

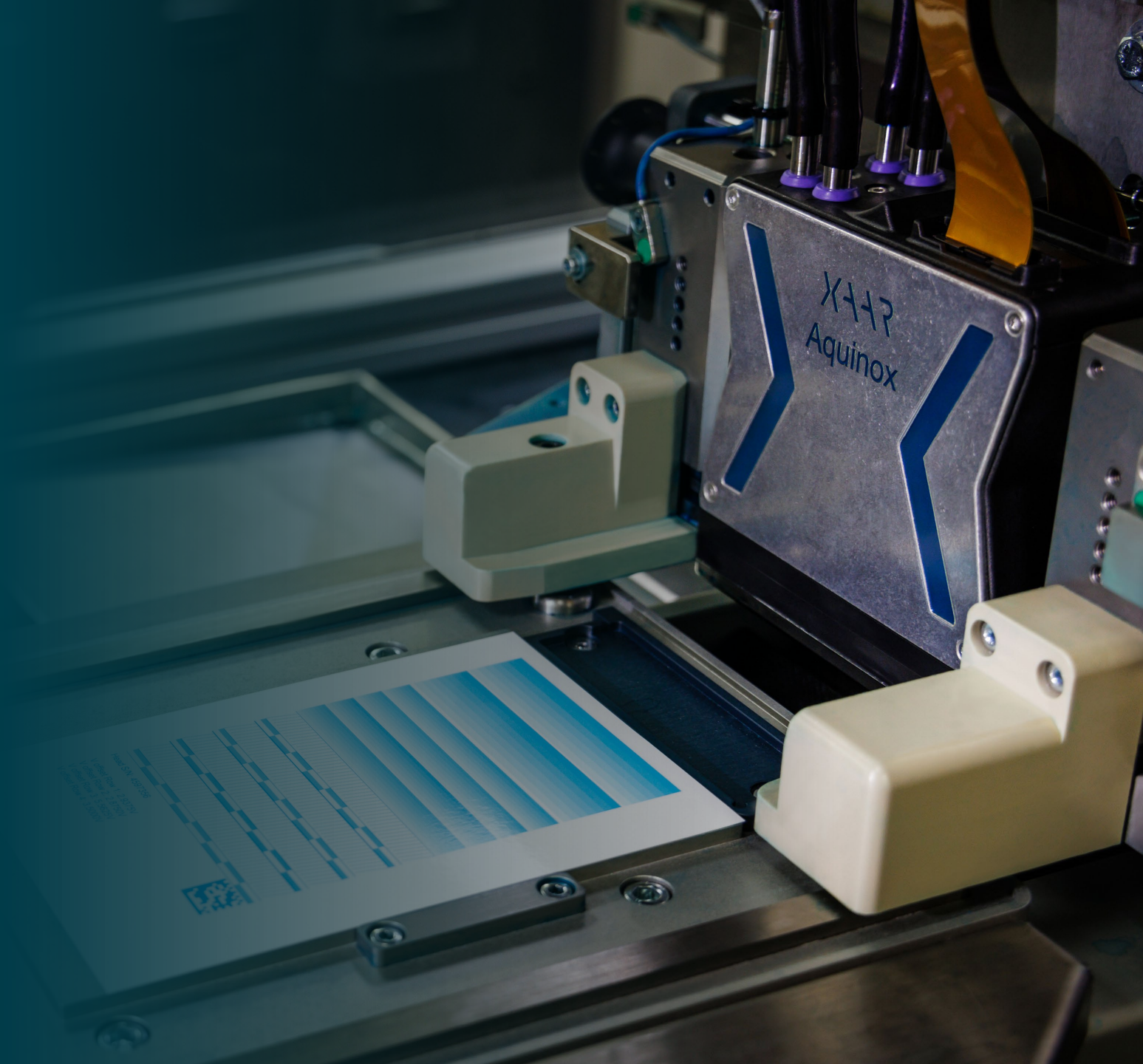
Xaar 2025 Interim Results

12th August 2025



Agenda

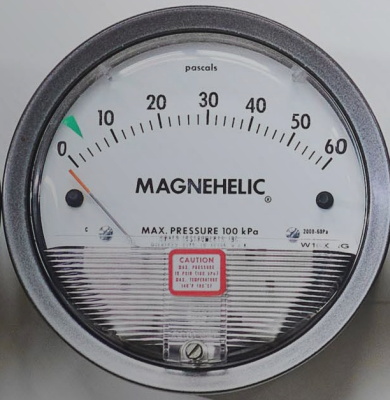
- Overview
- Financial performance
- Key market opportunities
- Summary and outlook



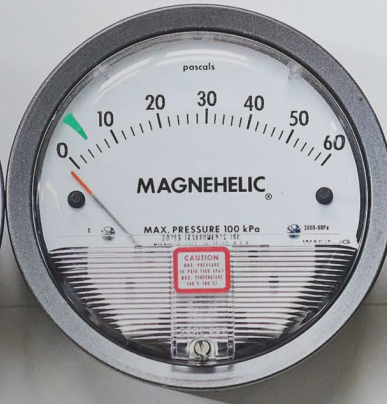
Overview



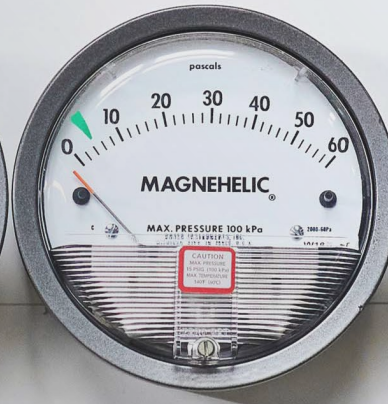
DICE & GRIND



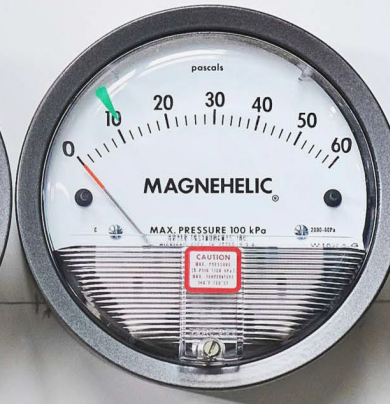
PLATING 1



PARYLENE



PLATING 2



ASSEMBLY



TESTING

Continuing to make strategic progress

Printhead new business*
revenue growth of 96%,
49% of H1 Revenue.
Legacy stabilising

Jewellery Wax:
Revenue £3.3m, up from
£0.6m in H1 24

EV Battery Coating:
Collaboration with **Sokan**
New Materials Group

Automotive Coatings:
First quote request
received from premium
manufacturer

Desktop 3D: **Market**
appetite confirmed with
peer group success

EPS: New management in
place, **pipeline being**
rebuilt, ready for a return
to growth in FY26

* Printhead new business is defined as revenue from the sale of printheads used in OEM products that have been launched since 2019.



Financial performance

Group financial performance

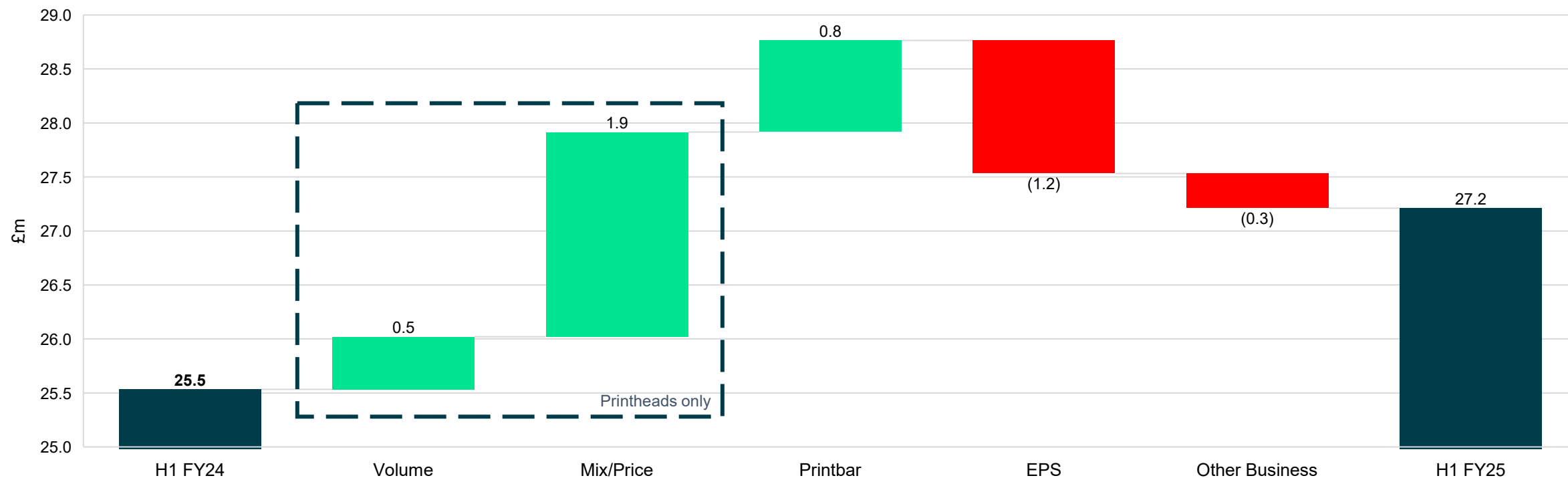
£m	H1 2025	H1 2024	Var	% Var
Revenue	27.2	25.5	1.7	7%
Gross Margin	36.5%	37.4%	(90bps)	
Total aOpex	(10.5)	(10.0)	(0.44)	(4%)
aEBITDA	0.76	0.90	(0.14)	(15%)
aPBT	(0.70)	(0.64)	(0.06)	(9%)

Figures (£m) and percentage (%) are subject to rounding

£m	H1 2025	FY 2024	Var	% Var
Trade WC	28.4	30.4	2.0	7%
Net Cash	5.1	8.7	(3.6)	(42%)

- Printhead new business revenue up 96%, now 49% of H1 Revenue
- Legacy business revenue, predominantly ceramics, stabilising
- Gross margin stable at c.37% on increased revenue due to proactive supply chain management
- Reduction in net cash following investment in capital equipment and technological development to drive future growth
- Balance sheet headroom retained to deliver our strategy

Group revenue growth driven by Printhead



- Volume of printheads sold up 3.6% year on year driving c.£500k revenue benefit
- Product mix changes improves revenue further, partially offset by strategic pricing in ceramics market
- EPS revenue declined 16% to £6.3 million (H1 2024: £7.5 million) amidst tough market conditions and a further deterioration as a result of the introduction of tariffs

Printhead – New business making progress, legacy stabilising

Printhead				
£m	H1 2025	H1 2024	Var	% Var
Revenue	19.9	16.5	3.4	20%
Gross Margin	37%	41%	(350)bps	
Total aOpex	(5.3)	(5.1)	(0.2)	(4)%
aEBITDA	3.2	2.8	0.4	14%
aPBT	1.9	1.5	0.4	30%

Figures (£m) and percentage (%) are subject to rounding

Printhead new business* revenue grew 96% to £9.8 million, driven by jewellery wax market

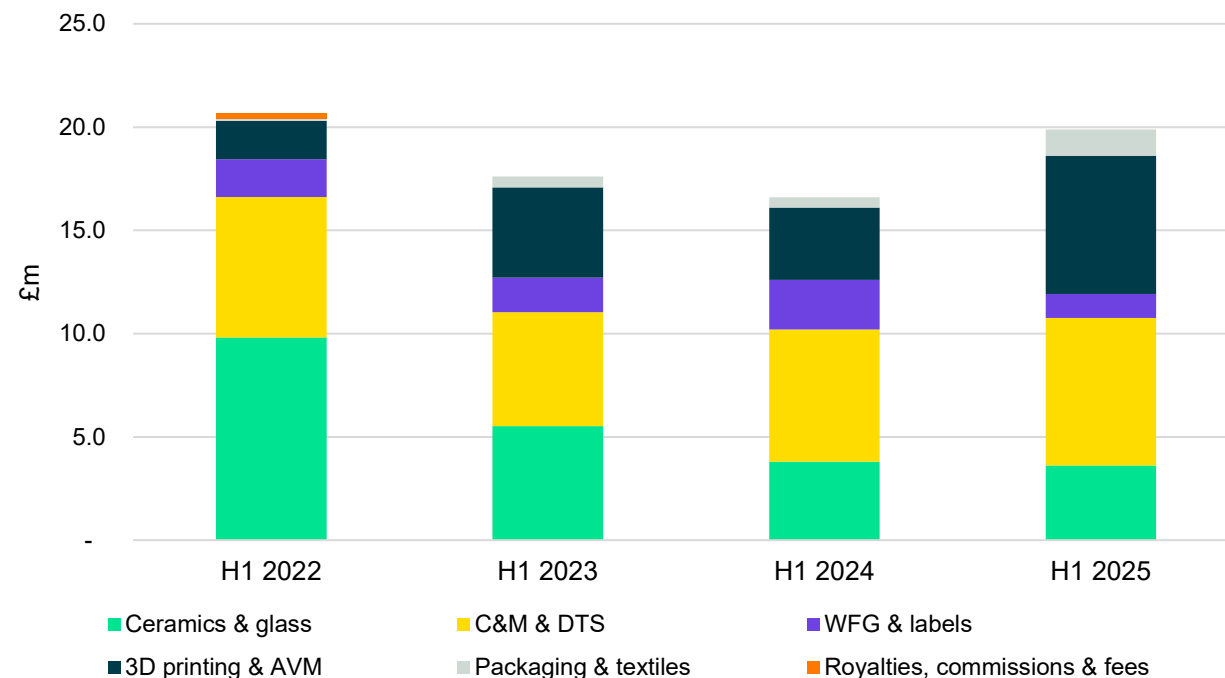
Printhead now includes FFEI after disposal in 2024 of non-core Life Sciences

Strong growth in aPBT due to volume growth and cost reductions

Ceramics & glass stabilising, declining £0.2m to £3.6 million

*Printhead new business is defined as revenue from the sale of printheads used in OEM products that have been launched since 2019.

Revenue by sector



Printhead - Jewellery wax printing

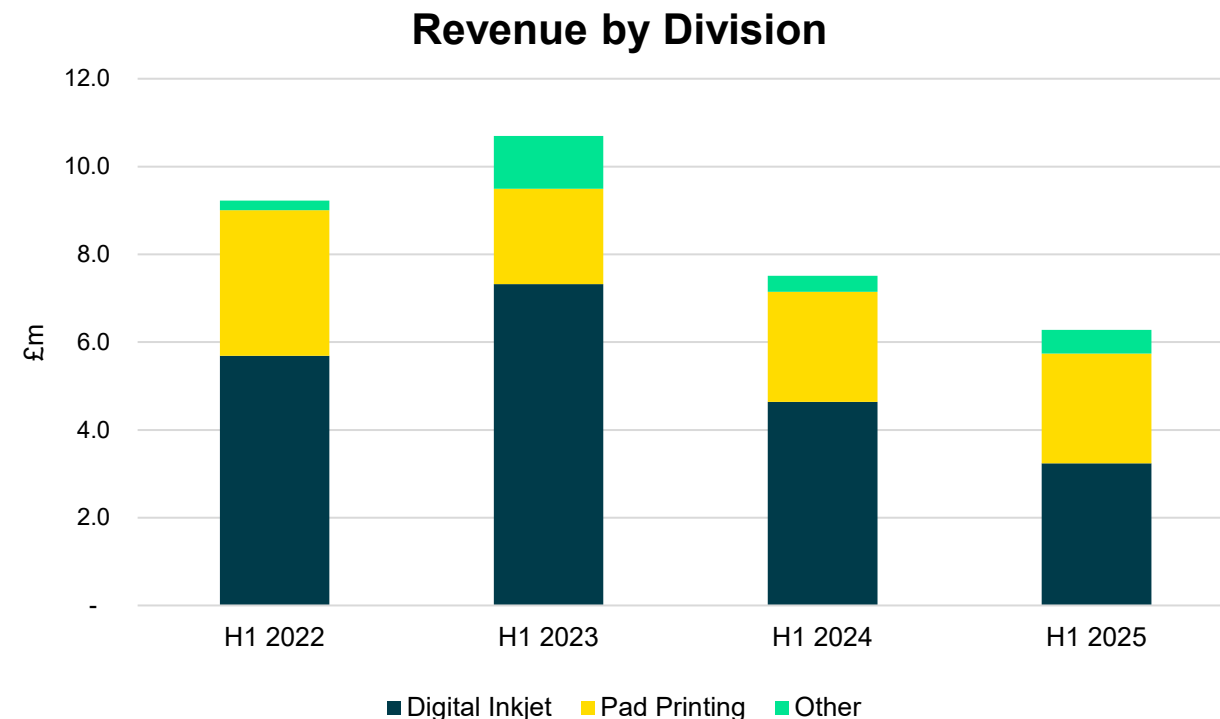
- 0% market share in 2023
- Now supply printheads to four of the five biggest OEMs
- Expect to take considerable market share by the end of the year
- Flashforge launched the Waxjet 530 in April, with demand double that anticipated
- Revenue of £3.3 million, up from £0.6 million H1 2024
- Current total market opportunity c.£20 million per annum
- Multi-year process underway to develop a new printhead to expand addressable market to over £40 million



EPS business: Impacted by historic order book weakness and market uncertainty

EPS				
£m	H1 2025	H1 2024	Var	% Var
Revenue	6.3	7.5	(1.2)	(16)%
Gross Margin	34%	30%	350bps	
Total Opex	(1.9)	(2.1)	0.2	8%
aEBITDA	0.3	0.6	(0.3)	(46)%
aPBT	0.2	0.5	(0.3)	(59)%

Figures (£m) and percentage (%) are subject to rounding



Revenue reduction due to completion of multi-year order in early FY24

Pipeline in the process of being rebuilt. Near-term growth constrained

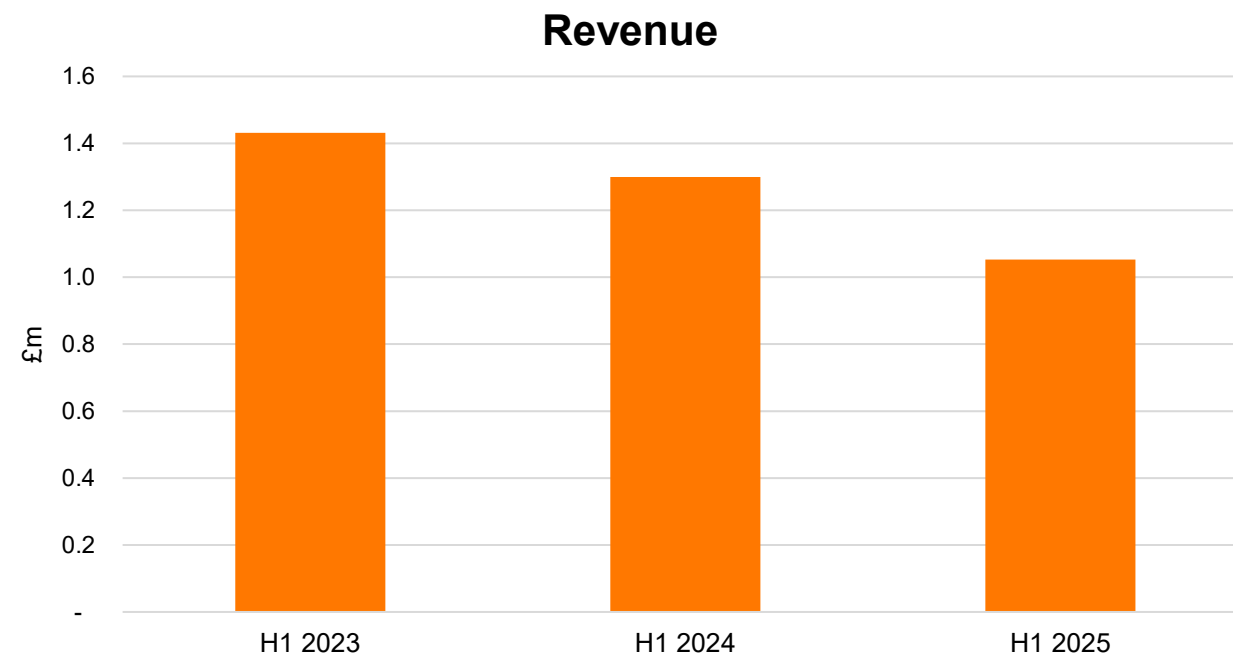
Leadership team strengthened

Supply chain optimisation underway

Megnajet: Increased focus on Group projects while maintaining external growth

Megnajet				
£m	H1 2025	H1 2024	Var	% Var
Revenue	1.1	1.3	(0.2)	(19)%
Gross Margin	41%	46%	(480)bps	
Total Opex	(0.12)	(0.11)	(0.01)	(10)%
aEBITDA	0.3	0.5	(0.2)	(35)%
aPBT	0.3	0.5	(0.2)	(35)%

Figures (£m) and percentage (%) are subject to rounding



External revenue reduction due to market slowdown

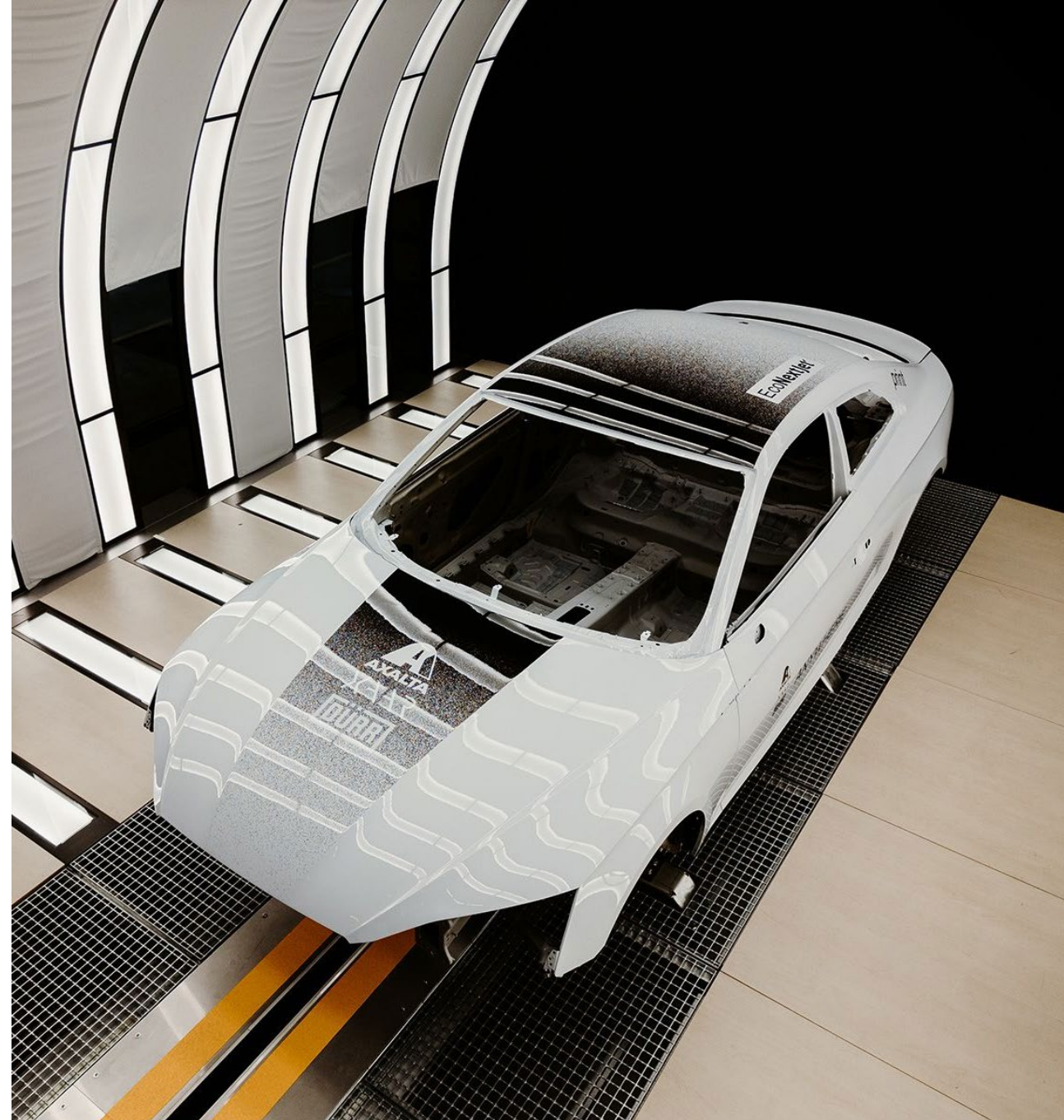
133% uplift in intra-Group transactions as Megnajet becomes increasingly integrated

Gross margin impacted by external volume reduction and reduced overhead absorption

Continues to support strategy of increased vertically integrated solutions

Strong cash position

- Cash and cash equivalents of £5.1m at the end of the period, down from £8.7m at FY24 following investment in capital equipment and ongoing development for future growth
- Reduction in inventory from FY24 due to tight working capital management
- £5 million Revolving Credit Facility (RCF) remained undrawn during H1 2025
- Significant liquidity provides options for growth in the medium term



A woman with long brown hair, wearing a white patterned blouse, is looking towards a man whose back is to the camera. They are in an office setting with computer monitors and a filing cabinet visible in the background.

Update on key market opportunities

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Significant market opportunities



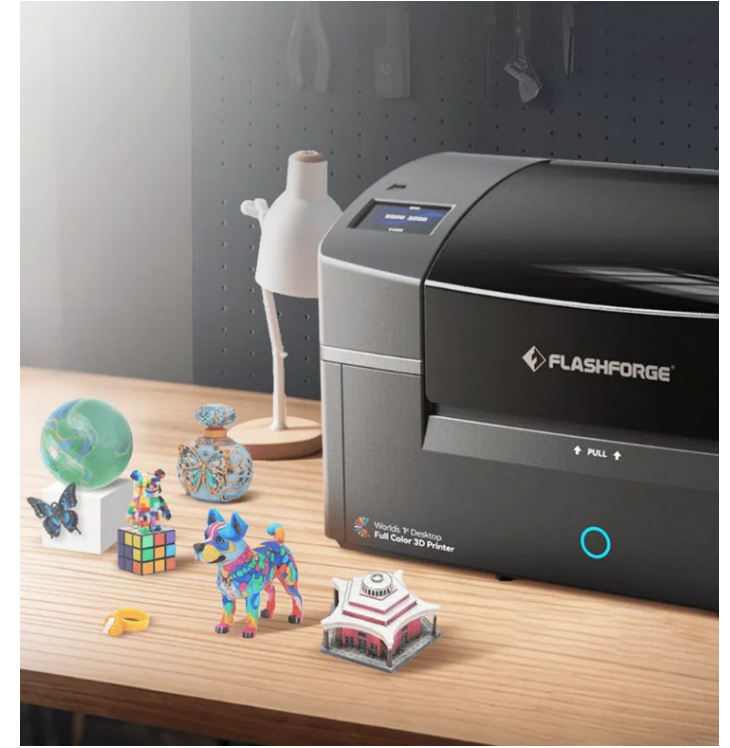
EV battery coating

Our technology will open-up new markets or revolutionise existing markets



Automotive coating

Not competing on price and quality alone



3D desktop printing

Fully functioning machines using our printheads

Opportunity to take significant share in the medium-term

EV battery market

- Inkjet coated EV batteries can withstand far greater levels of heat, reducing safety concerns currently facing incumbent technology
- Our technology is becoming a critical part of an ever-growing industry
- January 2025: Shifang launched their own line using Xaar printheads
- June 2025: Announced partnership with Soka New Materials; our 3rd OEM partnership in the sector
- 1,300 EV battery production lines in China - Potential to convert entire market to our technology in medium term
- Estimated printhead replacement cycle of two to three years

Automotive coating market

- Xaar inkjet technology provides significantly higher quality graphics than adhesive decals
- We are partnered with Axalta and Dürr, global leaders in digital printing and robotics respectively
- The technology has been demonstrated to potential customers
- During Q2, Dürr received their first inbound request to quote from a luxury car manufacturer
- In the process of choosing go-to-market partners
- Revenue generated from a fee per car painted as well as the rental of the printheads
- c.90 million passenger vehicles produced annually. Conversion of 1% would generate significant revenue at attractive margins

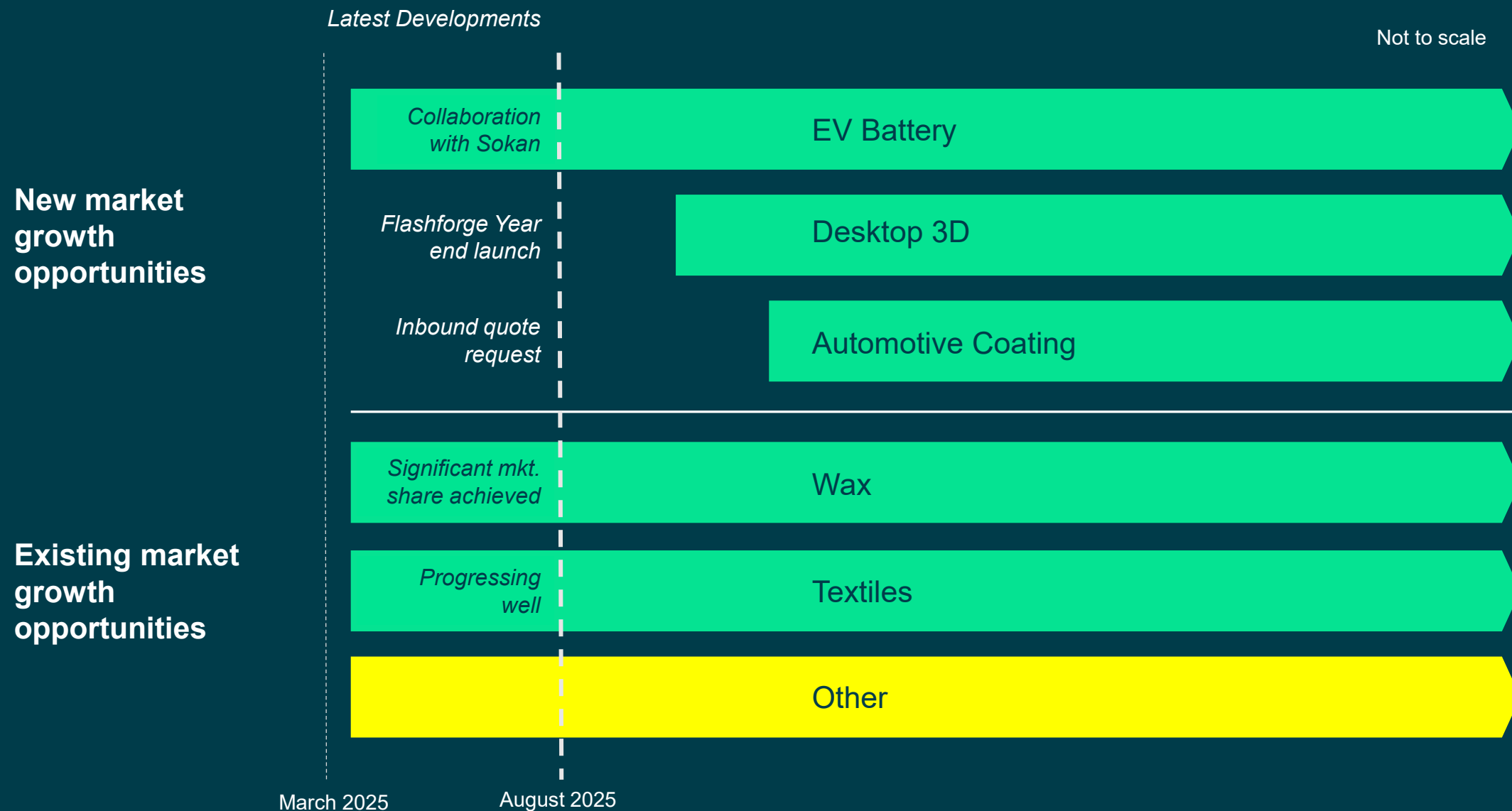


3D printing market

- Absence today of a low-cost, high-quality 3D printing product. Retail cost of machine producing equivalent quality can cost £50,000
- Over 1 million single nozzle, monochrome, 3D printers sold annually, price range up to £5,000
- Flashforge to sell their full colour inkjet machine using Xaar printheads, priced for the consumer market
- 1% share of existing monochrome market would generate meaningful revenue on initial sales alone
- Another OEM launched a 2.5D full colour printer which was met with an overwhelmingly positive reaction
- Given peer success, Flashforge will launch with a more direct go-to market strategy than initially envisaged around the year end



Summary of key Printhead revenue drivers





Summary & Outlook

Outlook: Short-term headwinds persist but continuing to make progress

Our **expectations for 2025 remain unchanged** despite the additional uncertainty brought by the introduction of tariffs and the challenging trading conditions reported in the full year results in March 2025.

As anticipated, **revenue will be second half weighted with order volumes expected to grow steadily throughout the year** and into FY26. Printhead revenue is expected to be strong in the second half, whilst in EPS, the tariff induced slow-down in end markets is expected to continue to impact revenue and profit whilst the pipeline is being rebuilt.

The **exact timing of orders remains uncertain** given tariffs and the constantly evolving global geopolitical environment.

It remains our strong belief that in the **medium term, our focus growth areas will deliver meaningful revenue at attractive margins.**

Where are we now

Strategic progress with clear value proposition for using our technology in **all target markets**

Fully functioning **Xaar enabled machines** in **our key** markets

Products are gaining traction in each of the key target sectors; **demand is high**

Providing support to OEMs where required, **ensuring milestones are achieved on schedule**

Q&A



Thank you

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