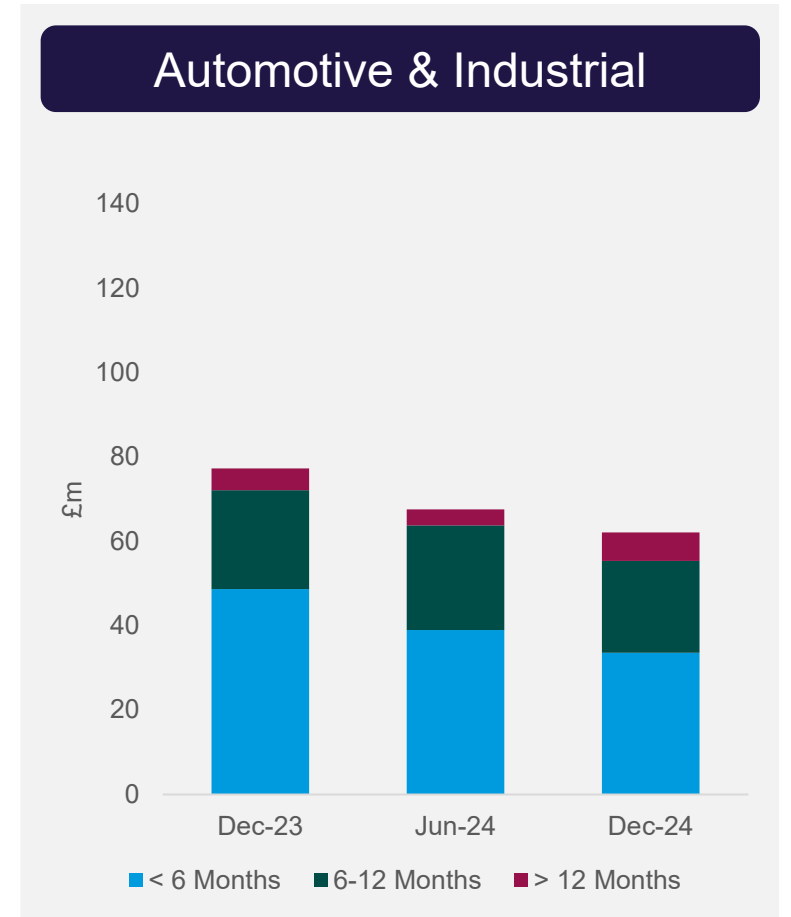
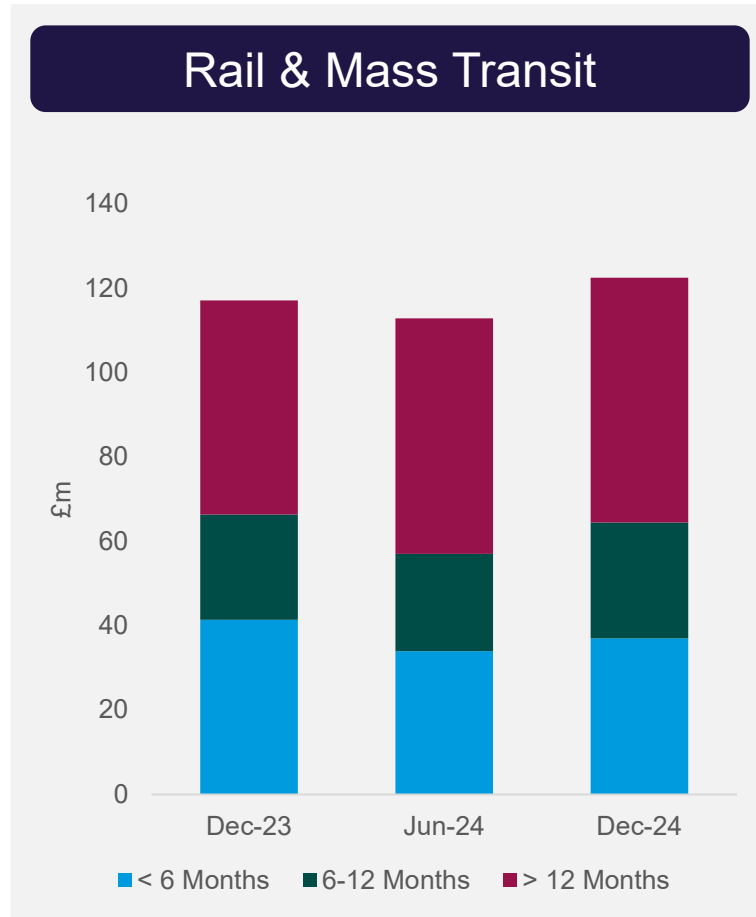
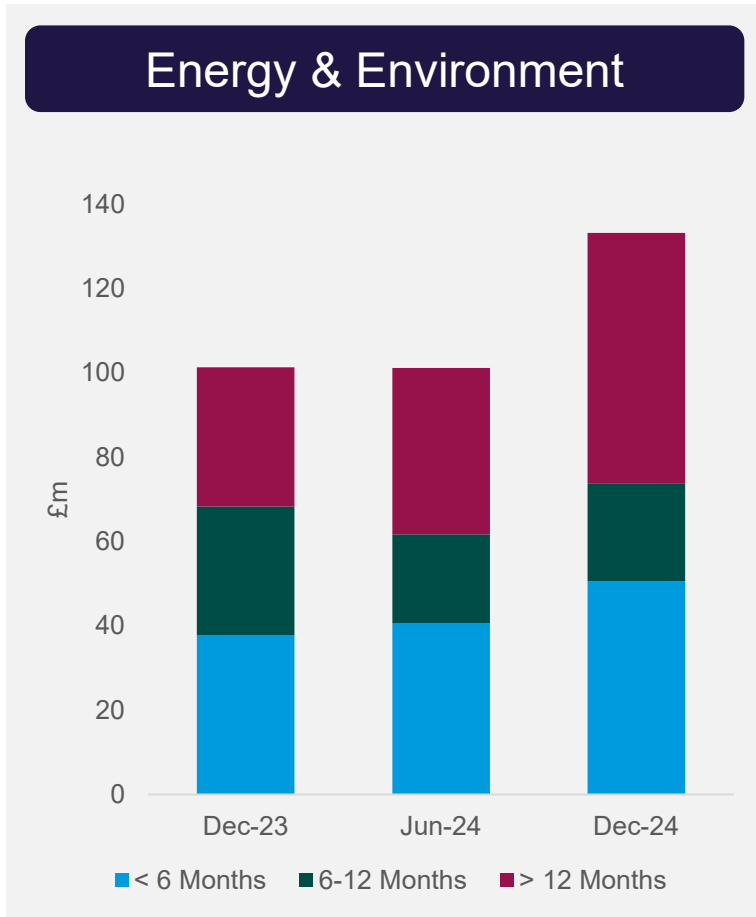
Net debt excludes the impact of IFRS 16.

ROBUST ORDER BOOK UNDERPINNED BY STRONG ORDER INTAKE



Figures presented on a Continuing Operations basis.
 The order book for prior periods has been restated at current period FX rates.

ROBUST ORDER BOOK UNDERPINNED BY STRONG EE AND RAIL



Figures presented on a Continuing Operations basis.
The order book for prior periods has been restated at current period FX rates.

H2 MARGIN IMPROVEMENT AND CASH PRIORITY ACTIONS

MARGIN
Improvement focus:

Near term focus:

- Focus on continued control of indirect costs
- Improve utilisation with use of flexible resources

Medium term focus:

- Continue re-shaping indirect costs post Defense divestment for a path to achieve 20% target
- Drive higher margin recurring & digital revenue
- Continue portfolio transition

CASH
Optimisation focus:

- Laser focus delivery of monthly invoicing & collection
- Identify opportunities to accelerate invoicing milestones on projects in delivery and improving cash terms in bids
- Receipt of R&D tax credit

- Drive operating cash performance
- Control capex spend
- Review options for phasing and funding PP capex

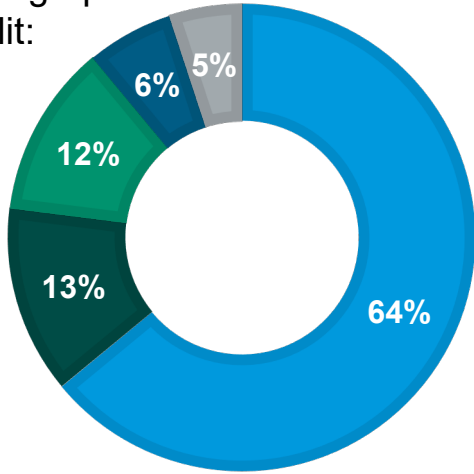


STRATEGIC AND OPERATIONAL PROGRESS

Graham Ritchie

RESILIENT PORTFOLIO DYNAMICS IN ENERGY & ENVIRONMENT

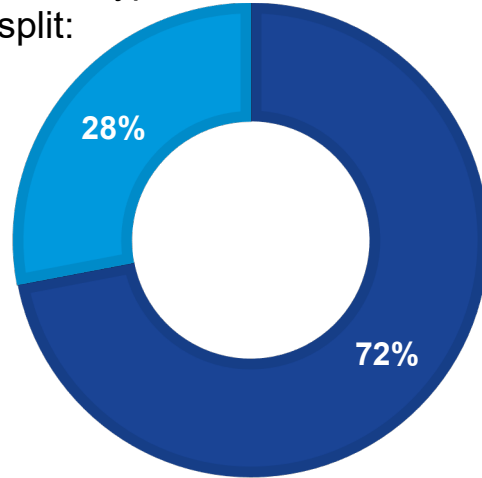
Geographic split:



- UK & Europe
- Australia
- Middle East
- Asia
- North America

UK & Europe concentration
International expansion

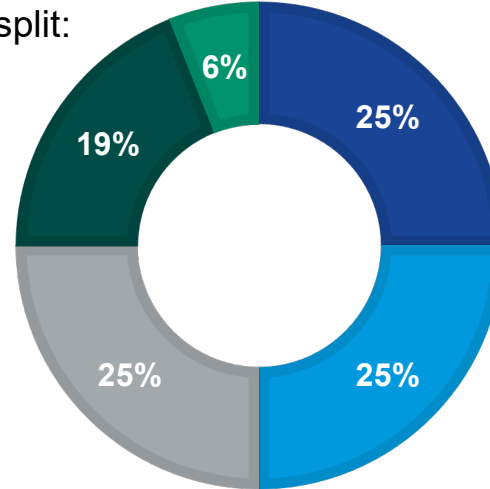
Client type split:



- Public
- Private

High public sector mix
Corporate expansion

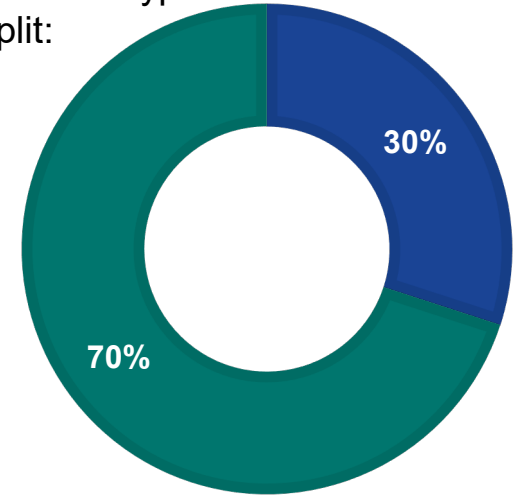
Business area split:



- Air quality
- Water management
- Policy, strategy & economics
- Energy resilience & modelling
- Corporate sustainability

Integrated portfolio
Enhance strategic capability

Services type split:



- Transition
- Adaptation

Comprehensive approach
Life cycle resilience

CLEAR FOCUS TO IMPROVE PERFORMANCE IN ENERGY & ENVIRONMENT

Headwinds:

1. Short term market volatility following elections taking place around the world in 2024, causing order delays
2. Slowdown in sustainability due to ESG pushback

- Air quality
- Water management
- Policy, strategy and economics
- Energy resilience and modelling
- Corporate sustainability

Tailwinds to support long-term:	Near-term focus:
<ul style="list-style-type: none"> • Sizeable project backlog • Global reputation 	Proactive sales expansion into the Middle East & Asia
<ul style="list-style-type: none"> • Large Australian investment requirement • Large UK AMP investment 	Maximise investment cycles in utilities companies
<ul style="list-style-type: none"> • Climate risk and adaptation accelerating • EC & EU Trade Association opportunities 	Build capability and capacity in areas that supports adaptation
<ul style="list-style-type: none"> • New digital product to contribute to growth • Increased demand for infrastructure strategies 	Drive growth through energy planning and digital solutions
<ul style="list-style-type: none"> • Economic uncertainty driving investment in supply chain sustainability and circularity 	Focus on key solutions with economic benefit

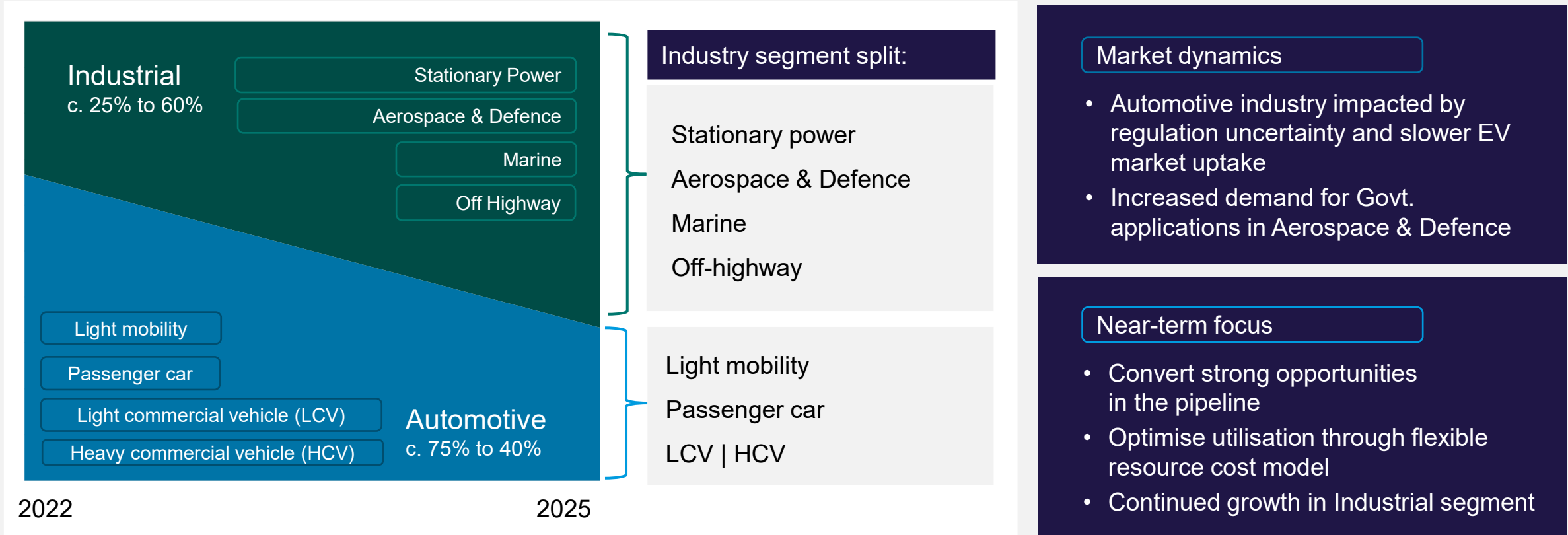
NEAR TERM GROWTH

Single-digit growth with lower to mid-teens margin performance

MEDIUM TERM GROWTH:

Double-digit growth with mid to high-teens margin performance

A&I DIVERSIFICATION TO MANAGE VARIABILITY IN TRADITIONAL MARKETS



NEAR TO MEDIUM TERM GROWTH

Single-digit growth with trend towards high single-digit margin performance

GEOGRAPHIC FOCUS TO SCALE BUSINESS IN RAIL

Mature markets: RETAIN MARKET POSITION



United Kingdom **10%**

Market dynamics:

- Govt focus diverted to restructuring the rail sector
- Focus on operations and maintenance costs

Near term focus:

HS2 focus based on partnership with a key supplier



Europe **30%**

- Aging infrastructure with upgrade opportunities
- Funding challenges drive focus on maintenance

Opportunities in rolling stock and transition to signalling



Australia **15%**

- Rolling stock upgrades materially now complete.
- Medium term consultancy in signalling demand

Pivot into signalling to support key opportunities

Growth markets ACCELERATE MARKET OPPORTUNITIES



North America **15%**

Market dynamics:

- Established provider of Assurance in Canada.
- New entrant in the US.

Near term focus:


Strengthen partnership base. Focus on US client engagements



Asia **25%**

- Price sensitive market.
- Significant new build metro and HSR opportunities

Support Asian OEMs to export. Continue as trusted assurance provider



Middle East **5%**

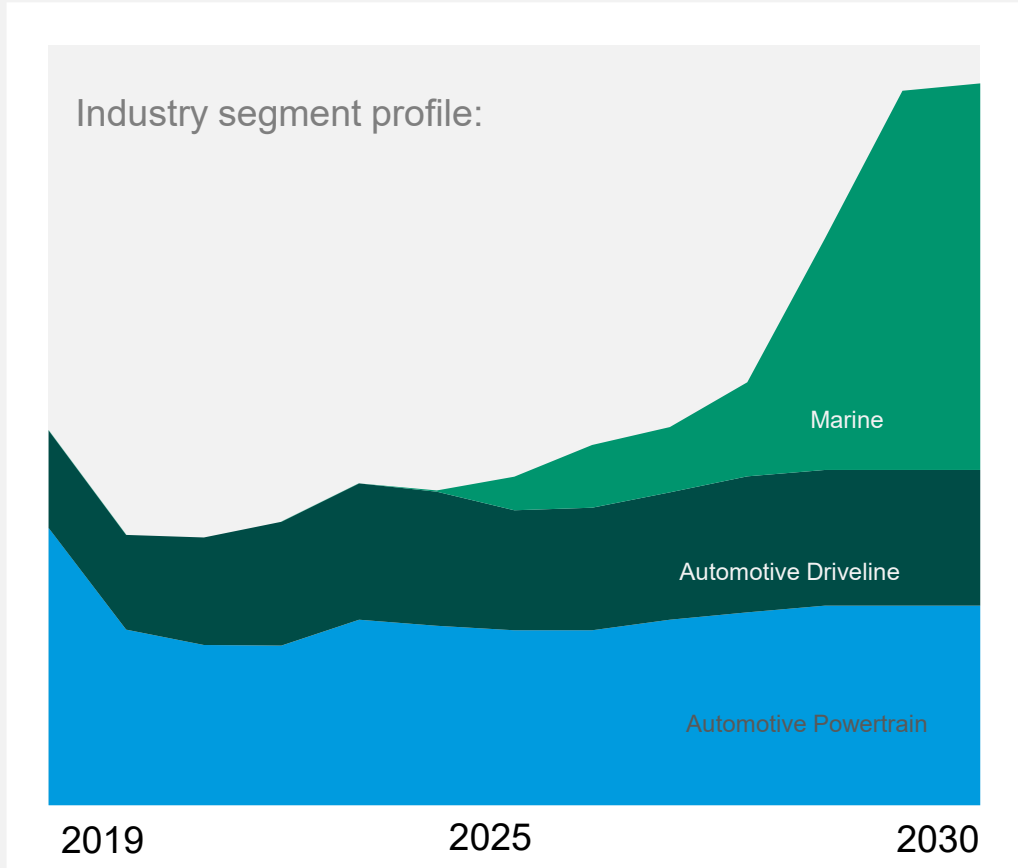
- Continued build of metros, HSR and lighter rail systems.

Retain focus in assurance. Delivery through global team

NEAR TO MEDIUM TERM GROWTH

Single-digit growth with lower to mid-teens margin performance

INVESTING IN THE NEW FRAMEWORK TO CAPTURE HIGH RETURNS



	Market dynamics:	Near term focus:
Automotive Driveline Segment split: c. 40%	<ul style="list-style-type: none"> High performance vehicle programmes are increasing Healthy motorsport market 	<ul style="list-style-type: none"> Drive growth through new wins Scale existing projects
Automotive Powertrain Segment split: c. 50%	<ul style="list-style-type: none"> ICE & Hybrid-ICE solutions being extended and new programmes under development 	<ul style="list-style-type: none"> Adapt business model to facilitate lower volumes Win new programme in hybrid ICE
Marine Segment split: c. 10%	<ul style="list-style-type: none"> Increased outsourcing requirements to meet ramped up market demand for new applications 	<ul style="list-style-type: none"> Build capability ahead of full production in FY27/28

NEAR TERM TO MEDIUM TERM GROWTH: —————→
 Single-digit growth with mid-single digit margin performance

STRATEGIC TARGETS TO ACCELERATE GROWTH ACROSS OUR PORTFOLIO

Medium term focus areas:

Energy & Environment

1. Scale and grow into the private sector across geographics

2. Enhance strategic consulting capability

3. Digital and IP focus to support recurring revenues across the business

Rail & Mass transit

1. Accelerate sales momentum within growth markets

2. Pivot capabilities to operations in mature markets

Automotive & Industrial

1. Accelerate business growth in the industrial segment

2. Drive efficiencies within the automotive segment to meet future demand

Performance Products

1. Invest for accelerated growth into new marine framework

2. Sustain existing automotive niche production programmes

RE-BASED FINANCIAL TARGETS

Business unit medium-term growth targets:

Energy & Environment

Double-digit growth with mid to high-teens margin performance

Rail & Mass transit

Single-digit growth with double digit margin performance

Automotive & Industrial

Single-digit growth with a trend towards high single-digit margin performance

Performance Products

Single-digit growth with mid-single digit margin performance

Group financial medium-term targets:

Group organic revenue growth of mid-single digit through the cycle

Trend towards 10% margin

Average cash conversion 90% through the cycle

3-4% Capex % of revenue

Dividend cover 2.5 -3.0X

Leverage <1.25x EBITDA

Key: ■ Adjusted target ■ Target unchanged

CLOSING REMARKS

Graham Ritchie

CONFIDENCE IN OUR MEDIUM-TERM OUTLOOK

Strategic execution

- Defense disposal supports longer term higher quality of earnings
- E3 Advisory acquisition provides immediate margin accretion
- Long term portfolio transition strategy creates value

First half progress

- Profitability improvement in Automotive & Industrial from variable resourcing
- Cost focus improving margins Year on Year (YoY)
- Robust order book for the long-term underpinned by a strong order intake

Key actions

- Focus on driving good cash generation for H2
- Improve cost base to support future size of business
- Prioritise more resilient solutions and end markets given uncertainty

THANK YOU

Q&A





BUSINESS UPDATES

ENERGY AND ENVIRONMENT

A leader in sustainability consultancy, solving complex environmental challenges

Financial highlights

Revenue

£50.4m

HY 23/24 ⁽¹⁾: £52.5m

Underlying operating profit

£6.8m

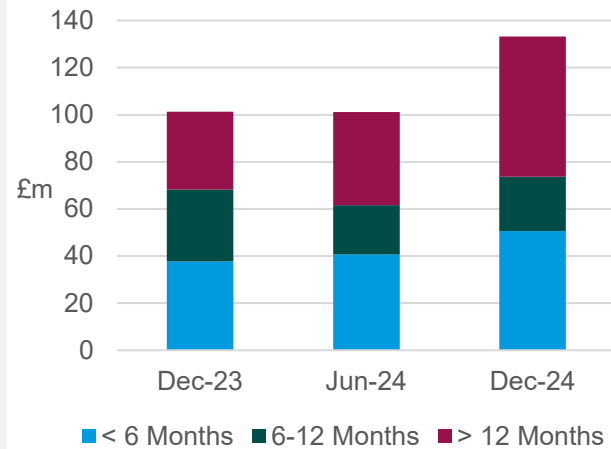
HY 23/24 ⁽¹⁾: £7.9m

Underlying operating profit margin

13.5%

HY 23/24 ⁽¹⁾: 15.0%

Order book profile ⁽¹⁾



Headcount

980

Voluntary attrition: 14% (PY: 11%)

Business update

- Record order intake of £80.8m up 24% on the prior period ⁽¹⁾
- Market driven softness in Policy, Strategy and Economics due to global elections resulting in order delays
- Short term delays in UK water spending but expect growth in H2
- Building back Australia water due to contract losses in Q4 FY23/24

Key project wins

- 10-year National Atmospheric Emissions Inventory (NAEI) extension contract to measure air quality pollutants in the UK
- Secured a 3-year programme for the European Commission to manage a Pan-European transition to clean energy action plan

1. The prior period results have been restated at current period FX rates.

RAIL AND MASS TRANSIT

Experts in critical and complex railway systems, supporting industry’s operational and regulatory demands

Financial highlights

Revenue

£38.1m

HY 23/24 ⁽¹⁾: £37.2m

Underlying operating profit

£4.6m

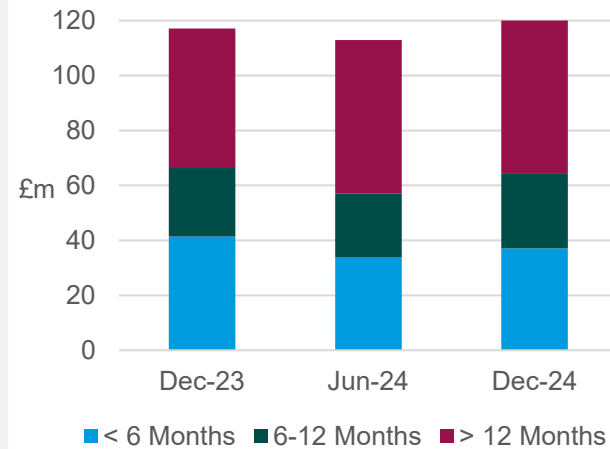
HY 23/24 ⁽¹⁾: £4.0m

Underlying operating profit margin

12.1%

HY 23/24 ⁽¹⁾: 10.8%

Order book profile ⁽¹⁾



Headcount

538

Voluntary attrition: 10% (PY: 14%)

Business update

- Continuation of positive growth in H2 FY23/24
- Good growth across almost all key geographies
- Significant contract wins across Asia
- North America expansion driven by new rail project in Canada
- Completed key projects in the Middle East and have secured new contract wins to support continuity

Key project wins

- Secured a contract to support the Bangkok Expressway and Metro with a multi-year programme of safety system certification
- Secured two high value Canadian based independent safety assurance projects

1. The prior period results have been restated at current period FX rates.

EMERGING AUTOMOTIVE AND INDUSTRIAL

Trusted engineering consulting in decarbonised propulsion design and complex integration

Financial highlights

Revenue

£19.1m

HY 23/24 ⁽¹⁾: £27.3m

Underlying operating profit/(loss)

£1.5m

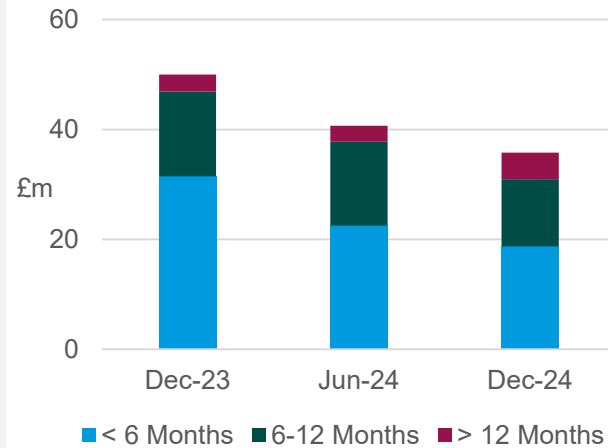
HY 23/24 ⁽¹⁾: £(0.6)m

Underlying operating profit/(loss) margin

7.9%

HY 23/24 ⁽¹⁾: (2.2)%

Order book profile ⁽¹⁾



Headcount

382

Voluntary attrition: 12% (PY: 15%)

Business update

- Global delays in transition technologies for propulsion solutions resulted in reduced order intake compared to the prior period
- Contract wins for electrification programmes were secured in the aerospace and heavy-duty industries
- Flexible resourcing model supported increased profitability
- Business remains focused on core markets across maritime and aerospace and defence

Key project wins

- Secured an extension programme to develop an advanced control system for electrified vehicles for a leading defence OEM
- Secured a contract for the US Dept. of Energy to develop advanced integrated charging systems

1. The prior period results have been restated at current period FX rates.

ESTABLISHED AUTOMOTIVE AND INDUSTRIAL

Over a century of propulsion design and development

Financial highlights

Revenue

£20.9m

HY 23/24 ⁽¹⁾: £10.8m

Underlying operating loss

£(0.4)m

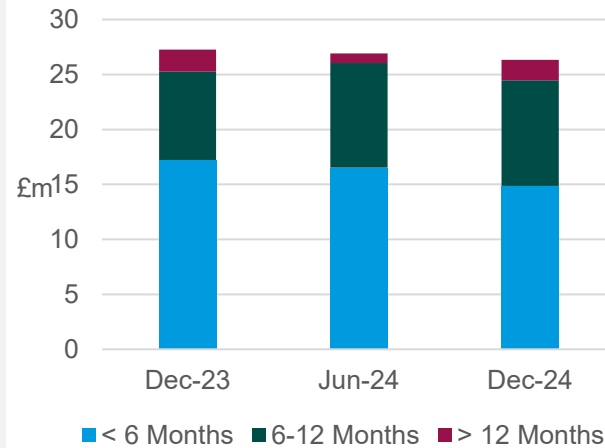
HY 23/24 ⁽¹⁾: £(3.5)m

Underlying operating loss margin

(1.9)%

HY 23/24 ⁽¹⁾: (32.4)%

Order book profile ⁽¹⁾



Headcount

239

Voluntary attrition: 12% (PY: 15%)

Business update

- Strong order intake owing to a sustained interest in internal combustion propulsion solutions
- Revenue increased by 94% on a constant currency basis
- Cost saving actions and flexible resourcing model supported improvements in margins and overall profitability
- Continued demand for services in maritime and defence and off highway vehicles to meet changing emissions regulations

Key project wins

- Secured a contract with a Chinese automotive OEM to design and develop an automatic transmission for a commercial vehicle
- Secured the next phase of an ongoing engineering programme to provide engineering consultancy for a marine application

1. The prior period results have been restated at current period FX rates.

PERFORMANCE PRODUCTS

Engineering specialists in transmission design and niche-volume manufacturing

Financial highlights

Revenue

£40.6m

HY 23/24 ⁽¹⁾: £38.2m

Underlying operating profit

£2.8m

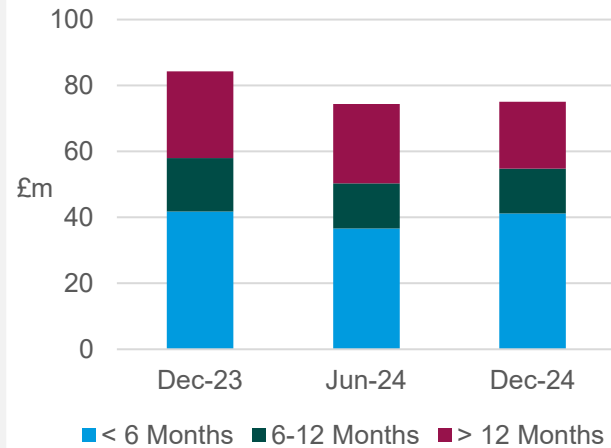
HY 23/24 ⁽¹⁾: £2.0m

Underlying operating profit margin

6.9%

HY 23/24 ⁽¹⁾: 5.2%

Order book profile ⁽¹⁾



Headcount

346

Voluntary attrition: 10% (PY: 15%)

Business update

- Revenue increased owing to higher volumes in existing production programmes and new programmes now ramping up
- Launch of new modular transmission system to support hybrid and EV drive concepts
- Increase in CAPEX to support a large framework agreement which commences production in FY27/28

Key project wins

- Ricardo has partnered with Zenvo to design and supply transmissions for the Aurora programme, Zenvo's latest supercar
- Secured a contract design and manufacture a motorsport transmission for Formula E Championship, commencing in 2026

1. The prior period results have been restated at current period FX rates.

RESILIENT SOLUTIONS WITH OPPORTUNITY FOR GLOBAL EXPANSION



World leading air quality inventory extension programme

Client: UK Government
Contract period: 10 years
Contract value: £23.8m

Leading to:
A contract win to create an emissions inventory solution of UAE's Ministry of Climate Change and Environment



Leading the development of the Rural masterplan 2050

Client: Lower Murray Water Services
Contract duration: 1 year
Contract value: £250k

Leading to:
Opportunities to support UK utility companies with rural and irrigation services to navigate future challenges for rural clients.



EU citizens energy advisory hub to transition to clean energy

Client: EU Commission
Contract duration: 3 years
Contract value: €7.3m (£5.7m)

Leading to:
New possibilities to build energy communities for other governments around the world.

MULTI-YEAR RAIL CONTRACTS PROVIDE LONG-TERM VISIBILITY



UK & Europe

Development of Belfast Grand Central Station to enhance connectivity

Supporting a major infrastructure development and build to enhance connectivity across Northern Ireland and the Republic of Ireland



Asia

Comprehensive safety and assurance programme for Bangkok Expressway and Metro

Supporting the Bangkok Expressway and Metro with a multi-year programme of safety management system certification of critical metro infrastructure

PROPULSION AGNOSTIC CAPABILITIES TO SUPPORT ENHANCED PERFORMANCE ACROSS INDUSTRIAL AND AUTOMOTIVE INDUSTRIES

Industrial

Multi-year programme to develop and integrate a next generation propulsion system

Ricardo is developing a next-generation propulsion system, to be manufactured from a domestic supply chain in India, enabling its client BEML to create a truly indigenous technology of the future.

Automotive

Electrical advancement for the US Department of Energy

A £4m project to develop advanced integrated charging systems to optimise on-board charging and vehicle traction, while delivering reduced manufacturing costs.



ENGINEERING DESIGN AND INDUSTRIALISATION AHEAD OF SERIES SUPPLY OF A NEW HIGH-PERFORMANCE APPLICATION

Client

A major marine OEM

Contract value:

£50m order to date

Contract duration:

Multi-year programme ahead
of production in 2028



Successfully won and are delivering a £50m multi-year programme, bringing together our expert engineering consultancy and niche manufacturing capabilities to drive design innovation, sustainability, and advanced manufacturing for a high-performance marine application

APPENDIX

INCOME STATEMENT – CONTINUING/DISCONTINUED OPERATIONS

£m	Six months ended 31 December							
	2024			2023			Period-on-period movement	
	Underlying	Specific adjusting items ⁽¹⁾	Total	Underlying ⁽²⁾	Specific adjusting items ⁽¹⁾	Total	Underlying	Total
Revenue	169.1	-	169.1	167.6	-	167.6	1%	1%
Gross profit	50.9	-	50.9	46.9	-	46.9	9%	9%
Indirect costs	(42.6)	(16.5)	(59.1)	(45.8)	(9.9)	(55.7)	(7)%	6%
Operating profit/(loss) from continuing	8.3	(16.5)	(8.2)	1.1	(9.9)	(8.8)	655%	(7)%
Net finance costs	(4.2)	(0.1)	(4.3)	(4.1)	-	(4.1)	2%	5%
Profit/(loss) before tax from continuing operations	4.1	(16.6)	(12.5)	(3.0)	(9.9)	(12.9)	237%	(3)%
Taxation charge	(1.2)	0.3	(0.9)	0.6	0.9	1.5	(300)%	(160)%
Profit/(loss) from continuing operations	2.9	(16.3)	(13.4)	(2.4)	(9.0)	(11.4)	221%	18%
Profit from discontinued operations	3.9	36.8	40.7	8.2	(0.1)	8.1	(52)%	402%
Profit/(loss) for the period	6.8	20.5	27.3	5.8	(9.1)	(3.3)	17%	927%

1. Specific adjusting items comprise amortisation of acquired intangible assets, acquisition & strategic project related expenditure, earn-outs and deferred consideration, goodwill impairment, reorganisation costs, sale & leaseback, ERP costs and gain on disposal of discontinued operation.
2. To ensure a standardised approach across the Group, the classification of business development and operational costs have been aligned across our operating segments, resulting in the reclassification of £2.2m of salary costs from direct to indirect in the prior period.

CASHFLOW – EXPECTED IMPROVEMENTS IN H2

£m	Six months ended 31 December		
	2024	2023 ⁽²⁾	% change
EBITDA	20.6	19.2	7%
Share based payments, Fair value on derivatives, Unrealised FX, Disposal of PPE	0.8	1.3	(38)%
Working capital decrease/(increase)	(22.6)	5.8	(490)%
Pension charge and funding	-	(0.7)	(100)%
Underlying cash from operations	(1.2)	25.6	(105)%
Underlying cash conversion %	(6)%	133%	(139)pp
Net interest paid	(4.3)	(3.9)	10%
Income tax paid	(0.8)	(5.4)	(85)%
Capital expenditure	(5.3)	(5.3)	-
Principal element of lease payments	(3.2)	(2.6)	23%
Dividends	(5.5)	(5.4)	2%
Purchase of own shares, FX, Financing fees	(1.1)	(0.5)	120%
Movement in net debt before acquisition & restructuring related costs	(21.4)	2.5	(956)%
Proceeds from sale of discontinued operation, net of fees	64.3	-	n/a
Acquisition and earn-out related costs	(0.4)	(2.6)	(85)%
Reorganisation and ERP related costs	(1.2)	(1.1)	9%
Sale and leaseback	(0.2)	-	n/a
Movement in net debt ⁽¹⁾	41.1	(1.2)	3525%
Opening net debt	(59.6)	(62.1)	
Closing net debt	(18.5)	(63.3)	

1. Cash outflow net of movement in borrowings, excluding restricted cash.

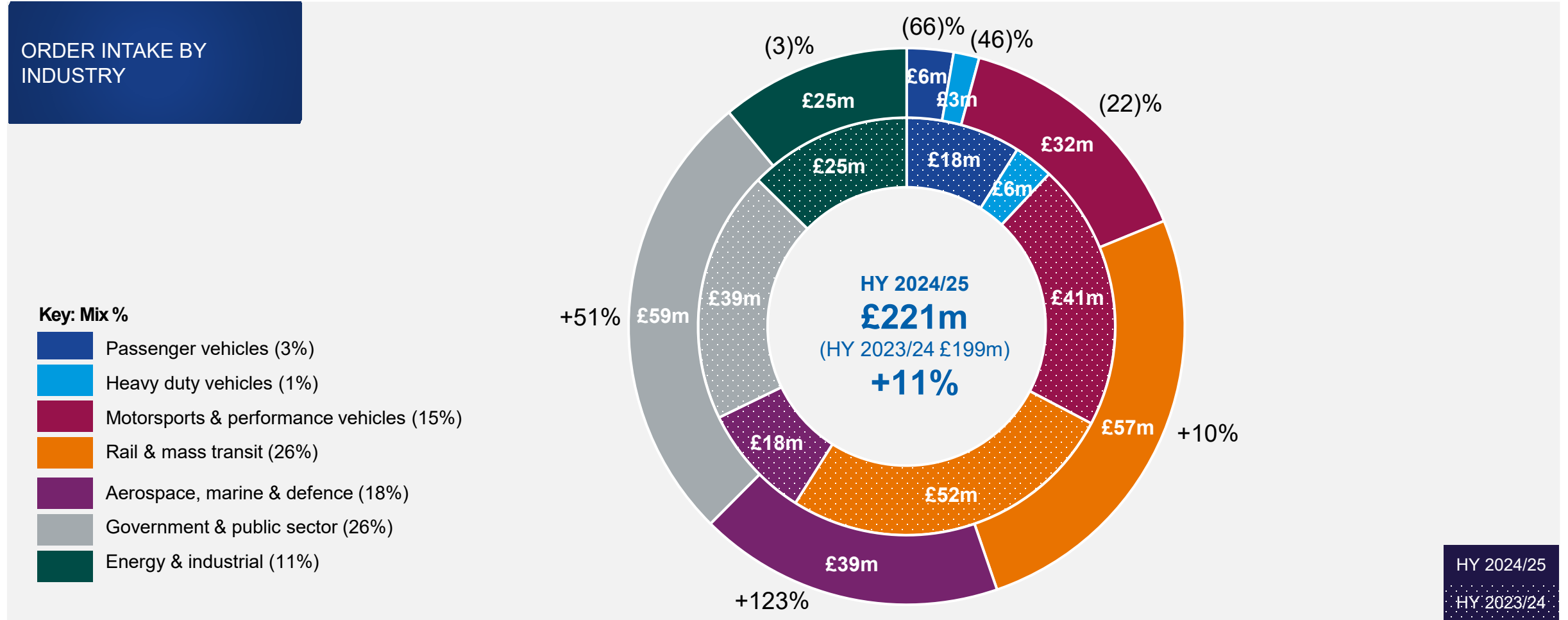
2. The prior year has been restated following a recommendation from the FRC to reclassify cash flow hedges of £0.7m to fair value on derivatives and unrealised FX.

SPECIFIC ADJUSTING ITEMS – PORTFOLIO TRANSITION

- Specific adjusting items all aligned to portfolio transition

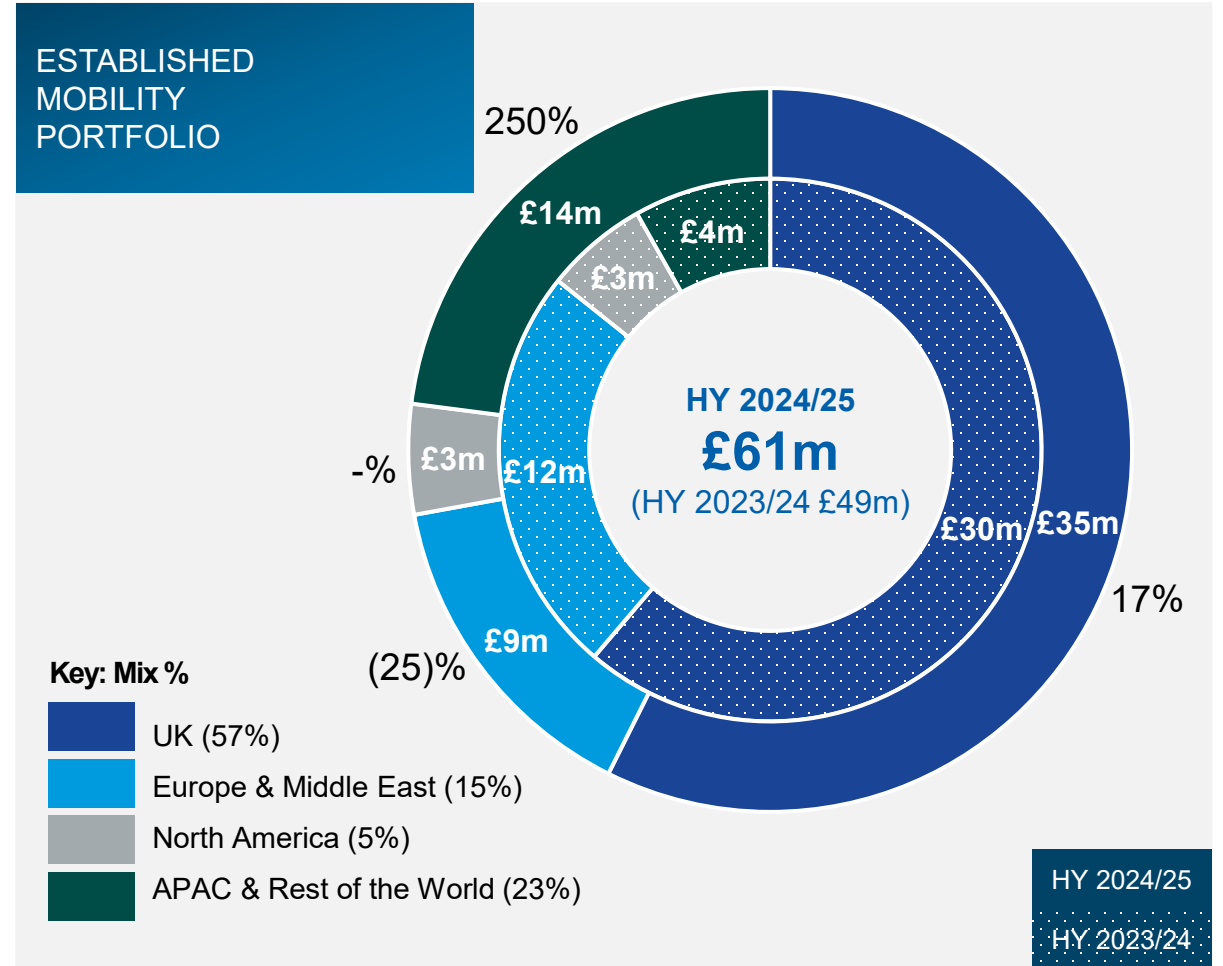
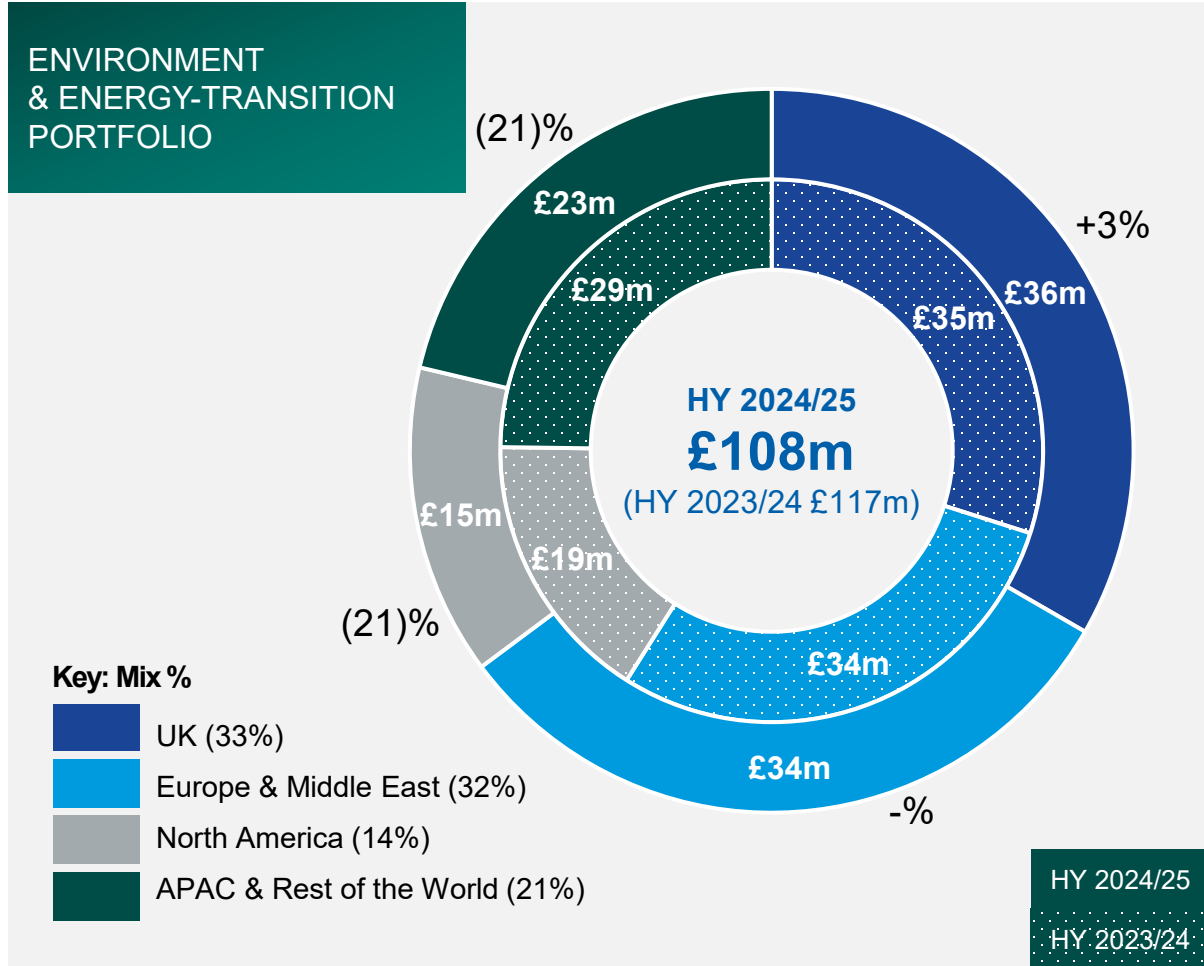
£m	Six months ended 31 December			
	Income statement		Cash flow	
	2024	2023	2024	2023
Continuing operations				
Amortisation of acquisition-related intangible assets	(1.1)	(2.5)	-	-
Acquisition and strategic project related expenditure	(0.7)	(0.3)	(0.3)	(0.5)
Earn-out and deferred consideration	(0.8)	(6.2)	(0.1)	(1.8)
A&I goodwill impairment	(14.0)	-	-	-
Reorganisation costs:				
Acceleration of operating model transformation	-	(0.6)	(0.8)	(0.2)
Other reorganisation costs	-	-	(0.3)	(0.7)
Sale and leaseback	-	-	(0.2)	-
ERP system implementation costs	-	(0.3)	(0.1)	(0.2)
Total from continuing operations before tax	(16.6)	(9.9)	(1.8)	(3.4)
Discontinued operations				
Gain on disposal and related external fees	36.8	(0.1)	64.3	(0.3)
Total Group before tax	20.2	(10.0)	62.5	(3.7)

TRANSFORMING OUR BUSINESS MIX



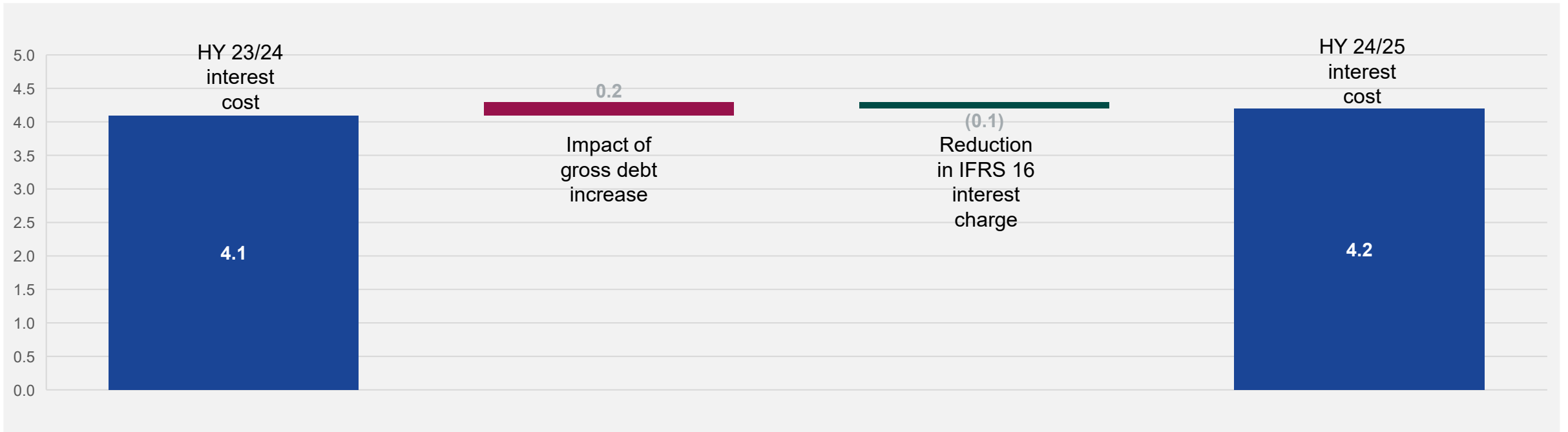
Figures presented on a Continuing Operations basis. The prior period results have been restated at current period FX rates.

REVENUE BY KEY REGIONS



Figures presented on a Continuing Operations basis. The prior period results have been restated at current period FX rates.

INTEREST COSTS



£m	Average for period		At 31 December	
	2024	2023	2024	2023
Interest rate	6.88%	6.90%	6.56%	7.05%