

INVESTOR PRESENTATION

& **Financial Statements** for the year ended 31.10.25



Velocity Disclaimer

IMPORTANT NOTICE

THIS DOCUMENT AND ITS CONTENTS ARE CONFIDENTIAL AND ARE NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES OF AMERICA, AUSTRALIA, NEW ZEALAND, CANADA, JAPAN, SOUTH AFRICA OR ANY JURISDICTION WHERE SUCH DISTRIBUTION IS UNLAWFUL.

This document and its contents (including any oral information, question and answer session and any other document or materials distributed or disclosed in connection with this document) (the "Presentation") has not been approved by an authorised person within the meaning of the United Kingdom's Financial Services and Markets Act 2000 (the "FSMA"). Reliance upon the Presentation for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested. If any person is in doubt as to the contents of the Presentation, they should seek independent advice from a person who is authorised for the purposes of the FSMA and who specialises in advising in investments.

This Presentation, has been prepared by the directors of Velocity Composites plc (the "Company") and contains confidential information regarding the Company, its business and operations and members of its group ("Group"). It is provided for the exclusive use of the persons provided with the Presentation and this Presentation and the information disclosed in it and/or any further confidential information made available to any recipient, either verbally or in writing, must be held in complete confidence and without prejudice to the aforesaid, such information and documents containing such information may not be reproduced, used or in any way disclosed without the prior written consent of the Company. The recipient has further agreed to return all documents and other material held by it relating to the Presentation upon request.

The Presentation is being made available to the recipients thereof for the purpose of providing information and is not intended to form the basis of any investment activity or decision, and should not be considered as a recommendation by the Company that any recipient should acquire any interest in the share capital or any other interest in the Company. It does not constitute or form part of and should not be relied upon in connection with any offer, invitation or recommendation to sell or issue, or a solicitation of an offer invitation or recommendation to purchase or subscribe for, any securities or other interest in the Company or any related entity and no legal relations shall be created by its issue. The Presentation shall not form the basis of any prospectus, contract or commitment whatsoever and should not be relied upon in relation to any

prospectus, contract or commitment. is being made available to the recipients thereof for the purpose of providing information and is not intended to form the basis of any investment activity or decision, and should not be considered as a recommendation by the Company that any recipient should acquire any interest in the share capital or any other interest in the Company. It does not constitute or form part of and should not be relied upon in connection with any offer, invitation or recommendation to sell or issue, or a solicitation of an offer invitation or recommendation to purchase or subscribe for, any securities or other interest in the Company or any related entity and no legal relations shall be created by its issue. The Presentation shall not form the basis of any prospectus, contract or commitment whatsoever and should not be relied upon in relation to any prospectus, contract or commitment.

To the extent permitted by law or regulation, no undertaking, representation or warranty or other assurance, express or implied, is made or given by or on behalf of the Company or any of its parent or subsidiary undertakings or the subsidiary undertakings of any such parent undertaking, or any of its directors, officers, partners, employees, agents, affiliates, representatives or advisors, or any other person, as to the accuracy, completeness or fairness of the information or opinions contained in the Presentation. Save in the case of fraud, no responsibility or liability is accepted by any person for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred, however arising, directly or indirectly, from any use of, as a result of the reliance on, or otherwise in connection with, the Presentation. In addition, no duty of care or otherwise is owed by any such person to recipients of the Presentation or any other person in relation to the Presentation.

The Presentation includes "forward-looking statements". All statements other than statements of historical facts in this Presentation, including, without limitation, those regarding the future financial position, objectives, development and strategies of management for future operations of the Company and/or the Group are forward-looking statements. The Company uses the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "may", "will", "should" and any similar expressions to identify forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control, which may cause the Company's and/or the Group's actual results, performances or achievements of its results, or industry results, to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's and/or the

Group's present and future business strategies and the environment in which the Company and/or the Group will operate in the future. As a result of the risks, uncertainties and assumptions the recipients should not place reliance on the forward-looking statements. Whilst all reasonable care has been taken to ensure that the facts stated in the Presentation are accurate, the forecasts, opinions and expectations contained in the Presentation have not been independently verified. No reliance may be placed for any purpose whatsoever on, the accuracy, completeness or fairness of the information or opinions contained in the Presentation and no responsibility or liability is assumed by any such persons for any such information or opinions or for any errors or omissions.

Presentation Team



Jon Bridges
CEO

Jon co-founded Velocity Composites in 2007. Jonathan has over 33 years' experience within the advanced composites industry and is an experienced composite engineer. Previously, Jon was an Aerospace and Lean Solutions Specialist at Cytec Process Materials where he was responsible for direct sales support of UK and European based clients.

From 2003 to 2005 Jon was a Manufacturing Engineer for Safran Nacelles where he was responsible for the manufacturing function for a growing, highly loaded aerospace unit supplying multiple assembly lines. Jon has a BSc in Materials Science from Coventry University and is a Director of the North West Aerospace Alliance.



Rob Smith
CFO

Rob is a chartered management accountant with significant experience in leadership roles in a number of AIM quoted technology companies, where he has been instrumental in leading growth strategies and improving operational efficiencies. Rob has a proven track record in advanced manufacturing at both CFO and CEO level, including manufacturing systems implementation and international commercial leadership.

Most recently Rob served as Group CFO at Biome Technologies plc and prior to that, in the CFO and CEO roles at Filtronic plc between 2014 and 2020, a designer and manufacturer of advanced filters, antennas and transceivers.

FY25 Financial Highlights



Revenue
£20.7m
FY24 £23.0m

Cash at Bank
£0.4m
FY24 £1.7m

Gross Margin %
29.5%
FY24 25.9%

Adjusted EBITDA*
£1.0m
FY24 £0.4m

Operating Loss
£(0.7)m
FY24 £(0.9)m

* adjusted Earnings before interest, tax, depreciation, amortisation and adjusted for share-based payments.

2025 Review

- Spirit re-acquisition processes completed December 2025, later than expected. This resulted in a continuing drag on production at both Boeing and Airbus.
- FAA raised Boeing's production cap from 38 to 42 late in 2025, with plans to increase further to 47 in 2026 and then potentially to 52 to 57 per month.
- Increases in defence procurement announced.
- Airbus deliveries on A350 programme were 57 in 2025 unchanged from 2024. The production rate still projected to increase to 10/12 per month.

Outlook for 2026

- Optimism that both civil and defence production and delivery rates will increase.
- Benefits from Spirit re-acquisition and B737 rate cap increase starting to be seen.
- Defence sector growth likely to lag announcements.
- Working to secure new business in Europe that can be serviced from UK production facilities as delays in production ramps have resulted in one UK customer off-shoring production during 2026 and another in-housing legacy programmes.

US OPERATIONS

- FY25 growth curtailed due to delayed transfer of key engine fan case programmes from lead customer delayed.
- Approximately 40% of contracted work transferred.
- Customer recognises impact on Velocity and has stepped up efforts to add new business streams including service revenue and consumable kits.
- New business development activities stepped up with potential of second US customer being announced in the near-term.

EUROPEAN OPERATIONS

- Contract renewal with existing defence customer announced.
- Contract renewal and scope increased with existing customer in 10-year deal.
- UK outlook affected by two customers in-loading work because of excess capacity issues / legacy programmes ending.

Summary Income Statement

| | FY25 £000 | FY24 £000 |
|-------------------------|----------------|----------------|
| Revenue | 20,701 | 23,006 |
| Cost of sales | (14,595) | (17,045) |
| Gross profit | 6,106 | 5,961 |
| Administrative costs | (6,824) | (6,892) |
| Operating loss | (718) | (931) |
| Finance expense | (340) | (413) |
| Loss before tax | (1,084) | (1,344) |
| Adjusted EBITDA* | 990 | 374 |

- Group revenue for FY25 decreased 10% as sales on legacy programmes decreased and expected ramp on A350 and US contract were delayed.
- Gross profit improved as a result of the improved sales mix and better production efficiencies both in the UK and US.
- Gross margin percentage of 29.5% (FY24: 25.9%) that was achieved.
- Administrative expenses flat with focus on cost controls as sales growth delayed.
- Adjusted EBITDA profit achieved more than doubled.

* adjusted Earnings before interest, tax, depreciation, amortisation and adjusted for share-based payments.

Summary Statement of Financial Position

| | FY25 £000 | FY24 £000 |
|----------------------------------|--------------|--------------|
| Non-current assets | 4,788 | 4,667 |
| Inventories | 2,099 | 2,500 |
| Trade and other receivables | 3,025 | 3,977 |
| Cash and cash equivalents | 392 | 1,663 |
| Current assets | 5,516 | 8,140 |
| Loans | 402 | 503 |
| Trade and other payables | 2,594 | 3,933 |
| Obligations under finance leases | 703 | 561 |
| Current liabilities | 3,699 | 4,997 |
| Non current liabilities | 1,464 | 1,944 |
| Net assets | 5,141 | 5,866 |

- Non-current assets increase with investment in US freezer store and ongoing R&D capitalisation slightly higher than normal depreciation and amortisation.
- Inventory management continues to be a key focus area and we expect further improvements will be achieved.
- Trade receivables reduced due to lower sales and we reduce debtor days to 44 days (FY24: 53 days)
- Trade payables reduced as part of the improvement in inventory and lower sales activity.
- Non-current liabilities include CBILs that reduced by £0.4m to £0.1m and obligations under finance leases that saw a net reduction of £0.1m.

Summary Statement of Cash Flows

| | FY25 £000 | FY24 £000 |
|--|----------------|----------------|
| Operating cash in flow | 827 | 345 |
| Movements in working capital | 33 | (373) |
| Cash in / (out)flow from operations | 860 | (28) |
| Tax received | 130 | 398 |
| Net cash in flow from operations | 990 | 370 |
| Cash used in investing activities | (729) | (584) |
| Cash used in financing activities | (1,498) | (1,412) |
| Decrease in cash | (1,237) | (1,626) |
| Cash at 1 November | 1,663 | 3,178 |
| Currency exchange movement | (34) | 111 |
| Cash at 31 October | 392 | 1,663 |

- Doubled net cash flow generated from operations.
- Investing activities were:
 - Purchases of PP&E of £334k, principally new freezer facility in the US
 - Capitalisation of development costs of £409k
 - Financing costs included CBIL repayment of £0.5m (FY24: £0.5m) of CBIL and finance leases
- Overall net (debt) / cash position at 31 October:

| | FY25 £000 | FY24 £000 |
|--|--------------|--------------|
| Cash | 392 | 1,663 |
| CBIL loan | (497) | (971) |
| Invoice discounting facility utilisation | - | - |
| Net (debt) / cash | (105) | 692 |

FY26 Outlook and Summary



- Complete transfer of remaining US customer programmes
- Work with launch customer on additional business as part of mitigation plan
- Manage existing customer work transfers and legacy programme cessation, including VC production move from Fareham to Burnley
- Accelerate new business development activities in UK, US and Europe based on customer with growing, geographically stable and diverse portfolios of multiple aircraft programmes
- Implement enhanced ways of working which drive faster and easier adoption of our services (VAMOS®)

Appendices

Major Shareholders (as at 13 January 2026)



| NAME | Number of Ordinary Shares | % of issued Ordinary Shares |
|------------------------------|---------------------------|-----------------------------|
| Maven Renovar VCT PLC | 5,650,294 | 10.34% |
| Jonathan Bridges | 5,365,929 | 9.82% |
| Seneca Partners | 4,519,236 | 8.27% |
| Stonehage Fleming | 4,458,956 | 8.16% |
| Christopher Banks | 4,069,693 | 7.44% |
| Gerard Johnson | 4,025,000 | 7.36% |
| Rathbones | 2,841,000 | 5.20% |

Experienced Board and Senior Management



Andy Beaden
Non-Executive Chairman

Andy has over 30 years experience in finance, technology and manufacturing. He is a Chartered Accountant, and worked at Executive Board level for 20 years in a series of advanced material technology businesses, both listed and privately owned.



Jon Bridges
Chief Executive Officer

Jon has 33 years' experience within the advanced composites industry and is an experienced composite engineer. Jon is a founder of Velocity and known for his extensive knowledge around composite process technologies.



Rob Smith
Chief Finance Director

Rob has significant experience in leadership roles in a number of AIM quoted technology companies, where he has been instrumental in leading growth strategies and improving operational efficiencies. He has a proven track record in advanced manufacturing at both CFO and CEO level.



Annette Rothwell
Non-Executive Director

Annette has extensive experience in industries undergoing transformational change. Since 2011, she has served as a director on the board of the Midlands Aerospace Alliance, the regional body for the Aerospace, Defence and Security industry. She has held a number of senior aerospace roles with global responsibility for supply chain management and procurement.



David Bailey
Non-Executive Director

David has contributed to the strategic direction of the UK's aerospace industry and cross-sector composites sector as a Board member of the Aerospace Growth Partnership and Composites Leadership Forum. He has a PhD in aeronautics and an in-depth practical knowledge around operational excellence and sustainability within multiple manufacturing sectors.

Our Approvals



BOMBARDIER



BAE SYSTEMS

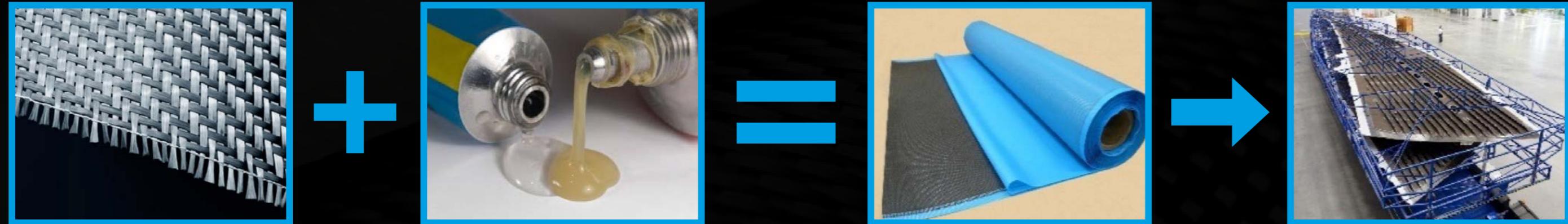
AIRBUS:
ABP-62185, ABP-61289, AIPS03-02-018,
AIPS03-02-019, AIPS03-07-007

BOEING:
BCA-65224-0312
+ SBP-65224-0411

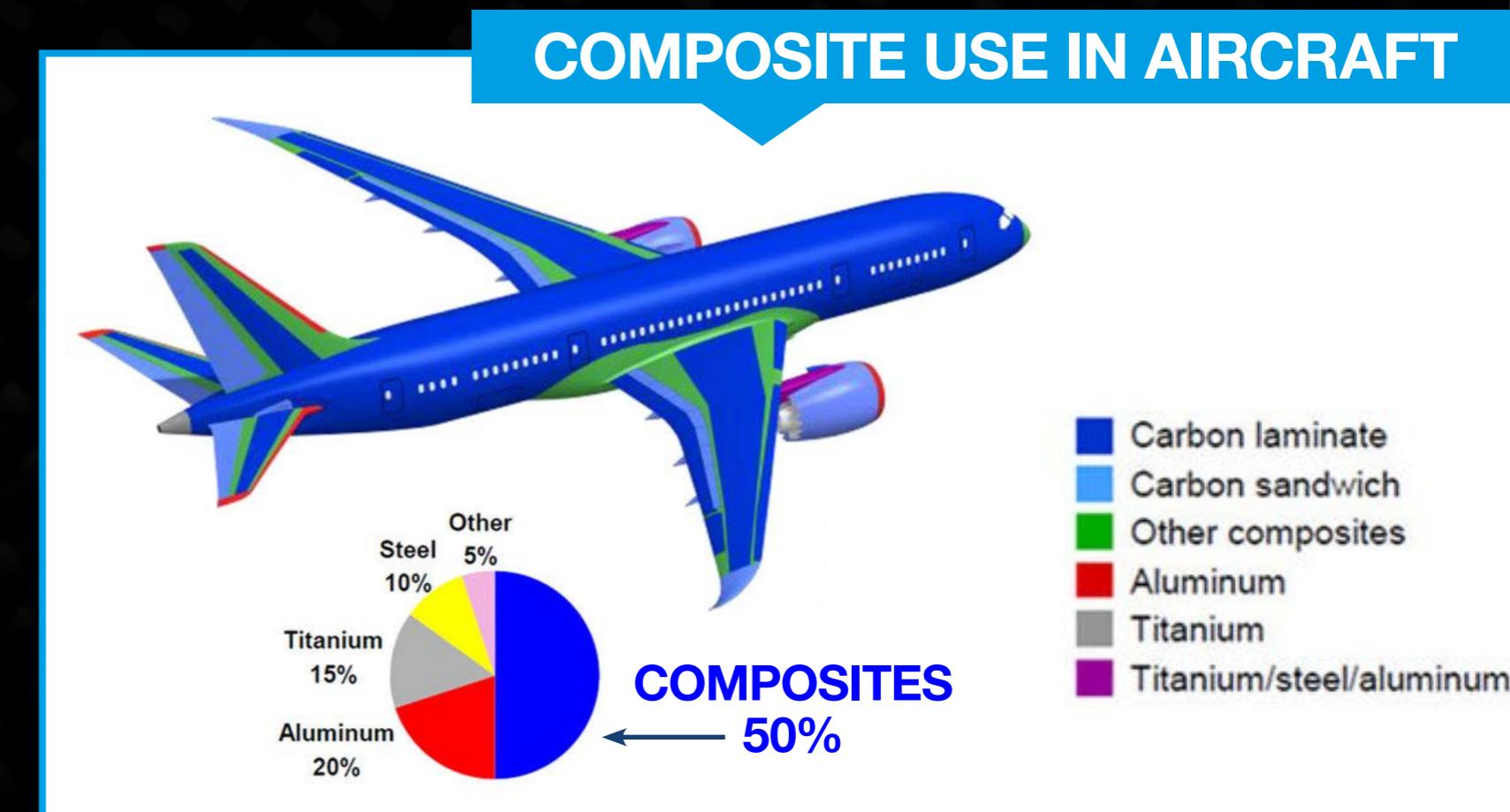
NADCAP - AC7118 (KSP)
Merit status (all UK facilities)

- **VELOCITY COMPOSITES PLC** is an established business which delivers real benefits to large aerospace manufacturers by using proprietary digital technology to manage and remove waste from the complex raw material supply chain.
- **FIRST TO MARKET** We are the only company to provide a complete outsourced solution to composite aerostructure manufacturers.
- **HUGE MARKET GROWTH** Aerospace industry currently spends \$6.5bn per annum on composite materials. Projected tenfold increase of composites within aircraft by 2041 to meet net zero.
- **OUR SOLUTIONS ARE NECESSARY TO THE AEROSPACE INDUSTRY.** If the aerospace industry is to meet its projections it needs our solutions to reduce costs and accelerate production rates
- **SUSTAINED adjusted EBITDA AND POSITIVE CASH GENERATION EXPECTED** once contracted business transfers.
- **DEFENCE INDUSTRY** We are focusing our business development efforts on winning more defence sector business to balance out our civil programmes
- **REVENUE INCREASES** set to resume when, US transfers complete, programme production rates increase and industry players are coming to us.
- **5 YEAR REVENUE TARGET OF £100M WITH 10% EBITDA** Existing facilities could support up to £70.0m annually.

Composite Materials



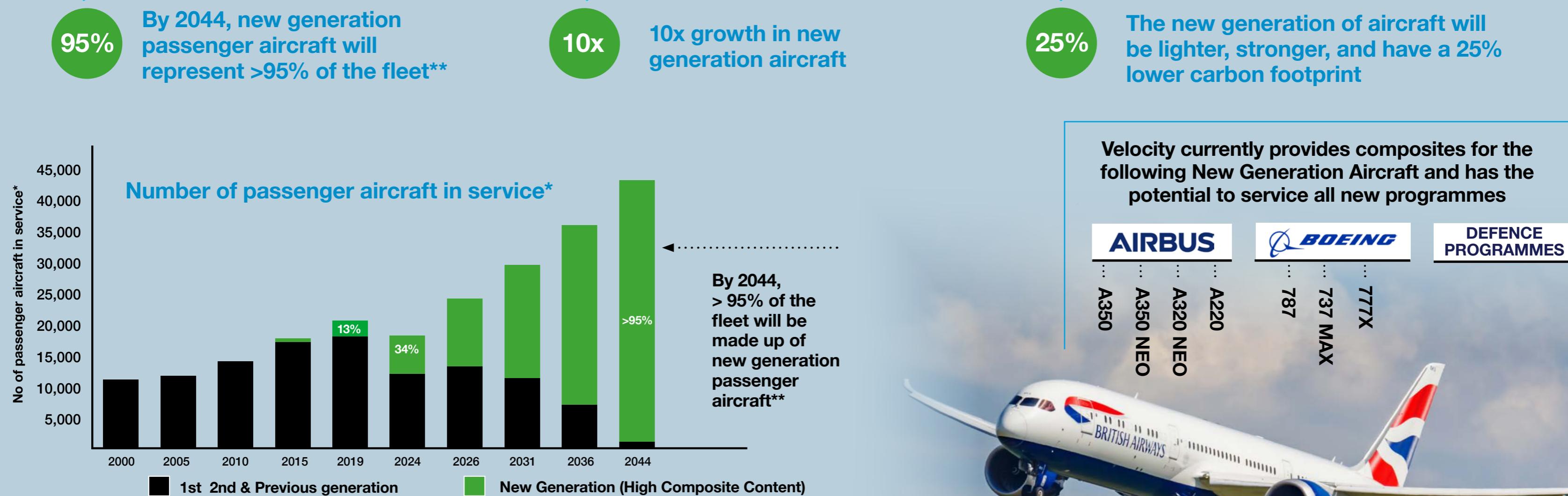
- A combination of a matrix and a reinforcement, which when combined gives properties superior to the properties of the individual components
- In the case of an aerospace composite, the reinforcement is the fibres and the matrix is the thermosetting resin
- Better weight saving, strength, corrosion resistance and fatigue resistance when compared with metals
- Less weight equals less cost for airlines and increased range
- Material has a shelf life until cured



Sustainability driving growth | New generation aircraft



In 2024, around 34% of the world's in service aircraft fleet are of the latest generation. Latest generation aircraft are delivering up to 25% better fuel efficiency and lower CO2 emissions than previous generation aircraft" (AIRBUS Global Market Forecast 2025)



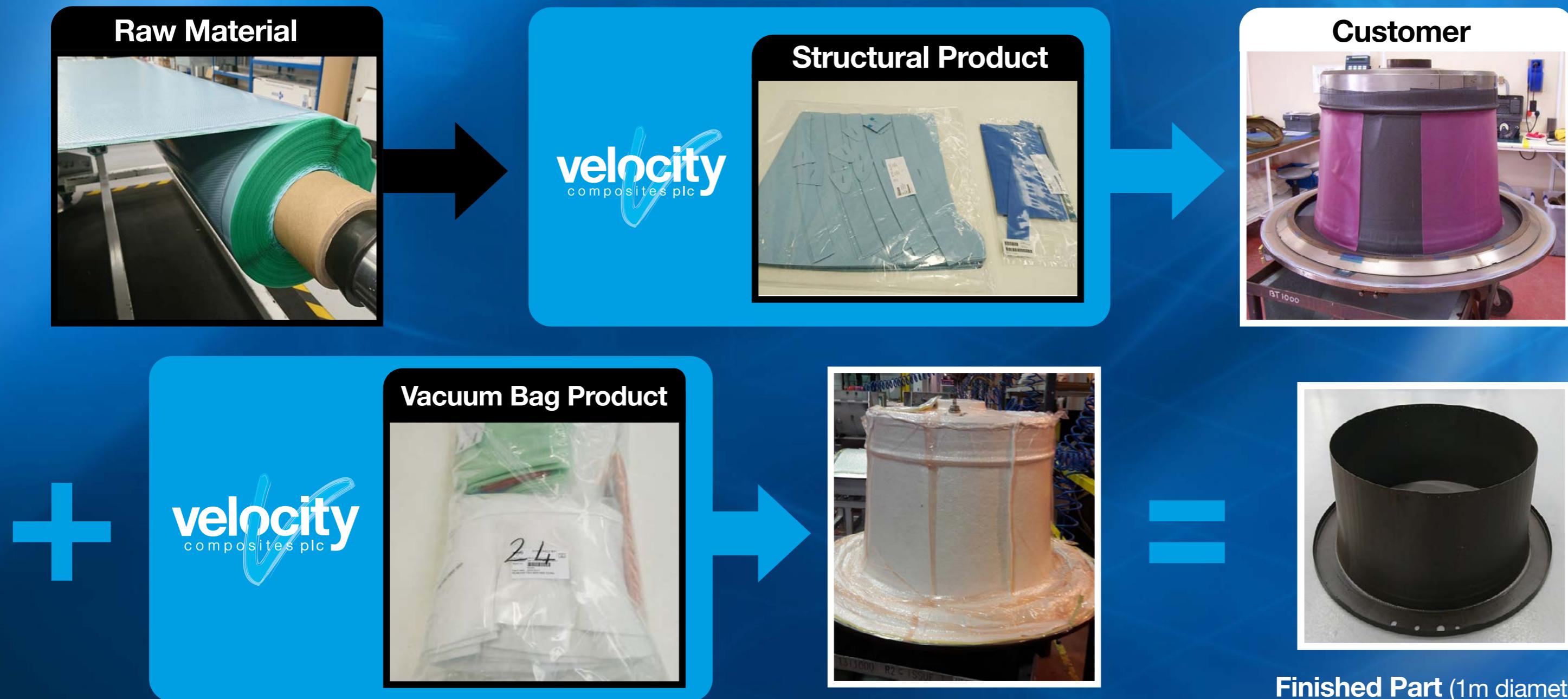
1 * Western built passenger aircraft above 100 seats – pax aircraft only

2 1st generation: A300, DC 9, DC10, 707, 727, 737, 747.

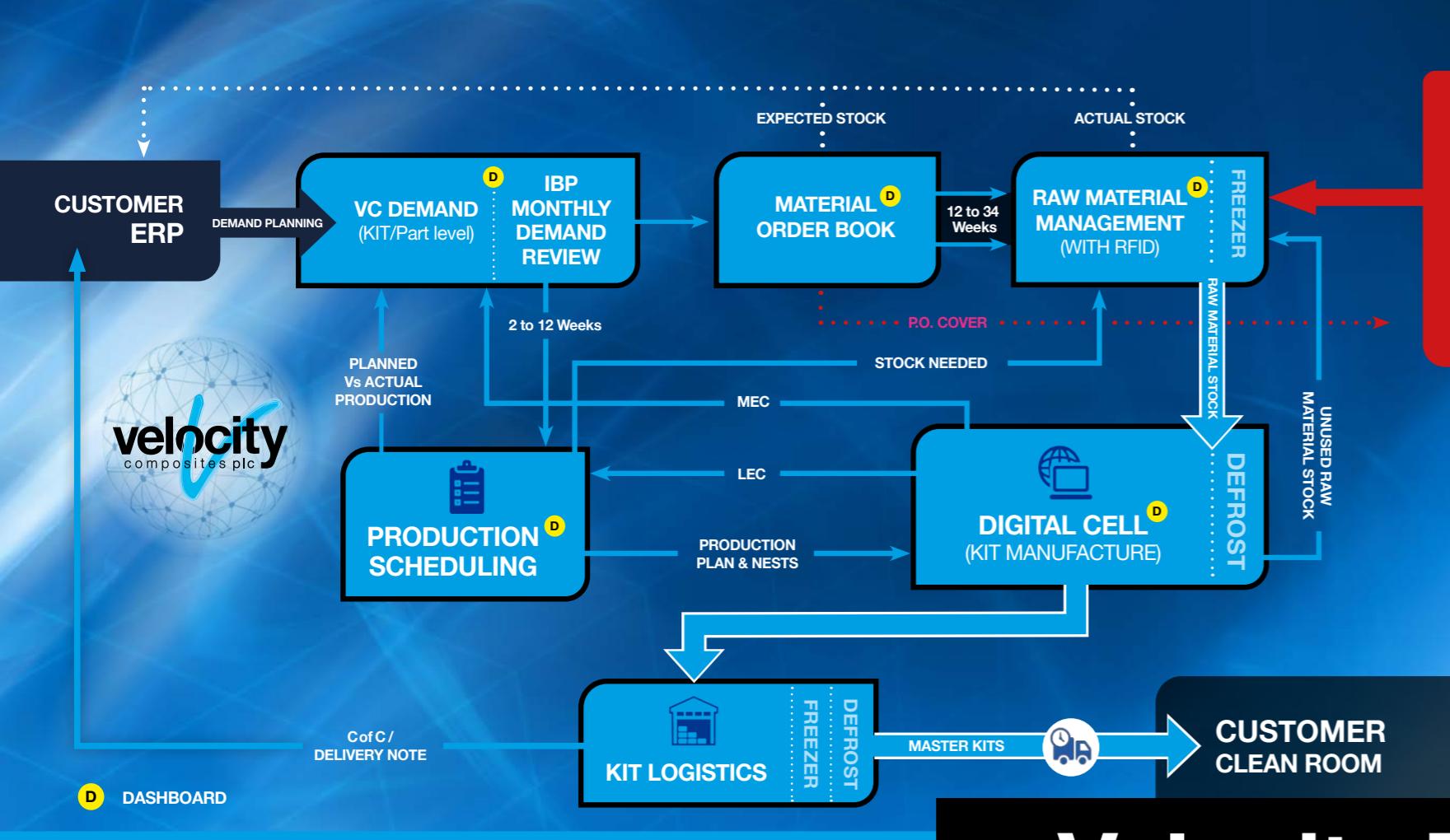
2nd generation: A310, MD11, MD80, MD90, 737, 747, 757, 767, F100. Previous generation: A320 Fam., A330, A340, 717, 737NG, 747, 777

3 New generation: A220, A320neo Fam., A330neo, A350, A380, 737Max, 777X, 787 & new programs

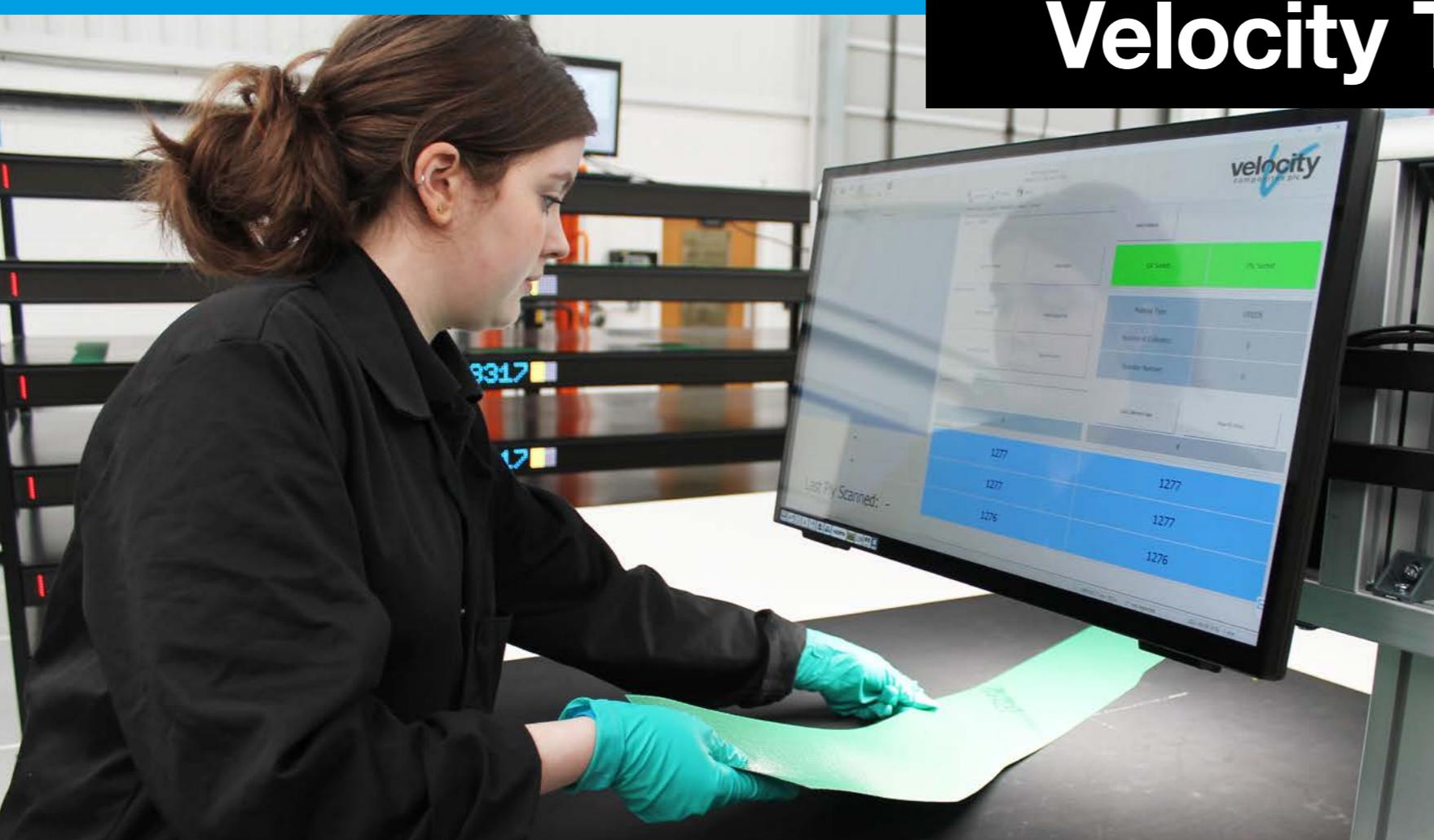
The Velocity Solution



Aimed at providing at least 10% material cost saving and 20% time cost saving to customers



Velocity Technology



Where Velocity sits in the global composites industry



Global Material Suppliers / Distributors



Global Primes / Tier 1 Manufacturers



VELOCITY TOTAL KIT PROVISION

- Inventory Finance
- Inventory Management
- Demand Aggregation
- Goods In
- Quality Inspection
- Kit Manufacturing
- Warehousing
- Goods Out / Transportation
- Subcon Integration
- On Site Support

Flow Down Material Pricing

- Velocity has first mover advantage and is the only company to provide an end-to-end solution for manufacturers.



Revolutionising Composite Cleanrooms



Efficiency is not just a goal;
it's our business...

Contact us:

www.velocity-composites.com
+44 (0)1282 577577