



Interim results

Six months ended 30 June 2021

David Cicurel, CEO

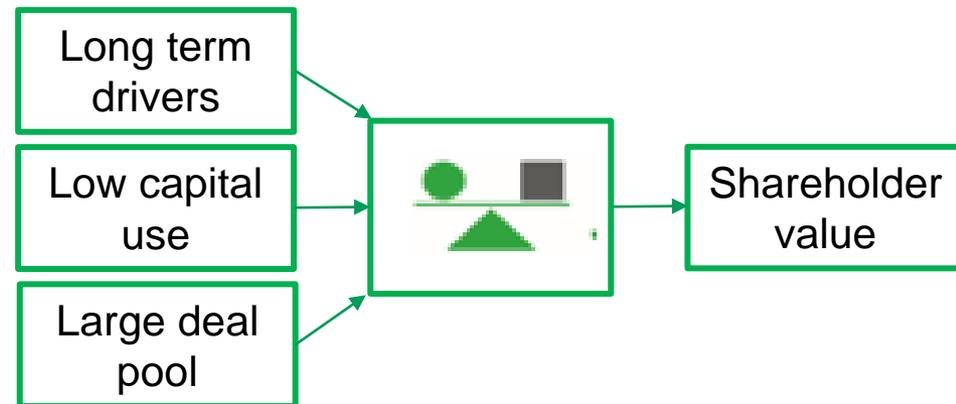
Brad Ormsby, CFO

Mark Lavelle, COO

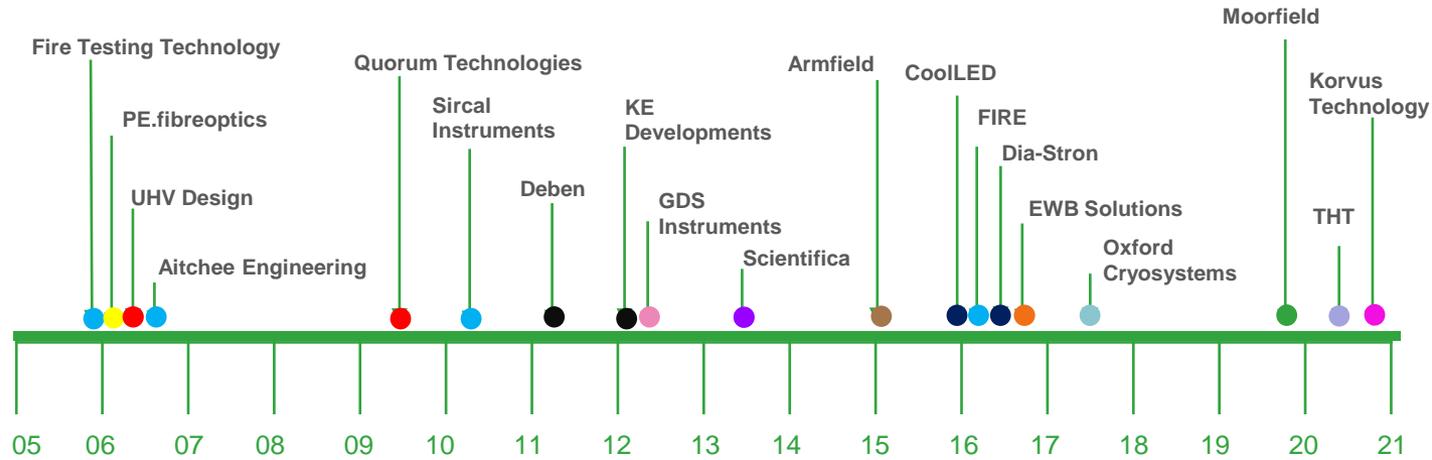
24th September 2021

About Judges Scientific

- Buy and build model within the scientific instrument market
- Favourable market
 - Long term growth drivers
 - Large pool of potential acquisitions in global niches
 - Low capital requirements
- Track record of acquisitions and reputation as a good acquirer
 - Nineteen acquisitions since May 2005
- Strict acquisition discipline
 - Buying sustainable businesses at sensible prices



The Judges Group



A snapshot of Group customers

Universities	Industry	Other research and compliance
   	   	  
OEMs		
		

Key Messages

Performance

Order intake, revenue, profit and cashflow rebounding

Restored order book

Resilience and adaptability of Group, alongside contribution of recent acquisitions enabled performance to reach H1 2019

Covid-19 impact

Remain focused on ensuring health and safety of our colleagues

Markets and customers have adjusted to new environment, but not “business as usual” yet

Headwinds relating to global supply chain

Outlook

Uncertainty remains but positive signs

Long-term fundamentals of the Group unchanged

15% increase to interim dividend

Performance review



Highlights

Organic revenue

+5%

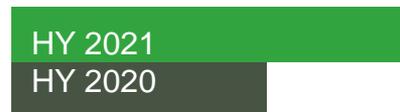
Total revenue up 15%



Cash from operations

£8.0m

(HY 2020: £5.1m)



Organic order intake

+25%

Total order book
17.6 weeks



Interim dividend

+15%

19p per share



Adjusted operating profit

+31%

£8.8 million



Adjusted net debt

£1.7m

(31 December 2020:
£5.7m)



Adjusted EPS

+32%

111.0p



Cash balances

£17.6m

(31 December 2020:
£15.5m)



Performance

	HY 2021 (£m)	HY 2020 (£m)	Variance (£m)	Variance (%)
Revenue	43.0	37.4	5.6	15%
Operating costs	(34.2)	(30.7)	(3.5)	11%
Adjusted operating profit	8.8	6.7	2.1	31%
Interest	(0.3)	(0.3)		
Adjusted PBT	8.5	6.4	2.1	33%
Taxation	(1.4)	(0.9)		
Adjusted PAT	7.1	5.5	1.6	29%
Adjusting items (post tax)	(1.4)	(1.7)		
Statutory PAT	5.7	3.8	1.9	50%

5% organic revenue growth and contribution from THT and Korvus acquisitions

Operating margin recovered to 20.5% (19.6% before R&D cap'n) (H1 2020: 17.9%)

Effective tax rate 15.6% - benefit from R&D tax credits

Adjusting items - mainly amortisation from recent acquisitions

Capitalisation of R&D expenditure

- Capitalised in H1 £0.4m of expenditure on new or significantly improved products (in line with IAS38) - historically expensed 100% of R&D costs
- Three year amortisation of capitalised expenditure once products are completed
- Expected to have diminishing effect on P&L over next 3-4 years
- Enhancement to EPS in H1 of 5p (H1 EPS would otherwise have been 106p)
- Example effect on results (assuming consistent projects capitalised):

	H1 2021	2021	2022	2023	2024
	£m	£m	£m	£m	£m
Capitalised	0.4	0.9	0.9	0.9	0.9
Amortised	0	0	0.3	0.6	0.9
Pre-tax P&L impact	0.4	0.9	0.6	0.3	0
EPS effect (p)	5.1	11.6	7.7	3.9	0.0

Order intake

- Organic order intake up 25% compared with H1 last year – now back to 2019 levels
- Intake varied considerably between businesses
- Geographically:
 - UK up 26%
 - Rest of Europe up 34%
 - North America up 41%
 - China up 2%. Rest of the World up 8%



- Organic order book of 16.1 weeks at 30 June 2021 (31 Dec 2020: 14.0 weeks; 30 June 2020: 10.8 weeks)
- Total order book at 17.6 weeks at 30 June 2021
- Organic orders remain positive (YTD August 23% ahead) and total order book of 20.1 weeks at end August

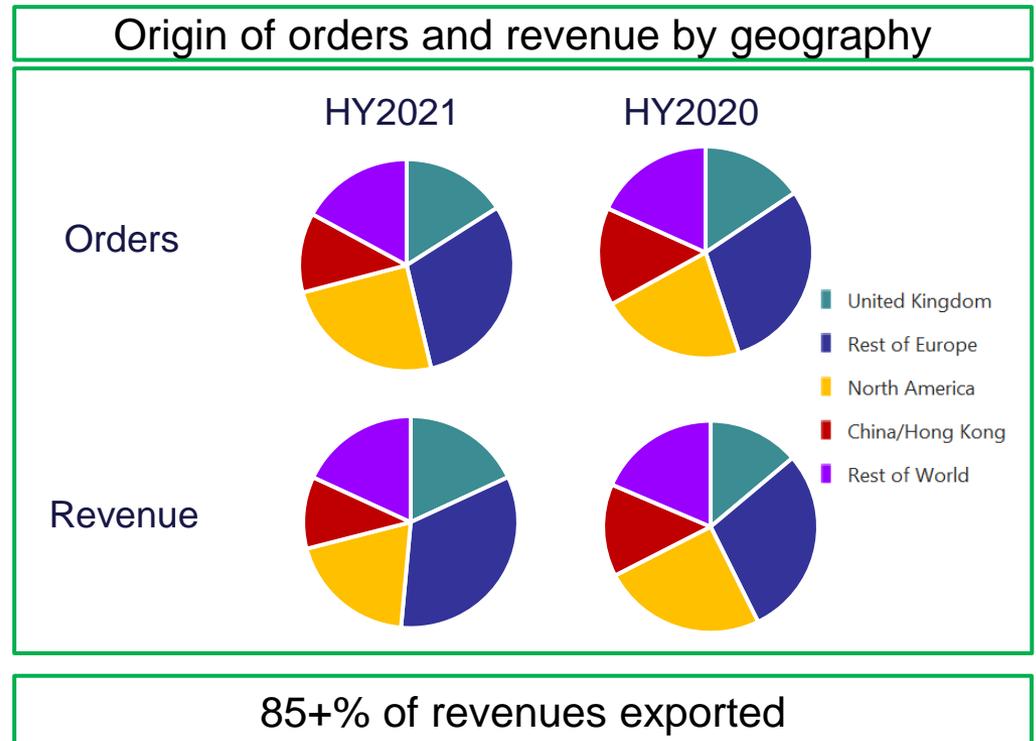
Revenue summary

- Organic revenue growth across:

- UK by 39%
- Rest of Europe 27%

- Organic revenue decline in:

- China/Hong Kong by 33%
- North America by 16%



Profit bridge



Balance sheet and cash flow

Balance Sheet summary	Jun 21 (£m)	Dec 20 (£m)
Cash	17.6	15.5
Debt	(19.3)	(21.2)
Adjusted net (debt)/cash	(1.7)	(5.7)
Working Capital	10.5	9.6
DB Pension (net of tax)	(1.6)	(2.7)
Other assets / liabilities	31.0	31.5
Net assets	38.2	33.1

Conservative balance sheet – low gearing

Working capital above 10% of annual revenue - affected by high June revenue and supply chain conservatism

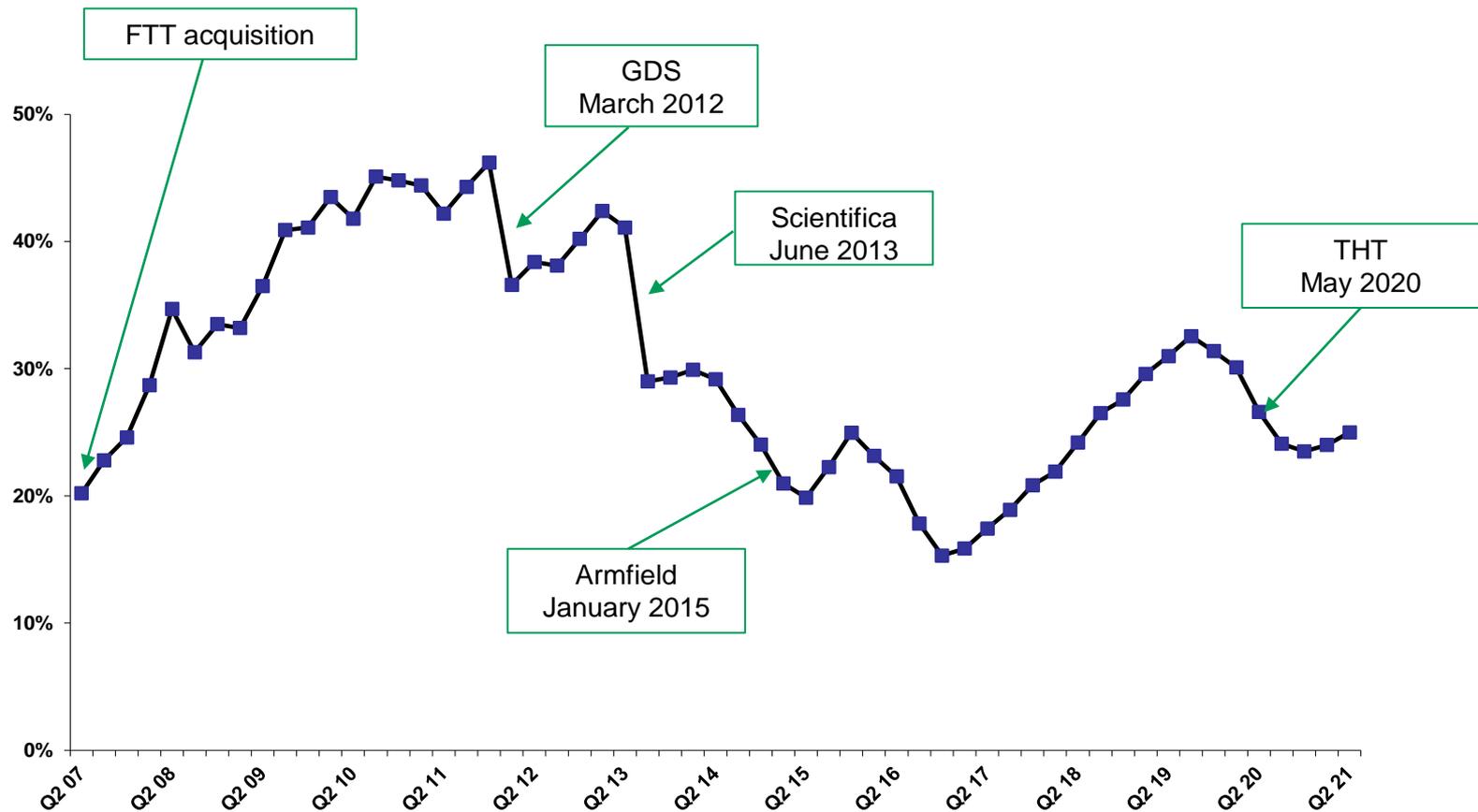
Cash conversion back to normal levels – 91%

Armfield DB pension scheme liability decrease due to increased discount rate

Cashflow summary	H1 2021 (£m)	H1 2020 (£m)
Adjusted EBITDA	9.8	7.6
Working capital movements	(1.6)	(2.1)
DB pension contributions	(0.2)	-
Exceptional transaction costs	-	(0.4)
Cash generated from ops	8.0	5.1
Tax	(0.6)	(0.7)
Interest paid (exc. IFRS R-o-U)	(0.2)	(0.2)
IFRS 16 lease repayment	(0.5)	(0.5)
Capex (non-acquisition)	(0.9)	(0.7)
Capex (acquisition related)	(1.8)	(7.3)
Repayment of borrowings	(1.9)	(1.4)
Drawdown for acquisition	-	5.3
Drawdown for working capital	-	5.9
Issue of shares	0.1	0.6
Movement in cash	2.1	5.2

Return on Total Invested Capital

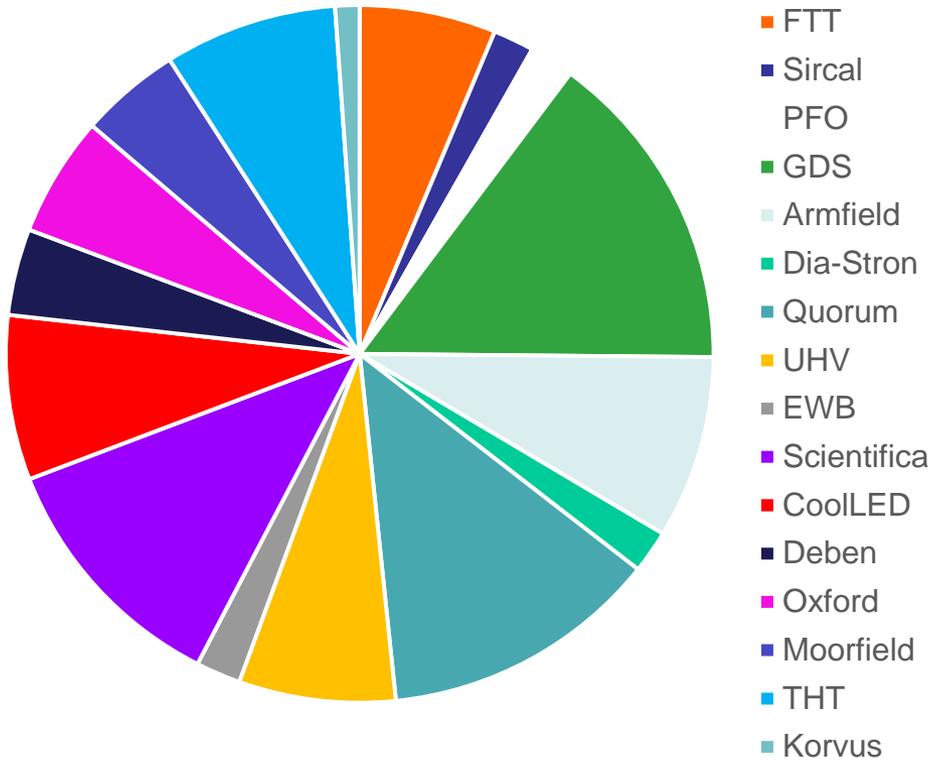
ROTIC (Trailing 12 months)*



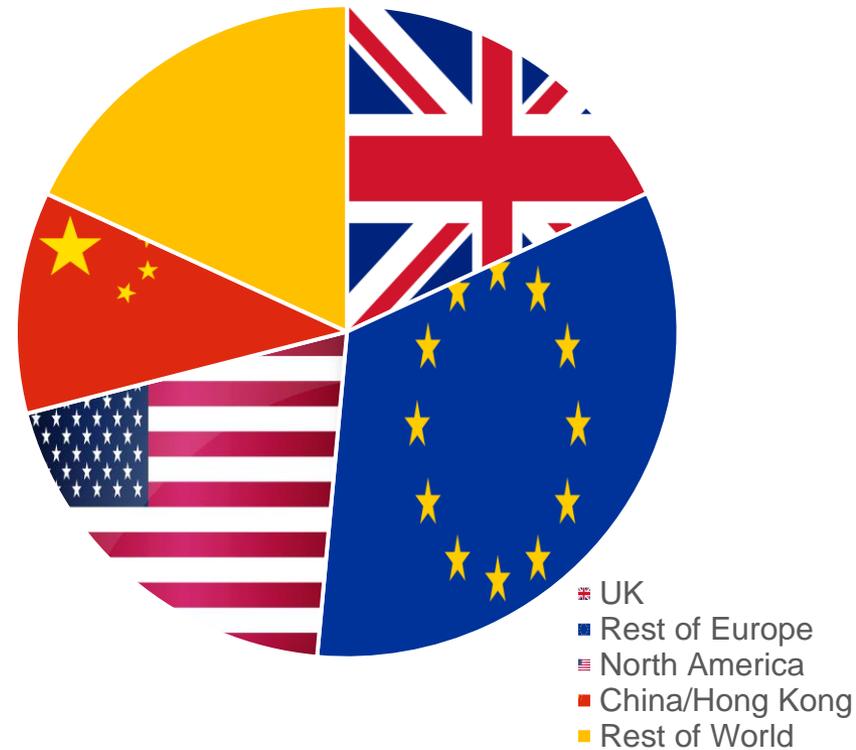
*excludes central costs and properties, and the effect of R&D capitalisation

Diversification

Group revenue

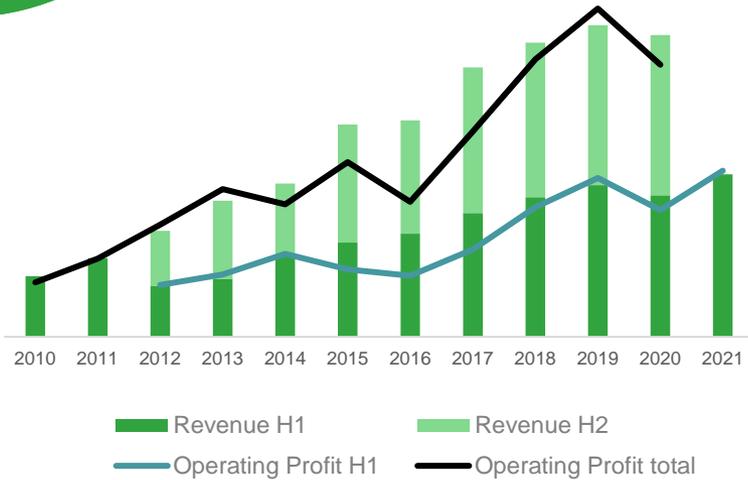


Group revenue by geography



Financial history

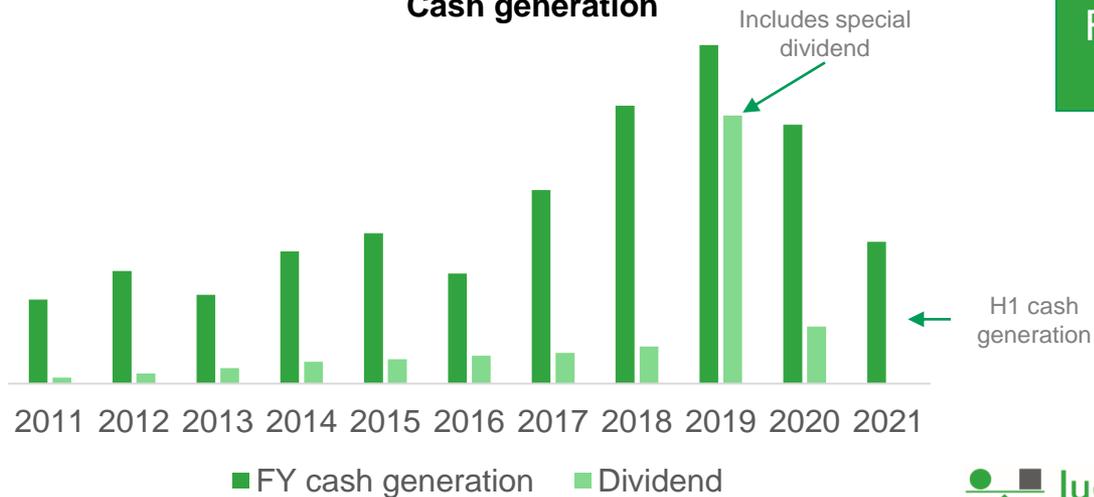
Revenue and profit



EPS and Dividends (Excluding special dividends)



Cash generation



Focus on cash generation

COAGR 7.1%
for past 12 full
years

Refinancing of the Group's banking facilities

- New 5 year £60m facility from Lloyds in May 2021 replaced £35m facility
- £19m term loan; £35m Revolving Credit Facility; £6m accordion
- Covenants consistent with previous facility
 - Gearing no greater than 2.5 times Adjusted EBITDA
 - Interest cover no less than 3 times
 - Adjusted EBITDA >£7.5m plus 75% of any future acquisition's EBITA
- RCF undrawn providing significant acquisition firepower
- Term loan repaid on straight line basis over 5 years
- Accordion will increase in line with repayments on term loan keeping facility at £60m

Growth strategy



Growth drivers

- M&A
 - Many global niches
 - Over 2,000 privately held businesses in the UK
- Organic growth through
 - Long term secular organic growth trends in science
 - Global higher education
 - Process optimisation
 - Research and Development
 - 5-6% of annual revenue
 - Business optimisation
 - Leadership programme

Acquisitions



Acquisition criteria

- Strict acquisition discipline
- Acquisition attributes:
 - Strong exporters in their global niche markets; solid EBIT margins
 - Generate sustainable profits and cashflows
 - Pay 3 to 6 times EBIT according to size
 - Borrow up to 2.5 times EBITDA @ 2 to 4%

Long deal
incubation
period

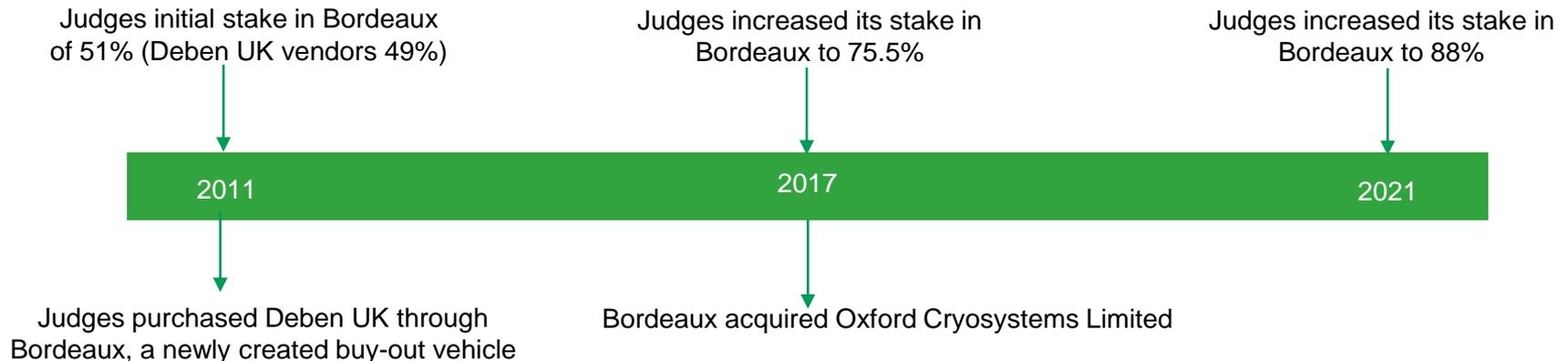
Crystallisation
notoriously
erratic

Financial
certainty for
seller

Honourable in
process

Further investment

- Increased interest in majority owned subsidiary Bordeaux Acquisition Limited from 75.5% to 88% in February 2021
- Consideration was £1.8m (based on an EV of £12.9m plus excess cash)
- In 2020, Bordeaux generated £2.8m EBIT

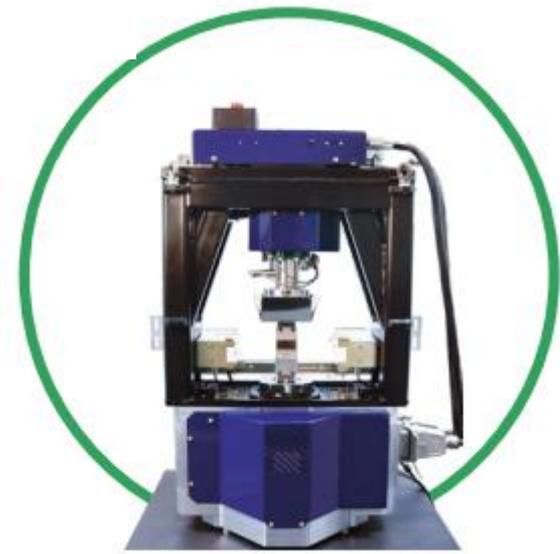


Post acquisition

- Financial
 - Implement robust financial controls
 - Reduce debt and reinvest in further acquisitions
- Operational
 - Create environment for businesses to continue to thrive
 - Support and advice for entity management teams
 - Peer networking and collaboration
 - Internal benchmarking to encourage optimal performance
- Strategic
 - Succession planning
 - Leadership programme
 - Long term focus

.... Whilst maintaining autonomy

Outlook and investment case



Outlook

Confident in business model

Strong balance sheet

Long-term fundamentals of the Group unchanged

Unhindered ability to execute deals

Focused on shareholder value

Uncertainty remains

Our markets are global and still affected by the uncertainty of the pandemic

Capital expenditure freezes are still affecting some of our operations

Supply chain issues, which were benign in 2020, are now more prevalent

Current trading

YTD August organic order intake remains positive and was 23% up on 2020

Total order book of 20.1 weeks at 31 August

Board confident that performance for the full year will be ahead of market expectations

Investment Case



- Robust business model; pursued with discipline
- Large pool of targets, every acquisition is earnings enhancing
- Strong long-term growth drivers in higher education and process optimization
- Well diversified by geography and by scientific application
- Management focused on shareholder value – profitability, cash generation, debt reduction, dividend growth and return on capital
- Dividend growth of 10+% for past 15 years, CAGR 23%
- Inheritance tax free shareholding after two years

Q&A

Appendices

- Management team
- Major shareholders
- Trading businesses
- ESG

Management team



- **Alex Hambro, Non-Executive Chairman**
 - Experienced adviser to private equity and VC funds and family office investors



- **David Cicurel, Chief Executive**
 - Founded Judges in 2002; Turnaround specialist and veteran deal-maker



- **Brad Ormsby, Group Finance Director**
 - Six years at Judges, previously CFO of Kalibrate Technologies plc; PwC trained Chartered Accountant



- **Mark Lavelle, Chief Operating Officer**
 - 15 years leadership experience at Halma plc including five years as Divisional CEO

**Owners of 15%
of equity**

Major shareholders – at 21 September 2021

David Cicurel (including SIPP, SIP and 50,000 non-beneficial)	709,486	11.2%
Liontrust	423,901	6.7%
Odin Global	374,476	5.9%
Danske Bank Asset Management	196,862	3.1%
Hargreaves Lansdown	191,730	3.0%
Stephen Upton & Jacqueline Upton	187,700	3.0%
Baillie Gifford	184,573	2.9%
Interactive Investor	183,220	2.9%
Blackrock	141,761	2.2%
Brown Shipley	125,896	2.0%
Tellworth Investments	119,305	1.9%
Berenberg	117,373	1.9%
Directors (excluding those listed separately above)	195,431	3.1%

Our businesses

1



FTT is internationally recognised as the world's leading supplier of fire testing instrumentation and has supplied the majority of leading fire research groups and testing laboratories around the world. Our directors and senior researchers participate in UK, ISO, CEN and ASTM standardisation committees to ensure that our instruments are always compliant. These include committees dealing with construction products, electro-technical products, furnishing products and transport applications for instruments such as the Cone Calorimeter, NBS Smoke Density Chamber, EN 50399 and SBI.

2



PE.fiberoptics is a leading manufacturer of test equipment that measures optical and physical properties of optical fibres and cables. Optical fibres are the main medium for long distance transmission of telecommunication data and form the backbone of the world's internet and telecommunications networks. Our products support the leading fibre and cable manufacturing companies around the world during production and in their quality assurance and R&D laboratories, and we export 95% of our products.

3



UHV Design, founded in 1993, specialises in the design, manufacture and supply of high precision motion, manipulation, heating and cooling (cryogenic) of samples for use in the high and ultra-high vacuum environments for materials research. Globally, our products are essential in major big physics experiments including:

- high energy particle accelerators such as CERN and SLAC; and
- synchrotron light sources including PSI (Swiss), Argonne (USA) and the UK's own facility, Diamond.

They are also used routinely in laboratory-scale R&D instrumentation focused on new state-of-the-art materials in: semiconductors, photovoltaics, catalysis and bio-compatible materials.

Our businesses

4



Aitchee Engineering is a well established precision engineering company that can offer high end sheet metalwork, laser cutting and CNC machining. We use state of the art software to take customers' drawings and turn them into manufactured goods in steel, aluminium, stainless steel, yellow metals or plastics. We can supply large batch-work, call off orders and R&D including prototypes; we can also offer manufacturing process assistance and value engineering

5



East Sussex-based Quorum Technologies manufactures market-leading scientific instruments primarily used for electron microscopy (EM) sample preparation. Electron microscopy is a key research tool in almost every area of scientific endeavour, from the fight against coronavirus and other diseases such as cancer, through to food safety and the development of advanced microelectronics and new materials. Key products:

- Q Series of vacuum coating systems; and
- PP3010T cryo preparation systems for SEM and FIB/SEM.

6



Sircal designs, manufactures and distributes rare gas purifiers typically for use in metal analysis utilising the Arc/Spark spectrometry technique. This technique provides qualitative and quantitative analysis of a metallic sample for determination of its purity. The products are sold worldwide to OEM customers (spectrometer manufacturers that use such purifiers in conjunction with their own instruments) or directly to end users such as metal manufacturers and dealers, and test houses.

Our businesses

7

DEBEN

Deben is a precision engineering company providing innovative solutions for SEM and μ X-Ray CT in-situ tensile testing. Deben also manufactures SEM detectors and a range of SEM accessories including motor control and heating and cooling stages.

Product groups:

- in-situ tensile and compression systems;
- accessories for electron beam applications; and
- imaging and detectors for SEM and TEM.

8



GDS designs, develops and manufactures equipment and software used for the computer-controlled testing of soils and rocks. This technology is used to evaluate the mechanical properties that are key in geotechnical and earthquake engineering design.

Services include:

- advanced systems for commercial soil and rock testing laboratories; and
- bespoke systems for university research in the engineering properties of soil and rock.

9

Scientifica

Scientifica is a multi-award winning, globally recognised manufacturer of advanced imaging, micro-positioning, and photomanipulation systems for neuroscience research. We develop cutting-edge equipment designed to enhance discoveries in neuronal electrophysiology, multiphoton imaging and optogenetics. Our world-class equipment enables researchers to conduct ground-breaking investigations of the nervous system and advance understanding of neurological diseases and processes. All equipment is manufactured in the United Kingdom and exported to more than 40 countries worldwide. We have offices in the UK and the USA, with product consultants based in Germany and China.

Our businesses

10



Armfield offers unrivalled experience in the design and provision of teaching equipment aligned to global agricultural, chemical, civil, environmental, geology and geography, marine, mechanical, public health and food technology curriculums from entry-level vocational training through to bespoke research flumes. The industrial division designs and manufactures complex research and development systems and processing lines, focusing primarily on the food, beverage, dairy, edible oil and pharmaceutical industries for businesses of all sizes from start-up companies to the world's leading brands.

11



CoolLED designs and manufactures cutting-edge illumination systems for microscopy and other applications, pioneering the use of LEDs as controllable and environmentally friendly replacements for mercury-based lamps. Our expertise spans optical engineering and the life sciences, driving the development of our vast product range which includes:

- the award-winning triple-wavelength pE-300 Series for everyday fluorescence microscopy;
- 16-wavelength pE-4000 for high end research;
- pE-340fura for Fura-2 ratiometric calcium imaging;
- and pT-100 for transmitted light imaging techniques.

We continue to push the boundaries with our OEM service and an exciting development plan.

12



Dia-Stron is the leading manufacturer of automated measurement systems for single fibres and filaments, with our expertise globally recognised by the R&D community.

Our instrumentation provides a full range of fibre measurement capabilities; dimensional/mechanical properties, interfacial evaluation and fatigue failure analysis. Additionally, Dia-Stron contract testing services are a key offering in building long-term relationships with our customers. We deliver measurement solutions to support:

- the hair care industry with product development/advancing hair fibre science; and
- the technical fibre market with the development of fibre composite materials.

Our businesses

13

EWB Solutions Ltd

EWB Solutions specialises in the design and manufacture of edge-welded metal bellows where a high integrity hermetic seal is required in the presence of an applied movement. Supplied globally, EWB bellows are produced in a wide range of materials, meeting a variety of life and environmental constraints for applications within a diverse range of industries such as semiconductor processing, particle physics experimentation, material/surface analysis, oncology therapy and petrochemical processing.

14


OxfordCryosystems

Oxford Cryosystems is a market-leading manufacturer of cryogenic devices. Spun out of Oxford University in the 1980s, the company designs and manufactures a range of nitrogen and helium-based low temperature devices which are exported to leading research institutes worldwide. Oxford Cryosystems products are used in fields as diverse as the characterisation of individual molecules to the mapping of deep space.

15

MOORFIELD
NANOTECHNOLOGY

Moorfield Nanotechnology design and manufactures R&D/pilot-scale laboratory systems to a global customer base in academic and industry. Core ranges are vacuum deposition products (MiniLab and nanoPVD) for production of high quality metal, inorganic and Organic films used throughout various high technology fields. Standalone and benchtop models are available, to match budgets and facilities. More recently, the company has expanded into applications in carbon nanomaterials with its range of nanoCVD and nanoETCH tools. Aside from deposition, the company also supplies portable HEPA-filtered cleanroom solutions through its clean environments division.

Our businesses

16



THT is a world leader in the design, manufacture and supply of specialised calorimeters for use in the chemical and battery industries. Application areas include process development, optimisation and safety of chemical reactions, and determining performance and safety characteristics of batteries. THT has over 25 years' of calorimetry experience and offer a full range of adiabatic, reaction, and isothermal calorimeters. THT's products allow measurement of heats of reaction, derivation of kinetic parameters, assessment of maximum safe temperatures, and pressure generation.

17



Korvus Technology sells and manufactures highly modular thin film deposition systems designed to allow custom-built systems to be assembled from standard parts. The systems are employed in academic and industry settings to advance research into novel thin film materials; most recently with heavy emphasis on Li battery research. The company is built on over 20 years of experience in the thin film technology market, designing, manufacturing and installing HV and UHV deposition systems. The company's HEX platform offers an un-matched level of user control and customization, designed to incorporate the latest thin film technologies and performance into a bench top PVD system.

Environment, Social & Governance

Environment

- Defined policy to minimise environmental impact across all aspects of business, including consideration for energy consumption and packaging of instruments.
- Nature of our business is not capital intensive manufacturing and environmental impact is limited.

Our culture

- Respect, openness, honesty and integrity in all of our actions and engagement with our business owners, staff and all stakeholders.
- Encourage all employees to be entrepreneurial. >40% of team are shareholders through our Share Incentive Plan.

Health & safety

- A key priority for the Group and subsidiary management teams is that all employees must be and feel safe.
- Implemented Group-wide annual independent health and safety review which evaluates compliance and provides management with feedback for continuous improvement.

Social

- Supporting equal opportunities to build a meritocratic work environment for all.
- Built a good reputation in the local community dealing fairly with staff, customer and suppliers.
- Active supporter of local community causes.

Governance

- Adopted the principal provisions of the QCA Governance Code.
- Commitment to stakeholder engagement with active engagement throughout the calendar year.