RNS Number : 5053S
Goodwin PLC
28 August 2026

28th August 2026

Goodwin PLC today announces its preliminary results for the year ended 30th April, 2026.

CHAIRMAN'S STATEMENT

I am pleased to report a record level of profits for the Group for the twelve month period ended 30th April, 2026. The trading profit was £77.5 million *(2025: £35.5 million)* an increase of 118% year-on-year on revenue of £280 million, which is up 27% on the revenue reported for the prior year, as set out in the financial accounts to be published shortly. (Additional details on the trading profit are to be found in the full financial statements to be published shortly).

The Directors propose an increased ordinary dividend of 330 pence (2025: 280 pence) per share, an 18% increase. Further details on the Dividend Policy and timing of the payment can be found on in the financial statements to be published shortly. This continued strong performance reflects the sustained strength of our end markets and the benefits of the strategic decisions taken over several years to focus the Group on specialist, technically demanding sectors.

Whilst there has been growth in all our manufacturing companies, the Mechanical Engineering division in particular has continued to experience a substantial increase in customers' demand for precision-machined, high-integrity castings into mission critical defence and nuclear applications. As a result of continued investment in its customer relationships, engineering expertise and manufacturing capabilities, Goodwin has positioned itself to be a leading supplier on many UK and US Navy frigate and submarine programmes. Our ability to supply high-quality products, that are technically difficult to make on a fast and consistent basis, has supported the continued growth in volumes, as well as continued improvement in margins.

The Board has continued to assess the long-term strategic direction of the business. The significant improvement in the performance of the Mechanical Engineering division, together with its strong market position and attractive growth prospects, has substantially enhanced its strategic value and generated considerable external interest. During the year, and as announced post period-end on 7th August, 2026, the Board committed to pursuing a potential disposal of a substantial part of the Mechanical Engineering Division and appointed Rothschild & Co as its financial adviser to initiate an active sale process of its constituent business units, to maximise value for shareholders whilst ensuring continuity for all stakeholders, including customers, and the long-term prospects of the business. As part of this process, the business was actively marketed to potential purchasers. The proposed disposal includes Goodwin Steel Castings Limited, Goodwin International Limited, Noreva GmbH, Easat Group and Pumps.

The sale process is progressing well, and the Group has been in discussions with a number of potentially interested parties, as well as continuing the important strategic dialogue we have with all our stakeholders. Our customers, suppliers and employees should expect business to continue uninterrupted, and management remains fully committed to maintaining the high standards of service and operational performance that have underpinned the success of these businesses. The Board expects to provide a further update as the transaction progresses. The disposal process is being actively pursued in accordance with the Board's approved plan, which targets completion within the next twelve months, and shareholders will be kept informed of material developments as appropriate.

As a result of the Mechanical Engineering sale process and the Board's committed disposal plan, the Board is considering the most appropriate capital allocation strategy and dividend policy for the Group going forward. As the composition, investment requirement and capital structure of the Group will likely change, the Board wants to ensure that it can pay excess cash to shareholders, whilst balancing value-enhancing investment opportunities within its manufacturing companies.

The Board currently expects that a substantial part of the cash proceeds from any disposal resulting from its strategic review of the Mechanical Engineering division will be paid to shareholders.

As part of the strategic review, management reporting was revised to reflect the proposed sale of a substantial proportion of the Mechanical Division, which included the creation of a new Technological Division, as an operating segment.

Mechanical Division (Assets held for Sale)

Goodwin Steel Castings Limited and Goodwin International Limited

The defence programmes secured over recent years continued to progress during the year, resulting in a substantial increase in the volume of high-integrity components manufactured for UK and US naval ship and submarine programmes. The division successfully met the demanding quality and delivery requirements of these programmes, reflecting the benefits of the sustained investment made in manufacturing capability, engineering expertise and customer relationships over many years. The operational performance achieved during the year has further strengthened the division's reputation with its customers.

Easat Radar Systems

Easat Group delivered its first material year in which the benefits of the turnaround strategy were fully reflected in the financial results, with profits improving from approximately breakeven to £4.5 million. This performance represents the culmination of several years of investment in technology, operational improvements and the transition from a component supplier to a provider of complete surveillance systems. During the year, management also delivered significant cost reductions and operational efficiencies, resulting in a marked improvement in profitability while continuing to deliver high levels of customer service and product performance.

Noreva

Noreva, the division's specialist valves business in Germany, also delivered strong profits during the year. This performance reflected strong demand from the LNG sector in the US. Whilst geopolitical events in the Middle East continue, despite the three months of storage prior to collection of certain customer shipments being invoked, no orders were cancelled and the business continues to perform strongly.

Pumps

The Pumps businesses also delivered a solid performance. In South Africa, a revised commercial strategy successfully improved order intake and restored sales momentum, whilst in India the business achieved record production and sales volumes, supported by strong domestic demand and increased intercompany supply to the Group's international operations. These achievements reflect the continued development of the division's manufacturing capability and operational efficiency.

Overall, the Mechanical Engineering Division delivered an excellent operational and financial performance during the year, reflecting many years of sustained investment, disciplined execution and the commitment of its employees. The Board is grateful for the significant contribution made by all those involved in achieving these results.

Refractory Division

The Refractory Division delivered another year of strong growth, with the divisional subsidiaries' trading profits up 15% year-on-year.

The companies within the division that manufacture investment casting powders, injection waxes and moulding rubbers for the jewellery industry - including GRS UK, GRS India, GRS Thailand and GRS China - have in part faced difficult trading conditions arising from record-high gold and silver prices, which have reduced sales into the jewellery casting industry. However, consumer spending has shifted from fewer, higher-cost purchases to a "wear once" mentality, driving demand for low-cost jewellery through online and social media impulse purchasing. We expect this trend to continue. Celebratory purchases to mark special occasions such as weddings will always have their place, but they now represent a smaller part of the market; the vast majority of consumer spending has moved to higher volumes of lower-cost jewellery, which we are well positioned to capture.

This shift has been highly beneficial to the Group, whether a piece is cast in brass or in gold, it requires the same quantity of investment casting powder, injection wax and moulding rubber. As a result, we have seen very strong growth in sales to the low-cost brass casting sector. We are even seeing global-leading silver jewellery brands beginning to move to plated brass in place of solid silver, lowering the price point of their products and moving them further into the high-volume, impulse-purchase category. To cater for this increase in demand, we expect to open a fourth investment powder manufacturing facility in China within the coming twelve to eighteen months.

Gold and silver prices have begun to recede. Precious-metal jewellery will continue to be an important part of the market, and we have started to see usage of our products in this sector begin to recover - which will move profits further forward as these higher-value sales return.

During the year, our research and development teams implemented a newly developed in-house technology that enables more cost-effective investment casting powder products with performance equal to or better than the formulations they replace. We have used this improved cost-effectiveness both to increase margins and, where strategically advantageous, to strengthen our competitiveness.

After many years of development and product trials, we are pleased to report that the largest jewellery caster in the US has adopted our patented X-SIL silica-hazard-free investment casting powder. This is a major milestone for us as a company and for the industry. The US is a market where we have historically refrained from selling to due to our traditional products being silica-based, and we expect that this represents the first step towards a wider transition. We also believe it will help drive change in Europe towards this silica-hazard-free range, on which we are able to achieve enhanced margins.

Hoben International had an excellent year, increasing profits substantially. This was driven by a combination of factors, including increased internal group demand for the cristobalite manufactured by Hoben (used by our investment powder companies), reduced energy costs, and the continued high growth of the Soluform concrete bagwork solution, sales of which grew by over 50% in the year. We expect Soluform to continue growing at high rates over the coming years, and we are expanding the team to deliver this growth.

AVD Fire, which manufactures and sells specialist lithium battery fire-extinguishing agent, lithium battery fire extinguishers, and lithium fire protection blankets and bags, is, we believe, at a very exciting point in its growth journey. Over the past ten years, a great deal of work has been done to establish AVD as the number one choice for extinguishing and containing lithium battery fires. Our products are being adopted globally and are recommended by insurers. Perception of the risk of lithium battery fires is changing rapidly, as is the global understanding that action must be taken to provide specialist products to extinguish and contain them. We now have a truly global distributor network, global recognition of the leading performance of our products, and a market that is increasingly being compelled to adopt solutions for this significant risk. We are addressing testing and product requirements from all sectors, including commercial airlines, marine, automotive, rail networks, military, product distribution and storage centres, and many other applications.

Technological Division

Following a decision during the year to actively pursue the disposal of the majority of the Mechanical Engineering Division, the internal management reporting was changed to reflect the continuing and discontinuing operations of the Group. A new operating division titled Technological Division, made up of Duvelco and Internet Central businesses, that were formerly part of the Mechanical Engineering Division, but are not part of the businesses for sale, is now reported separately.

Duvelco

Duvelco, the Group's advanced plastics business, remains an important long-term opportunity. Production finalisation has taken longer than originally anticipated, as can occur with a highly automated, complex and first-of-its-kind manufacturing process. The business continues to produce material for customer sampling and qualification, with feedback to date being positive, while the team focuses on completing the remaining commissioning items and establishing a robust, repeatable process capable of supporting future commercial demand. The outstanding items are mechanical rather than fundamental in nature and are not considered to represent a long-term risk. The lessons learned can also be incorporated from the outset into the design of any future manufacturing plants.

Duvelco has also entered into a strategic agreement with an established processing partner to manufacture stock shapes. The arrangement will initially utilise the partner's available capacity, with further capacity to be added as demand develops. As the partner already undertakes hot compression moulding at scale, the agreement provides a low-risk route to market, broadens Duvelco's product offering and avoids the learning curve associated with establishing this capability internally.

Although samples have not yet been distributed in significant volumes, the Board is encouraged by the progress being made and continues to believe that Duvelco has significant long-term potential. The focus remains on completing production finalisation and expanding customer sampling and qualification activity as Duvelco's material reaches a broader range of prospective customers and applications.

Cash flow and capital expenditure

Cash generation improved during the year. The Group has benefited from the milestone payments negotiated into the defence contracts won to date and these payments have helped to support working capital and provide greater visibility over cash flow as the programmes progress.

In terms of capital expenditure, the major item during the year was the construction of the new Foundry 5.0 building in Hanley. This facility will house state-of-the-art automated moulding and robotic casting upgrade equipment, which the Group has been developing in conjunction with its R&D partners, including the US Navy and Siemens. This investment represents an important step in the continued modernisation of the Group's manufacturing capability and the building is scheduled to be finished in the fourth quarter of this calendar year.

There are no other major capital expenditure projects underway or planned that would not be customer funded. The Group's net debt as at April 2026 was £29 million, reflecting continued strong financial performance and a prudent approach to leverage, which stood at 22.4% as at the 30th April, 2026, after paying out the special interim dividend of £40 million in the month of November 2025.

Goodwin PLC post the proposed disposal of the Mechanical Division

Following completion of a proposed disposal resulting from its strategic review of the Mechanical Engineering Division, the Group will comprise a simpler, more focused portfolio of specialist businesses with strong market positions and attractive long-term growth prospects. The disposal will allow management to concentrate its resources on developing the remaining businesses, while maintaining the disciplined approach to capital allocation that has underpinned the Group's success.

Particular emphasis will be placed on accelerating the commercial development of the Group's newer growth opportunities, including Duvelco and AVD Fire, alongside supporting the continued expansion of our established Refractory businesses. The Board believes these businesses offer significant long-term value creation potential and will benefit from increased management focus and investment.

As a result of the disposal, the Group will comprise the Refractory and Technological divisions. These businesses represented in aggregate £118 million in gross assets and £10 million in operating profits in the financial year ended 30 April 2026.

The Group's banking partners have expressed their continued support for the remaining business and have confirmed their willingness to provide appropriate facilities going forward. Nevertheless, the Board's intention is, at least initially, to operate the Group on a zero net debt basis, providing financial resilience and flexibility as we execute the next phase of the Group's strategy.

While the proposed disposal represents a significant milestone, the Board remains committed to continually reviewing the Group's portfolio and strategic direction to ensure capital is allocated to maximise long-term shareholder value.

People

The results achieved this year would not have been possible without the commitment, skill and hard work of our employees across the Group. On behalf of the Board, I would like to thank all of them for their continued dedication, professionalism and support during another important year for the business.

T.J.W. Goodwin
Chairman

Alternative performance measures mentioned above are defined in Note 7

SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS - NON-GAAP **

for the year ended 30th April, 2026

			2026				2025
	Refractory	Technological	Central costs	**Continuing**	*Mechanical (Discontinued)	**TOTAL**	TOTAL
	£'000	£'000	£'000	**£'000**	£'000	**£'000**	£'000
Revenue	64,856	3,922	84	**68,862**	211,154	**280,016**	219,709
Cost of sales	(32,666)	(3,212)	(240)	**(36,118)**	(103,620)	**(139,738)**	(128,100)
GROSS PROFIT	32,190	710	(156)	**32,744**	107,534	**140,278**	91,609

Selling and distribution costs	(5,803)	(572)	(71)	**(6,446)**	(6,380)	**(12,826)**	(10,903)
Administrative expenses	(10,674)	(3,593)	(2,094)	**(16,361)**	(32,487)	**(48,848)**	(43,594)
OPERATING PROFIT	15,713	(3,455)	(2,321)	**9,937**	68,667	**78,604**	37,112
Finance income	26	–	944	**970**	91	**1,061**	1,305
Finance costs	(41)	(34)	(12)	**(87)**	(2,140)	**(2,227)**	(2,965)
Share of profit of associate company	64	–	–	**64**	–	**64**	65
TRADING PROFIT	15,762	(3,489)	(1,389)	**10,884**	66,618	**77,502**	35,517

* The results of the discontinued operations include those of Goodwin Steel Castings Limited, Goodwin International Limited, Noreva GmbH, Easat Group and the Pump Division.

** This consolidated statement of profit and loss is non GAAP and the headings from Revenue down to Trading Profits are the combined results of the continuing operations and discontinued operations, which can be seen in more detail on in the financial statements to be published shortly.

The Board committed to pursuing a potential disposal of a substantial part of the Mechanical Engineering Division that includes Goodwin Steel Castings Limited, Goodwin International Limited, Noreva GmbH, Easat Group and Pumps. As such, these accounts have been prepared to reflect the potential sale by reporting Continuing and Discontinued Operations.

This statement of profit and loss does not comply with the IFRS requirements for disclosure, but it has been included to provide shareholders with a clear view of the impact of the potential sale. The IFRS profit and loss statement is in the financial statements to be published shortly.

OBJECTIVES, STRATEGY AND BUSINESS MODEL

The Group's main **OBJECTIVE** and **PURPOSE** is to have a sustainable long-term engineering based business with good potential for profitable growth while providing a fair return to our shareholders.

The Board's **VALUES** of engineering excellence, quality, efficiency, reliability, competitive price and delivery contribute to the delivery of its strategy.

The Board's **STRATEGY** to achieve this is:

- to supply a range of technically advanced products to growth markets in the Mechanical, Refractory and Technological Divisions in which we have built up a global reputation for engineering excellence, quality, efficiency, reliability, competitive price and delivery;
- to manufacture advanced technical products profitably, efficiently and economically;
- to maintain an ongoing programme of investment in plant, facilities, sales and marketing, research and development with a view to increasing efficiency, reducing costs, increasing performance, delivering better products for our customers, expanding our global customer base and keeping us at the forefront of technology within our markets, whilst at all times taking appropriate steps to ensure the health and safety of our employees and customers;
- to control our working capital and investment programme to ensure a safe level of gearing;
- to maintain a strong capital base to retain investor, customer, creditor and market confidence and so help sustain future development of the business;
- to support a local presence and a local workforce in order to stay close to our customers;
- to invest in training and development of skills for the Group's future;
- engineering activity and investment into the reduction of $C0_2$ emissions where it is commercially viable taking into account the long-term effects of CBAM (Carbon Border Adjustment Mechanism);
- to manage the environmental and social impacts of our business to support its long-term sustainability.

BUSINESS MODEL

The Group's focus is on manufacturing within two sectors, Mechanical Engineering and Refractory Engineering, and technological advancement in a third sector, and through this division of our manufacturing activities, our overseas business facilities and our global sales and marketing activities, the Group benefits from market diversity. Further details of our business and products are shown on our website www.goodwin.co.uk

The Board of Directors commenced a strategic review of the Mechanical Engineering Division during the year, to consider a range of potential options to maximise value for shareholders, whilst ensuring continuity for all stakeholders, including customers and the long-term prosperity of its businesses. These options include the potential sale of the Mechanical Engineering Division, which includes Goodwin Steel Castings Limited, Goodwin International Limited, Noreva GmbH, Easat Group and the Pump Division.

After reviewing the options available, the Board of Directors decided that the preferred course of action was to progress with a disposal of the Mechanical Engineering Division. Rothschild and Co were appointed as the Group's financial adviser to manage that process, engage with interested parties and invite indicative and, subsequently, binding offers for the businesses identified for disposal.

The Board of Directors has considered the provisions of IFRS 5 and consider that they have met the requirements for the Financial Statements to be prepared as required by the standard for Discontinued Operations and Assets Held for Sale.

The scope of the proposed disposal was determined following consideration of the level of interest expressed by external parties, together with an assessment of the strategic fit of the businesses and the value that could be realised for shareholders. Following the assessment, detailed financial, commercial and operational information was prepared to support the disposal process and enable the businesses identified for disposal to be separated from those intended to remain within Group, and for interested parties to undertake their evaluation of those businesses.

Mechanical Division (held for sale)

The Mechanical Division specialises in supplying precision engineered solutions and industrial goods into critical applications, generally on a project basis, more often than not involving the complementary skill set of other group companies to deliver the requirement. The projects normally involve international procurement, high integrity castings, forgings or wrought high-alloy steels, carbon fibre composite structures, precision CNC machining, complex welding and fabrication, and other operations as are required. In addition to specialist projects, the Group manufactures and sells a wide range of dual plate check valves, axial nozzle check valves and axial piston control and isolation valves. These solutions and products typically form part of large construction projects, including the construction of naval propulsion and hull components, nuclear waste storage components, liquefied natural gas (LNG), oil and gas, petrochemical, mining, and water markets.

We generate value by creating leading edge technology designs and manufacturing processes, globally sourcing the best quality raw material at good prices, manufacturing in highly efficient facilities using up to date technology to provide reliable high-performance products to the required specification, at competitive prices and with timely deliveries.

The Group through its foundry, Goodwin Steel Castings Limited, has the capability to pour high performance alloy castings up to 35 tonnes net in weight, radiograph and to finish CNC machine and fabricate them at the foundry's sister company, Goodwin International Limited. This capability is targeting the naval defence industry and nuclear decommissioning, the oil and gas industry, as well as large, global projects requiring high integrity machined castings.

Goodwin International Limited, the largest company in the Mechanical Engineering Division, not only designs and manufactures dual plate check valves, axial nozzle check valves and axial piston control and isolation valves but also undertakes specialised CNC machining and fabrication work for nuclear decommissioning projects. Goodwin International Limited also has a division that is focused on manufacturing / machining high precision, high integrity components for naval marine vessels. Noreva GmbH also designs, manufactures and sells axial nozzle check valves. Both Goodwin International Limited and Noreva GmbH purchase the majority of their sand mould castings from Goodwin Steel Castings Limited for their ranges of check valves and this vertical integration gives rise to competitive benefits, increased efficiencies and timely deliveries.

At Goodwin Pumps India Private Limited we manufacture a superior range of submersible slurry pumps for end users in India, Brazil, Australia, Canada, Peru and Africa. Easat Radar Systems Limited and its subsidiary, Easat Finland Oy, design and build bespoke high-performance radar surveillance systems for the global market of major defence contractors, civil aviation authorities and coastal border security agencies. We create value on these by innovative design, assembly and testing in our own facilities using bought in or engineered in-house components.

Continuing operations

The Continuing Operations of the Group are the Refractory and Technological Divisions, Goodwin Refractory Services Limited (GRS) generates value primarily from designing, manufacturing and selling investment casting powders, injection moulding rubbers and waxes to the jewellery casting industry. GRS also manufactures and sells these products to the tyre mould and aerospace industries. The Refractory Engineering Division has, other than its UK facility, four investment powder manufacturing and sales companies located in China, India and Thailand which sell the casting powders, waxes and moulding rubbers directly and through distributors to the jewellery casting industry and also directly to tyre mould and aerospace industries.

These companies are vertically integrated with another of our UK companies, Hoben International Limited (Hoben), which manufactures cristobalite, which it sells to the five casting powder manufacturing companies as well as producing ground silica that also goes into casting powders and other UK uses of silica. Hoben also manufactures different grades of perlite, and a patented range of biodegradable bags, known as Soluform, for use inside traditional hessian / jute bags for the placement of concrete and other materials in or around rivers. Within its Sandersfire division Hoben also manufactures a unique and comprehensive range of high-quality fire-stopping mortars distributed under the "Firecrete" brand name.

Dupré Minerals Limited (Dupré), a refractory company, focuses on producing exfoliated vermiculite that is used in insulation, brake linings and fire protection products, including technical textiles that can withstand exposure to high temperatures. Dupré also sells consumable refractories to the shell moulding precision casting industry. AVD Fire Limited (AVD) utilises an in-house designed and patented product that is used in a range of fire extinguishers and an extinguishing agent for lithium-ion battery fires that utilises a vermiculite dispersion as the fire extinguishing agent. AVD also sells a range of blankets that are used to extinguish and contain lithium-ion battery fires.

Duvelco, whose results have now been included in the Technological Division, is a specialist polyimide manufacturer, that will manufacture and sell polyimide resins into an established market. The resin can then be moulded into parts and shapes for the high temperature and critical applications, for which very few polymers can be used. Internet Central, an internet service provider, is also included in the Technological Division.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's operations expose it to a variety of risks and uncertainties. The Directors confirm that they continue to carry out a robust assessment of the principal risks the Company faces, including those that would threaten its business model, future performance, solvency or liquidity.

Market risk: The Group provides a range of products and services, and there is a risk that the demand for these products and services vary from time to time because of competitor action or economic cycles or international trade friction or wars. As shown in the financial statements to be published shortly, the Group operates across a range of geographical regions, and its turnover is split across the UK, Europe, USA, the Pacific Basin and the Rest of the World.

Operating in many territories helps spread market risk. Similarly, the Group operates in Mechanical Engineering, Refractory and Technological sectors, mitigating the impact of a downturn in any one product area as has been seen in recent financial years.

The potential risk of the loss of any key customer is limited as no single customer accounts for more than 10% of annual turnover.

As described in the Business Model, the Group generates significant sales from naval propulsion marine applications and ship hull components, as well as from valves it supplies to LNG, oil, chemical and water markets. The Mechanical Engineering Division also sells submersible pumps that are supplied to the mining industries and radar systems that are used for coastal surveillance and air traffic control applications. The Refractory Engineering Division sells vermiculite and perlite to the insulating and fire prevention industry and our investment casting powder companies indirectly sell to the jewellery consumer market through the supply of investment casting moulding powders, waxes, silicone and natural rubber. The Technological Division specialises in polyimide manufacturing, that will sell polyimide resins into an established market. The resin can then be moulded into parts and shapes for the high temperature and critical applications for which very few polymers can be used. Internet Central provides internet services.

Technical risk: The Group develops and launches new products as part of its strategy to enhance the long-term value of the Group. Such development projects carry business risks, including reputational risk, abortive expenditure and potential customer claims which may have a material impact on the Group. The potential risk here is seen as manageable given the Group is developing products in areas in which it is knowledgeable, has extensive skill and expertise and new products go through rigorous, extensive testing prior to their release into the market. The risk of product obsolescence is countered by continuous research and development investment into new products.

Product failure / Contractual risk: The risks that the Group supplies products that fail or are not manufactured to specification are risks that all manufacturing companies are exposed to, but we try to minimise these risks through the use of highly skilled personnel operating within robust quality control system environments, using third party accreditations where appropriate. With regard to the risk of failure in relation to new products coming on line, the additional risks here are minimised at the research and development stage, where prototype testing and the deployment of a robust closed loop product performance quality control system provides feedback to the design department for the products we manufacture and sell. The risk of not meeting safety expectations, or causing significant adverse impacts to customers or the environment, is countered by the combination of the controls mentioned within this section and the purchase of product liability insurance.

Supply chain and equipment risk: Failure of a major supplier or an essential item of equipment presents a constant risk of disruption to the manufacturing in progress, especially during times of high inflation or increased shipping times and costs. Where reasonably possible, management mitigates and controls the risk with the use of dual sourcing, continual maintenance programmes, and by carrying adequate levels of stocks and spares to reduce any disruption.

Health and safety: The Group's operations involve the typical health and safety hazards inherent in manufacturing and business operations. The Group is subject to numerous laws and regulations relating to health and safety around the world. Hazards are managed by carrying out risk assessments and introducing appropriate controls, as well as attending safety training courses.

Acquisitions: The Group's growth plan over recent years has included a number of acquisitions. There is the risk that these, or future acquisitions, fail to provide the planned value. This risk is mitigated through thorough and robust financial and technical due diligence during the acquisition process and the Group's inherent knowledge of the markets they operate in.

Financial risk: The principal financial risks faced by the Group are changes in market prices (interest rates, foreign exchange rates and commodity prices). As reported, the Company, on 2nd July, 2021, signed a contract to mitigate the impact of interest rate risk by taking out an interest rate swap derivative fixing £30 million of notional debt at less than 1% versus the variable SONIA rate for a period of ten years, commencing 1st September, 2021. Detailed information on the financial risk management objectives and policies is set out in the financial statements to be published shortly. The Group has in place risk management policies that seek to limit the adverse effects on the financial performance of the Group by using various instruments and techniques, including credit insurance, stage payments, forward foreign exchange contracts, secured and unsecured credit lines. Prior to the expiry date of the Revolving Credit Facilities, the Board reviews the current and future requirements of the Group and arranges suitable replacement facilities prior to the current facility expiring. Post year-end, the Group has renewed one of its Revolving Credit Facilities, that was due to expire, for a four year term.

Regulatory compliance: The Group's operations are subject to a wide range of laws and regulations. Both within Goodwin PLC and its subsidiaries, the Directors and Senior Managers within the companies make best endeavours to ensure we comply with the relevant laws and regulations. The Group ensures that high ethical standards and values are adopted, specifically with regards to sanctions, anti-corruption, anti-bribery and human rights. During the year, the Group has carried out training and continued to refine and update its internal policies to reflect the associated risks.

IT security: The Group performs regular and remote off-site backups of its IT systems, from time to time engaging external companies to test and report any weaknesses and deficiencies found to enable solutions to be put in place to mitigate and minimise the risk of an IT security breach.

Energy and Climate Change: The Group is actively developing and implementing its carbon neutral plan, which helps mitigate the risk of the Group being exposed to the long-term effects of global warming and more specifically the upcoming

Carbon Border Adjustment Mechanism (CBAM) taxes that will likely ramp up over the next ten years, in addition to significant increases in the cost of power that are a result of the fragile global energy system. The Group's methods of mitigation include fixed price energy contracts, incorporating price escalation clauses into the longer term contracts and ultimately reducing the need to purchase energy from the national grid by installing renewable solutions like low cost solar panels. To date, the Group has installed 6.7MW of solar panels worldwide and planning has been obtained to install a further 4.3 MW of solar panels. Additional information on the Group's climate related risks and opportunities can be found within the Environmental section of the financial statements to be published shortly.

FORWARD-LOOKING STATEMENTS

The Group Strategic Report contains forward-looking type statements and information based on current expectations, and assumptions and forecasts made by the Group. These expectations and assumptions are subject to various known and unknown risks, uncertainties and other factors, which could lead to substantial differences between the actual future results, financial performance and the estimates and historical results given in this report. Many of these factors are outside the Group's control. The Group accepts no liability to publicly revise or update these forward-looking statements or adjust them for future events or developments, whether as a result of new information, future events or otherwise, except to the extent legally required.

Directors' statement pursuant to the Disclosure and Transparency Rules

Each of the Directors, whose names are listed in the financial statements to be published shortly, confirm that to the best of each person's knowledge:

a. the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company and the undertakings included in the consolidation taken as a whole; and

b. the Strategic Report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Directors

The Directors of the Company who have served during the year are set out below

M. S. Goodwin	Mechanical Divisional Managing Director
S. R. Goodwin	Refractory Divisional Managing Director
T. J. W. Goodwin	Chairman
B. R. E. Goodwin	Director
N. Brown	Director
A. J. Deeth	Finance Director, appointed 28th October, 2025
A. M. Thomas	Appointed 28th October, 2025
J. E. Kelly	Non-Executive Director
C. A. McNamara	Non-Executive Director

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the year ended 30th April, 2026

	2026	* 2025 restated
	£'000	£'000
CONTINUING OPERATIONS		
Revenue	**68,862**	67,287
Cost of sales	**(36,118)**	(36,336)
GROSS PROFIT	**32,744**	30,951
Selling and distribution costs	**(6,446)**	(5,281)
Administrative expenses	**(16,361)**	(13,648)
OPERATING PROFIT	**9,937**	12,022
Finance income	**970**	1,239
Finance costs	**(87)**	(1,078)
Share of profit of associate company	**64**	65
PROFIT BEFORE TAXATION AND MOVEMENT IN FAIR VALUE OF INTEREST RATE SWAP	**10,884**	12,248
Year-on-year unrealised gain / (loss) on 10 year interest rate swap derivative	**49**	(1,257)
PROFIT BEFORE TAXATION	**10,933**	10,991
Tax on profit	**(2,948)**	(2,665)
PROFIT AFTER TAXATION FROM CONTINUING OPERATIONS	**7,985**	8,326

PROFIT AFTER TAXATION FROM DISCONTINUED OPERATIONS	**49,960**	17,852
PROFIT FOR THE YEAR	**57,945**	26,178
ATTRIBUTABLE TO:		
From continuing operations	**6,432**	7,037
From discontinued operations	**49,022**	17,532
Equity holders of the parent	**55,454**	24,569
From continuing operations	**1,553**	1,289
From discontinued operations	**938**	320
Non-controlling interests	**2,491**	1,609
PROFIT FOR THE YEAR	**57,945**	26,178
From continuing operations	**85.65p**	93.71p
From discontinued operations	**652.79p**	233.46p
BASIC AND DILUTED EARNINGS PER ORDINARY SHARE (in pence)	**738.44p**	327.17p

*The comparative figures have been restated to present those of the sale of the Mechanical Engineering Division as discontinued operations. Further details are included the financial statements to be published shortly.

** The results of the discontinued operations include Goodwin Steel Castings Limited, Goodwin International Limited, Noreva GmbH, Easat Group and the Pump Division.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30th April, 2026

	2026	2025
	£'000	£'000
PROFIT FOR THE YEAR	**57,945**	26,178
OTHER COMPREHENSIVE INCOME / (EXPENSE)		
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT AND LOSS:		
Foreign exchange translation differences	**(578)**	(1,852)
Cash flow hedges - effective portion of changes in fair value	**650**	5,513
Cash flow hedges - amounts transferred to profit and loss	**(2,801)**	(1,593)
Cash flow hedges - deferred tax credit / (charge)	**538**	(806)
Cost of hedging - changes in fair value	**127**	(97)
Cost of hedging - amounts transferred to profit and loss	**313**	209
Cost of hedging - deferred tax charge	**(110)**	(33)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	**(1,861)**	1,341
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**56,084**	27,519
ATTRIBUTABLE TO:		
From continuing operations	**5,204**	9,891
From discontinued operations	**48,253**	15,979
Equity holders of the parent	**53,457**	25,870
From continuing operations	**1,689**	1,258
From discontinued operations	**938**	391
Non-controlling interests	**2,627**	1,649
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**56,084**	27,519

CONSOLIDATED BALANCE SHEET

at 30th April, 2026

	2026	2025
	£'000	£'000
NON-CURRENT ASSETS		
Property, plant and equipment	**50,948**	116,832
Right-of-use assets	**1,372**	6,055
Investment in associate	**722**	775
Intangible assets	**15,748**	27,670
Derivative financial assets	**3,892**	6,061
	72,682	157,393
CURRENT ASSETS		
Inventories	**14,925**	39,096

Contract assets	**295**	24,310
Trade and other receivables	**14,220**	42,390
Corporation tax receivable	**–**	1,583
Derivative financial assets	**1,495**	4,457
Cash and cash equivalents	**14,128**	16,643
	45,063	128,479
ASSETS CLASSIFIED AS HELD FOR SALE	**205,725**	–
TOTAL ASSETS	**323,470**	285,872
CURRENT LIABILITIES		
Borrowings	**348**	16,420
Contract liabilities *	**386**	34,750
Trade and other payables	**12,546**	37,159
Corporation tax payable	**3,390**	1,092
Derivative financial liabilities	**43**	256
Provisions for liabilities and charges	**–**	223
	16,713	89,900
LIABILITIES CLASSIFIED AS HELD FOR SALE	**160,233**	–
NON-CURRENT LIABILITIES		
Borrowings	**1,082**	15,707
Contract liabilities *	**–**	20,412
Derivative financial liabilities	**82**	428
Provisions for liabilities and charges	**–**	269
Deferred tax liabilities	**9,341**	16,948
	10,505	53,764
TOTAL LIABILITIES	**187,451**	143,664
NET ASSETS	**136,019**	142,208
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	**751**	751
Translation reserve	**(4,937)**	(4,223)
Cash flow hedge reserve	**2,057**	3,657
Cost of hedging reserve	**–**	(317)
Retained earnings	**132,771**	138,295
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**130,642**	138,163
NON-CONTROLLING INTERESTS	**5,377**	4,045
TOTAL EQUITY	**136,019**	142,208

* Contract liabilities are predominantly advance payments from customers.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 30th April, 2026

	Share capital	Translation reserve	Cash flow hedge reserve	Cost of hedging reserve	Retained earnings	Total attributable to equity holders of the parent	Non-controlling interests	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
YEAR ENDED 30TH APRIL, 2026								
Balance at 1st May, 2025	**751**	**(4,223)**	**3,657**	**(317)**	**138,295**	**138,163**	**4,045**	**142,208**
Total comprehensive income:								
Profit for the year	–	–	–	–	55,454	55,454	2,491	57,945
Other comprehensive income:								
Foreign exchange translation differences	–	(714)	–	–	–	(714)	136	(578)
Effective portion of changes in fair value	–	–	615	121	–	736	41	777
Amounts reclassified to profit and loss	–	–	(2,749)	302	–	(2,447)	(41)	(2,488)
Deferred tax credit / (charge)	–	–	534	(106)	–	428	–	428
Other comprehensive income / (expense) for the year	**–**	**(714)**	**(1,600)**	**317**	**–**	**(1,997)**	**136**	**(1,861)**
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR	**–**	**(714)**	**(1,600)**	**317**	**55,454**	**53,457**	**2,627**	**56,084**
Transactions with owners:								
Dividends paid	–	–	–	–	(60,978)	(60,978)	(1,295)	(62,273)

BALANCE AT 30TH APRIL, 2026	**751**	**(4,937)**	**2,057**	**–**	**132,771**	**130,642**	**5,377**	**136,019**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 30th April, 2025

	Share capital	Translation reserve	Share-based payments reserve	Cash flow hedge reserve	Cost of hedging reserve	Retained earnings	Total attributable to equity holders of the parent	Non-controlling interests	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
YEAR ENDED 30TH APRIL, 2025									
Balance at 1st May, 2024	**751**	**(2,391)**	**–**	**633**	**(426)**	**123,714**	**122,281**	**4,369**	**126,650**
Total comprehensive income:									
Profit for the year	–	–	–	–	–	24,569	24,569	1,609	26,178
Other comprehensive income:									
Foreign exchange translation differences	–	(1,832)	–	–	–	–	(1,832)	(20)	(1,852)
Effective portion of changes in fair value	–	–	–	5,449	(81)	–	5,368	48	5,416
Ineffectiveness transferred to profit and loss	–	–	–	–	–	–	–	–	–
Amounts reclassified to profit and loss	–	–	–	(1,665)	226	–	(1,439)	55	(1,384)
Deferred tax (charge) / credit	–	–	–	(760)	(36)	–	(796)	(43)	(839)
Other comprehensive income / (expense) for the year	**–**	**(1,832)**	**–**	**3,024**	**109**	**–**	**1,301**	**40**	**1,341**
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR	**–**	**(1,832)**	**–**	**3,024**	**109**	**24,569**	**25,870**	**1,649**	**27,519**
Transfers between reserves	–	–	–	–	–	–	–	–	–
Transactions with owners:									
Dividends paid	–	–	–	–	–	(9,988)	(9,988)	(1,973)	(11,961)
BALANCE AT 30TH APRIL, 2025	**751**	**(4,223)**	**–**	**3,657**	**(317)**	**138,295**	**138,163**	**4,045**	**142,208**

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30th April, 2026

	2026 £'000	2025 £'000
CONTINUING AND DISCONTINUED OPERATIONS		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit after tax	**57,945**	26,178
Adjustments for:		
Depreciation of property, plant and equipment	**7,646**	6,663
Depreciation of right-of-use assets	**733**	1,346
Amortisation and impairment of intangible assets	**1,415**	1,580
Finance costs (net)	**1,167**	1,660
Currency losses	**(37)**	1,371
(Profit) / loss on sale of property, plant and equipment	**(73)**	126
Unrealised gain / (loss) on 10 year interest rate swap derivative	**(49)**	1,257
Share of profit of associate company	**(64)**	(65)
UK tax incentive credit on research and development	**(704)**	(573)
Tax expense	**19,606**	8,082
OPERATING CASH FLOW BEFORE CHANGES IN WORKING CAPITAL AND PROVISIONS	**87,585**	47,625
(Increase) / decrease in inventories	**(14,300)**	6,743
(Increase) in contract assets	**(7,365)**	(2,121)
(Increase) in trade and other receivables	**(11,941)**	(12,095)
Increase in contract liabilities	**15,376**	20,990
Increase in trade and other payables	**4,008**	6,100
CASH GENERATED FROM OPERATIONS	**73,363**	67,242
Interest received	**1,069**	1,340
Interest paid	**(2,790)**	(3,822)
Corporation tax paid	**(9,846)**	(6,566)
NET CASH INFLOW FROM OPERATING ACTIVITIES	**61,796**	58,194
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	**385**	125
Acquisition of property, plant and equipment	**(13,307)**	(13,176)
Acquisition of intangible assets	**(260)**	(283)
Development expenditure capitalised	**(1,606)**	(2,832)
Dividend from associate company	**126**	156
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	**(14,662)**	(16,010)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of capital element of lease liabilities	**(2,702)**	(6,073)
Dividends paid	**(60,978)**	(9,988)
Dividends paid to non-controlling interests	**(1,295)**	(1,973)
Proceeds from new loans	**66,000**	12,000
Repayment of loans	**(46,822)**	(49,837)
Change in bank overdrafts	**–**	(48)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	**(45,797)**	(55,919)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**1,337**	(13,735)
Cash and cash equivalents at beginning of year	**16,643**	30,678
Effect of exchange rate fluctuations on cash held	**179**	(300)
CASH AND CASH EQUIVALENTS AT END OF YEAR	**18,159**	16,643

Accounting policies

Goodwin PLC (the "Company") is incorporated in England and Wales.

The Group financial statements comprise those of the Company, its subsidiaries and its associate company (together referred to as the "Group"). The parent Company financial statements present information about the Company as a separate entity and not about its Group.

The Group's financial statements have been prepared in accordance with UK Company Law, UK adopted International Accounting Standards (IAS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under UK adopted IFRS.

The Company has elected to prepare its financial statements in accordance with Financial Reporting Standard (FRS) 101 issued in the UK. These are presented in the financial statements to be published shortly.

The accounting policies set out below have been applied consistently to all periods presented in these Group financial statements.

In the application of these accounting policies, judgements made by the Directors, that have a significant effect on the financial statements, and estimates with a possible significant risk of material adjustment in the next year, are discussed in the financial statements to be published shortly.

The financial information previously set out does not constitute the Company's statutory accounts for the years ended 30th April 2026 or 2025 but is derived from those accounts. Statutory accounts for 2025 have been delivered to the Registrar of Companies, and those for 2026 will be delivered in due course. The auditors have reported on those accounts; their report was:

i. unqualified;

ii. did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report; and

iii. did not contain a statement under Section 498(2) or (3) of the Companies Act 2006.

Copies of the 2026 accounts are expected to be posted to shareholders within the next two weeks and will also be available on the Company's website: www.goodwin.co.uk and from the Company's Registered Office: Ivy House Foundry, Hanley, Stoke-on-Trent ST1 3NR

Discontinued operations

As explained in the Chairman's statement and in the financial statements to be published shortly, the Board of Directors commenced a strategic review of its Mechanical Engineering Division, during the year, to consider a range of potential options to maximise value for shareholders, whilst ensuring continuity for all stakeholders, including customers and the long-term prosperity of its businesses. These options include the potential disposal of the Mechanical Engineering Division, which includes Goodwin Steel Castings Limited, Goodwin International Limited, Noreva GmbH, Easat Group and the Pump Division.

After reviewing the options available, the Board of Directors decided that the preferred course of action was to progress with a disposal of the Mechanical Engineering Division. Rothschild and Co were appointed as the Group's financial adviser to manage that process, engage with interested parties and invite offers for the businesses identified for disposal.

The Board of Directors has considered the provisions of IFRS 5 and consider that they have met the requirements for the Financial Statements to be prepared as required by the standard for Assets Held for Sale and discontinued operations.

The scope of the proposed disposal was determined following consideration of the level of interest expressed by external parties, together with an assessment of the strategic fit of the businesses and the value that could be realised for shareholders. Following the assessment, detailed financial, commercial and operational information was prepared to support the disposal process and enable the businesses identified for disposal to be separated from those intended to remain within the Group itself and for interested parties to undertake their evaluation of those businesses.

To comply with IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations, the results of these businesses have been classified as discontinued operations in these financial statements. The profit and loss account has been restated for the previous period, in order to report the continuing operations on a comparable basis. The result from the discontinuing operations has been reported in one line on the income statement, with the detailed analysis of the profit and loss being included in the financial statements to be published shortly.

The balance sheet is not restated for the prior period. For the current period, the assets and liabilities of the disposal group are reported in separate lines on the consolidated balance sheet. The analysis of the disposal group's assets and liabilities is disclosed in the financial statements to be published shortly.

The non-current assets of the disposal group are stated at cost less depreciation and amortisation.

Other assets and liabilities of the disposal group are measured at amortised cost, with the exception of derivative assets and liabilities which are measured at fair value, in accordance with the Group's accounting policy.

The impairment review of the assets held for sale indicates that there is no need to impair the assets.

Note 1

Discontinued operations

The Board of Directors announced that, during the period, it commenced a strategic review to consider a range of potential options to maximise value for shareholders whilst ensuring continuity for all stakeholders, including customers and the long term prosperity of its business. These options include the sale of the Mechanical Engineering Division, which includes Goodwin Steel Castings Limited, Goodwin International Limited, Noreva GmbH, Easat Group and the Pump Division.

After reviewing the options available, the Board of Directors committed that the preferred course of action was to progress with a disposal and to initiate an active sales process. Rothschild and Co were appointed as the Group's financial adviser to manage that process, engage with interested parties and invite indicative and, subsequently, binding offers for the businesses identified for disposal.

The disposal process is being actively pursued in accordance with the Board's approved plan, which targets completion within the next twelve months.

The Board of Directors has considered the provisions of IFRS 5 and consider that they have met the requirements for the Financial Statements to be prepared as required by the standard for Assets Held for Sale and discontinued operations.

The scope of the proposed disposal was determined following consideration of the level of interest expressed by external parties, together with an assessment of the strategic fit of the businesses and the value that could be realised for shareholders. Following the assessment, detailed financial, commercial and operational information was prepared to support the disposal process and enable the businesses identified for disposal to be separated from those intended to remain within the Group and for interested parties to undertake their evaluation of those businesses.

As such, these accounts have been prepared to reflect the potential sale by reporting these companies' results as Discontinued Operations

a) Profit and loss account

	2026	2025
	£'000	£'000
Revenue	**211,154**	152,422
Cost of sales	**(103,620)**	(91,764)
Gross profit	**107,534**	60,658
Selling and distribution costs	**(6,380)**	(5,622)
Administrative expenses	**(32,487)**	(29,946)

Operating profit	**68,667**	25,090
Finance income	**91**	66
Finance costs	**(2,140)**	(1,887)
Profit before taxation	**66,618**	23,269
Tax on profit	**(16,658)**	(5,417)
Profit after taxation	**49,960**	17,852
Attributable to:		
Equity holders of the parent	**49,022**	17,532
Non-controlling interests	**938**	320
Profit for the year	**49,960**	17,852

b) Statement of comprehensive income

	2026	2025
	£'000	£'000
Profit for the year	49,960	17,852
Other comprehensive income / (expense)		
Items that may be reclassified subsequently to profit or loss:		
Foreign exchange translation differences	**116**	1,150
Cash flow hedges - effective portion of changes in fair value	**506**	(4,062)
Cash flow hedges - amounts transferred to profit and loss	**(2,056)**	815
Cash flow hedges - deferred tax credit	**388**	664
Cost of hedging - changes in fair value	**127**	66
Cost of hedging - amounts transferred to profit and loss	**242**	(132)
Cost of hedging - deferred tax (charge) / credit	**(92)**	17
Other comprehensive expense for the year net of income tax	**(769)**	(1,482)
Total comprehensive income for the year	**49,191**	16,370
Attributable to:		
Equity holders of the parent	**48,253**	15,979
Non controlling interests	**938**	391
	49,191	16,370

c) Net assets classified as held for sale

	2026
	£'000
Property, plant and equipment	**75,329**
Right-of-use assets	**856**
Intangible assets	**12,474**
Derivative financial assets designated as cash flow hedging instruments	**2,410**
Derivative financial assets not designated as cash flow hedging instruments	**560**
Inventories	**38,593**
Contract assets	**31,450**
Trade receivables	**35,322**
Other financial assets	**1,831**
Non-financial assets	**2,869**
Cash and cash equivalents	**4,031**
Total assets of disposal group held for sale	**205,725**
Bank loans - repayable by instalments	**(394)**
Bank loans - rolling credit facilities	**(47,000)**
Lease liabilities	**(909)**
Contract liabilities	**(70,228)**
Trade and other financial liabilities	**(27,994)**
Non-financial liabilities	**(392)**
Corporation tax payable	**(2,496)**
Derivative financial liabilities designated as cash flow hedging instruments	**(763)**
Derivative financial liabilities not designated as cash flow hedging instruments	**(46)**
Provisions for liabilities and charges	**(672)**
Deferred tax liabilities	**(9,339)**
Total liabilities of disposal group held for sale	**(160,233)**
Net assets	**45,492**

The carrying value of the net assets classified as held for sale is not lower than the expected sales value.

d) Cash flows

	2026	2025
	£'000	£'000
Net cash flows from operating activities	**46,721**	27,741
Net cash flows from investing activities	**(10,143)**	(9,588)
Net cash flows from financing activities	**19,734**	(33,381)

Net increase in cash and cash equivalents	**56,312**	(15,228)

e) Tax charge

	2026	2025
	£'000	£'000
Current tax expense	**15,615**	4,909
Deferred tax expense	**1,043**	508
	16,658	5,417

f) Revenue

The analysis of revenue by region and by contract type is included in the financial statements to be published shortly.

	2026	2025
	£'000	£'000
Revenue recognised in the year, which was included in the contract liability balance at the beginning of the period	**31,191**	19,060
Revenue recognised from performance obligations, which were satisfied (or partially satisfied) in previous periods	**5,019**	2,598

Note 2

Segmental information
Reportable segments
Further to the strategic review detailed in the financial statements to be published shortly, a change in management reporting occurred during the year and these accounts have been prepared reflecting this.
The businesses that are to be disposed now form a separate management report and the continuing operations reported internally as the Refractory Engineering Division; a Technological Division made up of Duvelco and Internet Central, that were formerly part of the Mechanical Engineering Division, but are not part of the businesses for sale; and the Central costs of Goodwin PLC. The total column titled as Continuing has been shared as the Board of Directors see that this additional information benefits those reading the financial statements that it reflects the total ongoing operations of the Group. Consequently, the segmental analysis has been prepared on the basis of the current reportable segments and the comparative figures have been restated accordingly.

	2026					
	Refractory	**Technological**	**Central costs**	**Continuing**	**Mechanical (discontinued)**	**Group**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Profit and loss account						
External revenue	**64,856**	**3,922**	**84**	**68,862**	**211,154**	**280,016**
Cost of sales	(32,666)	(3,212)	(240)	**(36,118)**	**(103,620)**	**(139,738)**
Gross profit	**32,190**	**710**	**(156)**	**32,744**	**107,534**	**140,278**
Selling and distribution costs	(5,803)	(572)	(71)	**(6,446)**	**(6,380)**	**(12,826)**
Administrative expenses	(10,674)	(3,593)	(2,094)	**(16,361)**	**(32,487)**	**(48,848)**
Operating profit / (loss)	**15,713**	**(3,455)**	**(2,321)**	**9,937**	**68,667**	**78,604**
Finance income	26	–	944	**970**	**91**	**1,061**
Finance costs	(41)	(34)	(12)	**(87)**	**(2,140)**	**(2,227)**
Share of profit of associate company	64	–	–	**64**	**–**	**64**
Unrealised (loss) / gain on 10 year interest rate swap derivative	–	–	49	**49**	**–**	**49**
Profit /loss) before tax	**15,762**	**(3,489)**	**(1,340)**	**10,933**	**66,618**	**77,551**
Taxation	(3,498)	740	(190)	**(2,948)**	**(16,658)**	**(19,606)**
Profit after tax	**12,264**	**(2,749)**	**(1,530)**	**7,985**	**49,960**	**57,945**

	2025					
	Refractory	Technological	Central costs	Continuing	Mechanical (discontinued)	Group
	£'000	£'000	£'000	£'000	£'000	£'000
Profit and loss account						
External revenue	63,388	3,863	36	67,287	152,422	219,709
Cost of sales	(33,740)	(2,346)	(250)	(36,336)	(91,764)	(128,100)
Gross profit	29,648	1,517	(214)	30,951	60,658	91,609
Selling and distribution costs	(5,183)	(98)	–	(5,281)	(5,622)	(10,903)
Administrative expenses	(10,777)	(2,015)	(856)	(13,648)	(29,946)	(43,594)
Operating profit	13,688	(596)	(1,070)	12,022	25,090	37,112
Finance income	30	–	1,209	1,239	66	1,305
Finance costs	(22)	(38)	(1,018)	(1,078)	(1,887)	(2,965)

Share of profit of associate company	65	–	–	65	–	65
Unrealised (loss) / gain on 10 year interest rate swap derivative	–	–	(1,257)	(1,257)	–	(1,257)
Profit before tax	13,761	(634)	(2,136)	10,991	23,269	34,260
Taxation	(2,866)	82	119	(2,665)	(5,417)	(8,082)
Profit after tax	10,895	(552)	(2,017)	8,326	17,852	26,178

	Refractory	Technological	2026 Central costs	Continuing	Mechanical (discontinued)	Group
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Balance sheet						
Total assets	62,252	27,679	27,814	117,745	205,725	323,470
Total liabilities	(10,327)	(2,338)	(14,553)	(27,218)	(160,233)	(187,451)
Net assets	51,925	25,341	13,261	90,527	45,492	136,019
			2025			
Balance sheet						
Total assets	62,317	25,143	21,887	109,347	176,525	285,872
Total liabilities	(9,984)	(2,015)	(11,849)	(23,848)	(119,816)	(143,664)
Net assets	52,333	23,128	10,038	85,499	56,709	142,208

	Refractory	**Technological**	**2026 Central costs**	**Continuing**	**Mechanical (discontinued)**	**Group**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cash flow statement						
Cash flow from operating activities	**12,965**	**(1,524)**	**3,634**	**15,075**	**46,721**	**61,796**
Cash flow from investing activities	**(1,224)**	**(2,830)**	**(465)**	**(4,519)**	**(10,143)**	**(14,662)**
Cash flow from financing activities	**(1,581)**	**(92)**	**(63,858)**	**(65,531)**	**19,734**	**(45,797)**
Net increase / (decrease) in cash and cash equivalents	**10,160**	**(4,446)**	**(60,689)**	**(54,975)**	**56,312**	**1,337**
			2025			
Cash flow statement						
Cash flow from operating activities	13,672	2,343	14,438	30,453	27,741	58,194
Cash flow from investing activities	(2,206)	(4,201)	(15)	(6,422)	(9,588)	(16,010)
Cash flow from financing activities	(2,193)	(74)	(20,271)	(22,538)	(33,381)	(55,919)
Net increase / (decrease) in cash and cash equivalents	9,273	(1,932)	(5,848)	1,493	(15,228)	(13,735)

	Refractory	**Technological**	**2026 Central costs**	**Continuing**	**Mechanical (discontinued)**	**Group**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Other segmental information						
Capital expenditure:						
Property, plant and equipment	1,062	1,922	1,008	3,992	9,911	13,903
Right-of-use assets	728	5	–	733	317	1,050
Intangible assets	312	934	80	1,326	540	1,866
	2,102	2,861	1,088	6,051	10,768	16,819
Depreciation, amortisation and impairment:						
Depreciation - PPE	1,533	519	499	2,551	5,095	7,646

Depreciation - ROU	308	106	–	414	319	733
Amortisation and impairment	721	90	92	903	512	1,415
	2,562	715	591	3,868	5,926	9,794

			2025			
	Refractory £'000	Technological £'000	Central costs £'000	Continuing £'000	Mechanical (discontinued) £'000	Group £'000
Other segmental information						
Capital expenditure:						
Property, plant and equipment	1,457	3,238	162	4,857	10,153	15,010
Right-of-use assets	6	–	55	61	86	147
Intangible assets	504	1,772	1	2,277	838	3,115
	1,967	5,010	218	7,195	11,077	18,272
Depreciation, amortisation and impairment:						
Depreciation - PPE	1,451	181	307	1,939	4,724	6,663
Depreciation - ROU	437	107	310	854	492	1,346
Amortisation and impairment	828	–	98	926	654	1,580
	2,716	288	715	3,719	5,870	9,589

Geographical segments

The Group operates in the following principal locations. In presenting the information on geographical segments, revenue is based on the location of its customers and assets on the location of the assets.

	2026			2025 (restated)		
	Continuing £'000	**Discontinued £'000**	*** Total £'000**	Continuing £'000	Discontinued £'000	* Total £'000
Revenue:						
UK	19,672	57,606	77,278	18,749	45,155	63,904
Rest of Europe	7,779	19,812	27,591	8,003	18,668	26,671
USA	456	67,560	68,016	524	34,902	35,426
Pacific Basin	26,210	18,800	45,010	24,515	18,211	42,726
Rest of World	14,745	47,376	62,121	15,496	35,486	50,982
	68,862	211,154	280,016	67,287	152,422	219,709
Net assets:						
UK	68,130	1,700	69,830	64,412	19,481	83,893
Rest of Europe	–	19,648	19,648	–	15,550	15,550
Pacific Basin	17,139	131	17,270	16,106	–	16,106
Rest of World	5,258	24,013	29,271	4,924	21,735	26,659
	90,527	45,492	136,019	85,442	56,766	142,208
Non-current assets						
UK	60,658	70,167	130,825	58,591	67,046	125,636
Rest of Europe	–	10,647	10,647	–	8,627	8,627
Pacific Basin	6,686	86	6,772	6,185	105	6,290
Rest of World	1,446	7,759	9,205	1,802	8,977	10,779
	68,790	88,659	157,449	66,578	84,755	151,332
Capital expenditure						
UK	5,048	8,008	13,056	6,623	5,845	12,468
Rest of Europe	–	2,533	2,533	–	4,186	4,186
Pacific Basin	930	–	930	169	2	171
Rest of World	71	226	297	402	1,045	1,447
	6,049	10,767	16,816	7,194	11,078	18,272

* The totals are non-GAAP measures, which have been included to provide a useful analysis of the Group as a whole.

Note 3
Dividends

Subject to shareholder approval of the proposed dividend at the forthcoming Annual General Meeting on 7th October, 2026, a final dividend of 330 pence per share, *(2025: 280p, together with the special interim dividend of 532 pence per share paid in November 2025, total distributions in respect of the prior year amounted to 812 pence per share).* Payment of the proposed dividend will not be split between October and the subsequent April, as has been the case for the past few years, and will be paid in full on 9th October, 2026 to shareholders on the register on 17th September, 2026.

Subject to the continued performance of the business and the outcome of the ongoing strategic review of the Mechanical Engineering Division and disposal thereof, if a disposal does not complete, the Board intends to consider declaring an interim dividend payable in April 2027. This would be with the objective of bringing the total distributions for the year broadly into line with the Group's previous policy of distributing 58% of post-tax profits plus depreciation and amortisation. If a disposal does complete the Board anticipates a substantial proportion of the cash proceeds will be paid out to shareholders.

Having reinvested over £200 million during the past two decades into highly efficient, technologically advanced manufacturing plant, equipment, subsidiary growth, and capitalised our intellectual property designs and processes as intangibles, the Group now benefits from having the required facilities and operational capacity to support ongoing profitability with only modest levels of future capital expenditure.

Importantly the dividend payment will not compromise the Group's longstanding proactive approach to equipment maintenance, facility investment and acquisitions. Management teams will continue to be encouraged to allocate resources and time towards identifying and developing new growth opportunities and product lines. However, at the present time, the major capital projects visible on the horizon are expected to be fully customer-funded, further supporting the Board's confidence that the revised Dividend Policy remains viable and sustainable for the foreseeable future.

Note 4
Earnings per share

	2026 Number	2025 Number
Ordinary shares in issue		
Opening and closing shares in issue	**7,509,600**	7,509,600
Total ordinary shares	**7,509,600**	7,509,600
Weighted average number of ordinary shares in issue	**7,509,600**	7,509,600

	2026 £'000	2025 £'000
From continuing operations	**6,432**	7,037
From discontinued operations	**49,022**	17,532
Relevant post-tax profits attributable to ordinary shareholders	**55,454**	24,569

	2026 pence	2025 pence
From continuing operations	**85.65**	93.71
From discontinued operations	**652.79**	233.46
Basic and diluted earnings per share	**738.44**	327.17

Note 5
Going Concern

The Directors, after having reviewed the Group forecasts and possible challenges that may occur over the short to medium term, are confident that the Group has adequate resources to continue to operate for at least twelve months from the date that these financial statements are approved and have continued to adopt the going concern principle in preparing the financial statements.

As at 30th April 2026, the Group's gearing ratio stood at 22.4% *(2025: 9.9%)*, which is due to an increase in the Group's working capital by £15.9 million due to the significant increase in trading activity of the Group (29%) against a substantial shareholders' net worth of £131 million *(2025: £138 million)*. The retained reserves of the Group and the increased headroom in lender facilities put it in a strong position to deal with any material unforeseen adverse issues that may occur and have an impact on the Group's operations.

As part of the going concern process, the Group forecasts are stress tested by being subject to a number of severe but conceivable financial challenges to ensure that the Group finances remain robust throughout the period being tested. The stress test model begins with the Group forecasts, that have been consolidated from the individual forecasts generated by the Directors of each of the subsidiaries and reflects their specific knowledge of their business and the markets within which they operate, to ensure that the forecasts that they produce reflect the market conditions, the business strategy and expected outlook. Each of these subsidiary level forecasts is then reviewed, challenged and approved by the relevant Divisional Managing Director, who is immersed in each of these businesses to such an extent that they know and understand each of their markets. As the Group is so diverse, with two divisions in different sectors and multiple products within each division, several stress test events are used to reduce the pre-tax profit forecasts by reducing revenues and consequently the pre-tax profit. Due to this diversity, it is feasible that one or two events could take place, but it is highly improbable that all the stress test events would occur at the same time. The stress tests implemented reduced revenues and consequently pre-tax profits, which for these stress tests implemented reduced pre-tax profit by a combined amount of 66%, without reducing the discretionary capital expenditure programme, maintaining overheads at their current expected levels, maintaining the dividend policy and utilising the finance facilities at the same amounts that will be in place twelve months from the signing of these accounts. The results of the stress test modelling did not highlight any going concern issues, breaches of covenant, need to reduce the discretionary capital expenditure, make any changes to overheads, reduce or cancel the payment of a dividend or the requirement for any further financing facilities in addition to those currently in place at the year end.

Whilst our carrying values of trade debtors and contract assets are significant, we see little risk here in terms of recovery due to the quality of the customers that the Group contracts with. Where possible, we credit insure the majority of our trade debtors and our pre-credit risk (work in progress), and for significant contracts where credit insurance is not available we ensure, where possible, that those contracts are backed by letters of credit or cash positive milestone payments.

As discussed in the financial statements to be published shortly, the Mechanical Engineering activity remains high and the Refractory Engineering segment continues to be buoyant and the Technological Division is still in its infancy but has significant potential.

The Board of Directors announced that it has commenced a strategic review during the year to consider a range of potential options to maximise value for shareholders whilst ensuring continuity for all stakeholders, including customers and the long-term prosperity of its business. These options include the sale of the Mechanical Engineering Division, which includes Goodwin Steel Castings Limited, Goodwin International Limited, Noreva GmbH, Easat Group and the Pump Division. A review of the continuing operations of the Group was undertaken to ensure that it could operate as a going concern if the potential sale was finalised, which the Board concluded that it could do so.

The Directors are confident that, whether this potential sale happens or not, the Group and Company will have sufficient funds to continue to meet their liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Note 6

Annual General Meeting

The Annual General Meeting will be held at 10.30 a.m. on Wednesday, 7th October 2026 at Crewe Hall, Weston Road, Crewe, Cheshire CW1 6UZ

Note 7

Alternative Performance Measures

The alternative performance measures are based on the totals of continuing and discontinued operations and are Non-GAAP.

Measure	*Method of calculation / reference*	**2026**	2025
Gross profit (£'000)	Segmental information	**140,278**	91,609
Revenue (£'000)	Segmental information	**280,016**	219,709
Gross profit as percentage of revenue (%)	Gross profit / Revenue	**50.1%**	41.7%
Profit before tax (£'000)	Segmental information	**77,551**	34,260
Unrealised (gain) / loss on 10 year interest rate swap derivative (£'000)	Consolidated statement of profit and loss	**(49)**	1,257
Trading profit (£'000)		**77,502**	35,517
Operating profit (£'000)	Segmental information	**78,604**	37,112
Capital employed (£'000)		**159,926**	151,788
Return on capital employed (%)	Operating profit / capital employed	**49.2%**	24.4%
Net debt (£'000)		**29,284**	13,625
Net assets attributable to equity holders of the parent (£'000)	Consolidated balance sheet	**130,642**	138,163
Gearing (%)	Net debt / equity, as above	**22.4%**	9.9%
Net profit attributable to equity holders of the parent (£'000)	Consolidated statement of profit and loss	**55,454**	24,569
Net assets attributable to equity holders of the parent (£'000)	Consolidated balance sheet	**130,642**	138,163
Return on investment (%)	Net profit / net assets	**42.4%**	17.8%
Revenue (£'000)	Segmental information	**280,016**	219,709
Average number of employees		**1,296**	1,253
Revenue per employee (£)	Group revenue / average employees	**216,062**	175,346
Annual post tax profit (£'000)	Consolidated statement of profit and loss	**57,945**	26,178
Interest rate SWAP mark to market net of tax @ 25% (2025: 25%) (£'000)	Consolidated statement of profit and loss	**(37)**	943
Depreciation owned assets (£'000)		**7,646**	6,663
Depreciation right-of-use assets (£'000)		**733**	1,346
Amortisation and impairment (£'000)		**1,415**	1,580
Exclude operating lease depreciation (£'000)		**(655)**	(566)
Annual post tax profit + depreciation + amortisation (£'000)		**67,047**	36,144

FIVE YEAR FINANCIAL SUMMARY

	2022	2023	2024	2025	**2026**
	£'000	£'000	£'000	£'000	**£'000**
Continuing and discontinued operations (Non-GAAP measure)					
Revenue	144,108	185,742	191,258	219,709	**280,016**

Trading profit	17,201	18,940	24,094	35,517	**77,502**
Profit before taxation	19,941	22,129	24,207	34,260	**77,551**
Tax on profit	(6,321)	(5,616)	(6,491)	(8,082)	**(19,606)**
Profit after taxation	13,620	16,513	17,716	26,178	**57,945**
Basic earnings per ordinary share (in pence)	169.14p	206.81p	224.53p	327.17p	**738.44p**
Diluted earnings per ordinary share (in pence)	169.14p	206.81p	224.53p	327.17p	**738.44p**
Total equity	119,743	129,157	126,650	142,208	**136,019**

Trading profit is defined as profit before tax, less the impact of the interest rate swap valuation. The calculation is reported in the Alternative Performance Measures as shown in the financial statements to be published shortly.

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